

Special Economic Zones

In Zimbabwe we are more inclined to the multi-sector Special Economic Zone approach as opposed to single entity operations with an inclination towards export processing zones

As such we encourage designation of multi – sectoral zones which can accommodate more players across all value chains.

Designated Special Economic Zones requiring investments are:

1. **Victoria falls (Masuwe) SEZ** - 1 200 ha
2. **Sunway City SEZ** - 1 090 ha
3. **Umvumela** - 186 ha
4. **Belmont/Donnington/Kelvin** - 3000 ha
5. **Fern Hill (Mutare)** - 90 ha
6. **Beitbridge** - 106 ha

Special Economic Incentives

- Zero rated Corporate Tax first 5 years
- Special Initial Allowance – 50% of cost from year 1 and 25% in 2 subsequent years.
- 15% flat rate tax for specialized expatriates
- Exemption from Non-residents withholding tax on fees on services that are not locally available
- 100% customs duty rebate on all imported raw materials, equipment, and machinery
- Exempt from the requirement to obtain import and export permits
- Exemption from Non-residents withholding tax on Royalties
- Exemption from Non-residents withholding tax on Dividends
- Non-resident employees may be paid their emoluments in foreign currency;
- Investors can be paid their interest, dividends and profit in foreign currency
- Investor facilitation and aftercare services across all Government entities and agencies

For additional information on SEZ development in Zimbabwe kindly refer to link:

<https://online.flippingbook.com/view/1042959405/>

Exchange Control Provisions

Foreign investors, including Zimbabweans in the Diaspora, willing to invest in any of the Zimbabwean sectors will enjoy the following provisions:-

- No restriction on the amount of foreign currency brought into the country;
- Foreign Investors can freely remit their capital plus appreciation upon disinvestment to the destination of their choice.
- Equity investment in cash through normal banking channels or capital equipment;
- 100% repatriation of disinvestment proceeds;
- 100% remittance of dividends to home country without restriction;
- Operation of Local Foreign Currency Accounts (FCAs);
- Borrowing from local financial institutions for working capital purposes;
- No restrictions on imports;
- Offshore borrowing permitted;
- Locally incorporated companies are allowed to borrow locally and offshore to finance their operations.

Security of Investment

Section 17 of the ZIDA Act, provides guarantees against expropriation

- (i) No—
- (a) investment shall be nationalized or expropriated; and
- (b) investor shall be compelled to cede an investment to another person, either directly or indirectly through measures having an effect equivalent to nationalization or expropriation,
- Section 12, deals with freedom of investment

Section 13 and 14, provides non - discrimination between domestic and foreign investment as well as non - discrimination, among foreigners

ZIDA

<https://zidainvest.com>

Diaspora Organization in USA

Coalition of Zimbabwean in DVM (COZDA)

Washington State Zimbabwe Golf Association

Zimbabwe Chamber of Commerce in USA