

# GUIDELINE FOR DEVELOPMENT AND MANAGEMENT OF SPECIAL ECONOMIC ZONES IN TANZANIA

President's Office, Planning and Investment SEPTEMBER, 2024



### THE UNITED REPUBLIC OF TANZANIA

### PRESIDENTS' OFFICE, PLANNING AND INVESTMENT



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SEPTEMBER, 2024

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### **LIST OF ABBREVIATIONS**

BwMBenjamin William MkapaBOTBank of TanzaniaCTIConfederation of Tanzania IndustriesECOsEco-Industrial ParksEIPsEco-Industrial ParksERPsEconomic Recovery ProgrammesEPZsExport Processing ZonesEPZsExport Processing Zones AuthorityESMPEnvironmental and Social Mitigation PlanFCCFair Competition CommissionFTZsFree Trade ZonesFVDPFive Years Development PlanIIDSIntegrated Industrial Development StrategyIPsIndustrial ParksLGAsLocal Government AuthoritiesNEMCNational Environmental Management CouncilNESFNational Economic Survival ProgrammeNSSFNational Social Security FundPPPPublic Private PartnershipSAPStructural Adjustment ProgrammesSEAStrategic Environmental AssessmentSEZsSpecial Economic ZonesSIDOSmall Industries Development PolicySOEState Owned EnterprisesSMEsSmall and Medium EnterprisesTANESCOTanzania Trade Development AuthorityTBSTanzania Bureau of StandardsTDVTanzania Investment CentreTPSFTanzania Revenue AuthorityUNIDOUnited Nations Industrial Development OrganizationTRATanzania Revenue Authority	AIPs	Agro-Industrial Parks
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UNIDO United Nations Industrial Development Organization		
VPO Vice President Office		
	VPO	Vice President Office



### FOREWORD

It is with great pleasure that, I introduce a Guide for Special Economic Zone Planning, Development, and Management in Tanzania. The President's Office, Planning and Investment has prepared this guide to provide precise and relevant information regarding the opportunities and procedures for investing in Special Economic Zones. Importantly, this guide encompasses answers to various questions frequently asked regarding the procedures for developing, operating, and managing Special Economic Zones. It also provides relevant information regarding incentive packages and investment opportunities in the Special Economic Zones area. As Tanzania gears up to become an upper middle-income economy country by 2025, the Government has raised the opportunities for developing Special Economic Zones to fast-track development in various key economic sectors. Indeed, the development of the Special Economic Zones (SEZ) program and other related policies and strategies is instrumental in the implementation of Tanzania's Development Vision 2025.

The Sixth Phase Government of the United Republic of Tanzania, under the leadership, of Her Excellency President Samia Suluhu Hassan is leading the implementation of the Third National Five-Year Development Plan (FYDP III; 2021/22 – 2025/26). The Plan bears a theme of *Realizing Competitiveness and Industrialization for Human Development* that aims to increase efficiency and productivity in manufacturing using the resources available in abundance within the country.

The Government has put more effort into improving infrastructures such as road and railway networks; harbors; water and power supply; and telecommunication networks. Also, the Government has been improving the business environment through the implementation of Blue Print. All these efforts aim at making Tanzania's manufacturing and other economic sectors more competitive and promote investment undertakings in the whole industrial sector.

The President of the United Republic of Tanzania in her speeches has reportedly addressed the need to develop and promote modern Special Economic Zones. The Government is committed to supporting the development of Special Economic Zones to speed up the industrialization agenda.

The need for Special Economic Zones development in the country came up in 2005 when we adopted the Asian economic development model and the Mini Tiger Plan 2020 as a tool for the implementation of Tanzania Development Vision 2025. The main focus of the plan is to create employment by attracting foreign direct investment and promoting exports by developing Special Economic Zones (SEZ), in which industrial parks are one of the components.

In 2006, the first Government-owned SEZ was built at Mabibo External in Dar es Salaam. The SEZ was named after the 3rd Tanzanian President Benjamini Mkapa, and therefore called Benjamini William Mkapa Special Economic Zones (BWM SEZ). The BWM SEZ has



demonstrated to be a successful proof of the concept for the establishment of SEZ in Tanzania with diverse industrial activities.

Government-owned Special Economic Zones are at various stages of development in different regions such as Coastal, Dar es Salaam, Tanga, Kigoma, Manyara, Geita, and Mara. Depending on the type of the scheme, Government and Private SEZs are regulated under the umbrella of EPZA or TIC.

This Guide will be instrumental for existing and potential investors in special economic zones including industrial parks in Tanzania. I urge all stakeholders to profoundly follow this guide while planning, developing, and managing Special Economic Zones in Tanzania.



Prof. Kitila A. Mkumbo (MP),

Minister Of State, President's Office, Planning And Investment



### PREFACE

Over the past two decades, the President's Office, of Planning and Investment has been promoting the establishment of Special Economic Zones in the country to attract both local and foreign investors to attain inclusive and sustainable growth through industrial development. Special Economic Zones can be owned by the Government (Central and Local Government Authority), Private and Public Private Partnership (PPP). The investors have opportunities to be developers, operators, or both, and service providers.

The Government of Tanzania established and enacted the Special Economic Zones Act in 2006 to speed up the industrialization process by improving the legal and administrative framework. The establishment of the Special Economic Zones Act in 2006 is in line with the Government's strategy of achieving the Mini-Tiger Plan by 2020, with the objective of stimulating economic growth through export earnings and employment creation by attracting private domestic and foreign direct investment.

Additionally, in 1996, the Government launched the Sustainable Industrial Development Policy for Tanzania (SIDP, 2020) with the aim of achieving sustainable industrial sector growth in order to create favorable levels of employment, economic transformation, equitable development, Import Substitution Industry, and export promotion. In 2010 an Integrated Industrial Development Strategy (IIDS, 2025) was also adopted to promote efforts to achieve the SIDP goal of bringing the economy to a state of sustainable industrial development. The IIDS 2025 was formulated to provide concrete strategies to implement SIDP 2020 and build a competitive industry by putting in place a competitive business environment, improving existing development corridors, and promoting agriculture-led industrialization.

The Government is driven by the current need for Special Economic Zones in Tanzania as a platform to support industrialization, the present document is dedicated to providing a guide to investors who participate entirely in developing and operating these zones.

This guide has six sections: Section One expresses the background of the Special Economic Zone in Tanzania, its objectives, and beneficiaries; Section Two gives the overview of the Special Economic Zone development in terms of its context, the policy, legal, regulatory, and institutional framework as well as the current status of Special Economic Zone. Section three highlights fundamental issues in Special Economic Zones planning and development. Section Four narrates the operation and management of Special Economic Zones to ensure their sustainability, including critical information about investment facilitation and promotion such as investment opportunities available in the country and incentive packages in particular. Section Five explains the monitoring and evaluation framework for Special Economic Zones in order to ensure its sustainability. Section six highlights potential Special Economic Zones risks and mitigation strategy



I, therefore, take this opportunity to warmly welcome you to invest in the Special Economic Zone including Industrial Parks and Presidents' Office, Planning and Investment assures you of continued support to make your projects productive and profitable.

Tangual

**Dr. Tausi Mbaga Kida** Permanent Secretary



### ACKNOWLEDGEMENTS

The guide has been prepared by the President's Office, Planning and Investment under the leadership of Hon. Prof. Kitila A. Mkumbo (MP), Minister of State, President's Office, Planning and Investment, Dr. Tausi M. Kida, Permanent Secretary and the entire Management of Ministry of President's Office, Planning, and Investment.

Special appreciation to the technical team composed of Dr. Jumanne Gomera (Consultant), Aristides Mbwasi (Director of Private Investment Sector - POPI) Eng. Keneth Haule (Infrastructure Development Manager EPZA), Grace Lemunge (Manager, After Care Services - TIC), Eng. Caroline Valerian (Principal Industrial Engineer - MIT), Leonard Msafiri Assistant Commissioner for Lands Investment and Revenue - MLHHSD), Edward Kessy (Principal Customs Office -TRA), Charles Mkama (Principal Economist - MoF), Tully R. Mwamjengwa (Senior Monitoring and Evaluation Officer - PO-RALG) and team of officers from POPI starting with Dr. Asifiwe Kyando (Chief Internal Auditor – POPI), Moureen Guveti (Statistician - POPI) Stanley Sisti Mwami (Trade Officer – POPI), Noel Kweka (Trade Officer – POPI), Biveline Mushumbusi (Economist - POPI), Hassani Mwinyimkuu (Planning Officer - POPI), and Raphael Kombo (Monitoring and Evaluation Officer - POPI). The team has benefited from the support of the Special Economic zones and Industrial developers, operators, and Parks regulator, particularly, Mr. Charles Itembe – Director General-EPZA.

Last but not least, I would like to acknowledge TradeMark Africa, who facilitated the preparation of this guide.

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# INTRODUCTION



#### SECTION ONE

### INTRODUCTION

#### 1.1 Background

Tanzania's economic development is guided by the Tanzania Development Vision (TDV) 2025, which has accorded the Industrial Sector a grand role in transforming the economy from a low-productivity agricultural economy to a semi-industrialized middle-income status. Such an economy is expected to be led by modernized and highly productive agricultural activities, effectively integrated and reinforced by supportive industrial and service infrastructure in the rural and urban areas. In executing Vision 2025, a Long-Term Perspective Plan (LTPP), 2011/12 - 2025/26 was prepared and implemented through three (3) phases of five-year development plans, each with a specific theme geared towards achieving the objectives of the TDV 2025. The First Five Years Development Plan (FYDPI) 2011/12-2015/16, was anchored on addressing industrialization challenges such as infrastructure bottlenecks, skilled labor, general business environment, and productivity enhancement in agriculture as a major raw materials supplier for manufacturing. On the other hand, the Second Five Year Development Plan (FYDPII) 2016/17 -2020/21 focused on fostering industrialization to enhance economic transformation and human development.

Currently, the Government is implementing the Third National Five Years Development Plan (FYDPIII) 2021/22 - 2025/26, with the theme "Realizing Competitiveness and Industrialization for Human Development," which will provide a platform to create a competitive economy and achieve the goals postulated in the Tanzania Development Vision 2025.

Export Processing Zones Act, CAP 373 R.E. 2012, and Special Economic Zone Act, CAP 420 R.E. 2012 guiding the implementation of the industrialization agenda. The policy mission is to contribute towards the achievement of overall national long-term development goals as treasured in the overall Development Vision and to enhance sustainable development of the industrial sector. The policy objectives include human development and creation of employment opportunities, economic transformation for achieving sustainable economic growth, external balance of payment, environmental sustainability, and equitable growth.

Priority shall be given to economic activities that have the maximum propensity to accelerate domestic production, export promotion, or employment generation. Also, to provide growth opportunities to all growth-oriented Small and Medium Enterprises (SMEs) and entrepreneurs through the provision of attentive supportive measures and linkage. Moreover, the SEZ policy aims to make Tanzania the industrial and logistic hub for East and Central Africa by building up an internationally competitive business environment through the development of industrial parks, institutional support, and infrastructure development.



As part of the implementation of the SEZ policy, in 2005, Tanzania adopted the Asian economic development model known as Mini Tiger Plan 2020 focusing on the creation of employment by attracting foreign direct investment and promoting exports through the establishment of Industrial Parks in the form of Special Economic Zones and Export Processing Zones.

#### **1.2 Concept of Special Economic Zone**

The concept of "special economic zones" tends to have different meanings in different contexts. The large number of terms and concepts associated with special economic zones is, among other reasons, the result of differences in the objectives, functions, or forms of these zones, and differences in the economic policy terminology of various countries.

In Tanzania, a special economic zone refers to an area of land set aside, planned, and zoned for industrial development with basic onsite infrastructure such as roads, transportation, and public utilities and industrial plots developed by the Government, private sector, or through PPP arrangement licensed by Export Processing Zones Authority or Tanzania Investment Centre.

#### **1.3** Frameworks for Special Economic Zones Development in Tanzania

The establishment of special economic zones will be divided into three categories namely: Government (Central or Local Government), Private Sector, or Public Private Partnership arrangement. The developer of the special economic zone (SEZ) from any of the categories mentioned can use either of the existing windows such as SEZ scheme (Industrial SEZ, IPs, Free Zones, Free Port Zones, and Logistics Centers), EPZ scheme, TIC scheme or the scheme for development of SMEs Industrial Parks.

#### **1.4** Rationale for Special Economic Zones

Special Economic Zones are an ideal catalyst for industrialization, economic development, and employment creation. It catalyzes on-site economies of scale in utilities, infrastructure concentration, and utilization. The development of Special Economic Zones will help firms to be competitive, stimulate innovation, promote investment, and foster social inclusion and environmental protection or conservation.

#### **1.5** Objectives of the Guide

The main objective of this guide is to provide guidance to investors on how to plan, develop, and manage special economic zones in Tanzania as a key strategy to facilitate industrialization and economic growth. The specific objectives are:

(i) To provide information and procedures related to planning specifically on land issues, feasibility studies, master plans, and environmental and social impact assessment;



- (ii) To guide licensing procedures for the development and operations of special economic zones in Tanzania;
- (iii) To provide information on incentive packages and facilitation for investors in Special Economic Zones;
- (iv) To provide direction on monitoring and evaluation for Special Economic Zones; and
- (v) To provide information on potential risks and mitigation strategies for Special Economic Zones.

#### **1.6** The Beneficiaries of the Guide

This guide targets mainly prospective local and foreign investors interested to develop and operate Special Economic Zones in different regions. It also targets public institution that provides supportive services required by investors. Specifically, the following are the beneficiaries of the guide:

- (i) Central and Local Government;
- (ii) Private and Public Partnership; and
- (iii) Private Sector (Local and Foreign investors).

#### **1.7** Organization of the Guideline

This guide is organized into five sections: Section One, expresses the background of Special Economic Zones, its objectives, and its beneficiaries in Tanzania; Section Two provides the overview of the Special Economic Zones development in terms of its context, the policy, legal, regulatory and institutional framework as well as the status of Special Economic Zones; Section three highlights fundamental issues in Special Economic Zones planning and development; Section four, narrates the operation and management of Special Economic Zones to ensure its sustainability including information about investment facilitation and promotion such as investment opportunities available in the country and incentive package in particular; and Section five gives the monitoring and evaluation framework for Special Economic Zones in order to ensure its sustainability; Section six highlights potential SEZ risks and mitigation strategy.



#### **SECTION TWO**

## TANZANIA'S SPECIAL ECONOMIC ZONES ECOSYSTEM: AN OVERVIEW

#### **1.1** Policy, Legal and Regulatory Framework

To guide the creation of Special Economic Zones, Tanzania has established a framework consisting of two legal documents. These are further explained below.

#### **1.1.1 Legal and Regulatory Framework**

#### 2.1.2.1 Export Processing Zones Act, CAP 373 R.E. 2012 and Special Economic Zone Act, CAP 420 R.E. 2012

In Tanzania, the Special Economic Zones are regulated by the EPZ Act and the SEZ Act and their regulations respectively through the Export Processing Zones Authority (EPZA). The EPZA is an autonomous Government Agency under the President's Office, of Planning and Investment.

EPZA was established by an Act of Parliament (EPZ Act, 2006) to create an industrial sector that focuses on International Competitiveness for Export-led Growth. However, in 2006 its mandate was expanded to oversee the SEZ Act and in that regard, EPZA is now mandated to initiate, plan, develop, and manage the operations of Export Processing Zones ("EPZ") and Special Economic Zones ("SEZ").

In totality, the Laws and Regulations guiding the development, operation, and management of Special Economic Zones in Tanzania are The Export Processing Zones Act, Cap. 373 R.E. 2012; The Export Processing Zones (General) Regulations of 2003; The Special Economic Zones Act, Cap. 420 Revised Edition of 2012; The Special Economic Zones Regulations of 2012; The East African Community Customs Management Act of 2004 (R.E. 2009); The Land Act, Act No. 4 of 1999; The Tanzania Investment Act (Cap 438 R.E. 2022); The Income Tax Act 2004; and The Tax Administration Act.

#### 2.1.2.2 The Tanzania Investment Act (Cap 438 R.E. 2022)

The Tanzania Investment Centre (TIC) was established in 1997 by the Tanzania Investment Act to be "the Primary Agency of the Government to coordinate, encourage, promote and facilitate investment in Tanzania and to advise the Government on investment policy and related matters."

Also under the TIC Act, the authority conferred upon it by Part III, Section 20-24 of the Tanzania Investment Act, 2022 offers a package of tax incentives to the Special Economic Zones investors. The holders of the certificate of incentives are entitled to various investment incentives as stipulated in the Investment Act, 2022.



#### **1.1.2 Institutional Framework**

There are several institutions that facilitate, support, and regulate the establishment and management of Special Economic Zones in Tanzania. These institutions include, but are not limited, to the following institutions, and their respective roles are described in Table 1 below:

# Table 1: Supportive Institutions on Industrial Parks Development in Tanzania

No.	Name of Institution	Role		
	President's Office, Planning and	(i) Formulate and monitor the implementation of Policies on Investment.		
	Investment.	(ii) Coordinate the Promotion and Facilitation of both Domestic and Foreign Investment.		
		(iii) Coordinate International Organizations related to Investment.		
		(iv) Monitoring Performance of Extra Ministerial Departments, Parastatal Organisations, Agencies, Programmes, and Projects under the Office including the Planning Commission affairs, Office of Treasury Registrar affairs, Tanzania Investment Centre affairs, and Export Processing Zones Authority affairs.		
	Planning Commission	(i) Prepare long-, medium and short-term development plans and advise the government on national priorities given the limited resources available. Scrutinize and recommend projects to be financed through alternative project financing (APF) to build supportive infrastructures in designated SEZs and EPZs.		
	Ministry of Industry and Trade.	(i) Oversees the implementation of Industrial Policy in the country.		
		<ul> <li>(ii) Ensures the growth of industrial productivity through the facilitation of technology transfer, skills development, and extension services.</li> </ul>		
	Ministry of Finance	(i) Provide guidance to the establishment of Special Economic Zones in the form of PPP		



No.	Name of Institution	Role
	Prime Minister's Office (Labour, Youth, Employment and People with Disabilities).	<ul> <li>(i) Avails information on labor rules and regulations for park investors.</li> <li>(ii) Initiates and leads a tripartite engagement with employer and employee associations within and outside of Industrial Parks.</li> <li>(iii) Assign labor inspectors to follow up and supervise on implementation of labor law investors.</li> </ul>
	Prime Minister's Office (Coordination).	<ul><li>implementation of labor laws by investors.</li><li>(i) Coordinates all Government Businesses including Investments.</li></ul>
	Vice president's office.	(i) Oversees environmental issues in the Special Economic Zones.
	Ministry of Land, Housing and Settlement.	<ul> <li>(i) To provide sustainable development of lands in Special Economic Zones.</li> <li>(ii) Provision of the title deeds for the Special Economic Zones.</li> <li>(iii) Preparation of the land use master plan.</li> </ul>
	The Ministry of Infrastructure	(iv) Responsible for coordinating and financing the development of the infrastructure of the country. Its mandate includes marine, aviation, roads, and other construction projects.
	Export Processing Zones Authority (EPZA).	<ul> <li>(i) Initiator of Special Economic Zones.</li> <li>(ii) Overall Management of Government-owned Special Economic Zones.</li> <li>(iii) Special Economic Zones facilitator.</li> <li>(iv) Provision of industrial Infrastructures.</li> <li>(v) Registering, Licensing, and Permitting IP developers, operators, and service providers.</li> <li>(vi) Issues building permit.</li> <li>(vii) Issues derivative rights to investors.</li> <li>(viii) Issues tax incentive.</li> </ul>
	Tanzania Investment Centre (TIC).	<ul> <li>(i) Coordinates, encourages, promotes, and facilitates general investment in Tanzania.</li> <li>(ii) Advises Government on Investment Policy.</li> <li>(iii) Facilitates Investors obtaining necessary permits and certificates.</li> <li>(iv) Registration and provision of Certificate of Incentives to private SEZ developers.</li> </ul>



No.	Name of Institution	Role		
	Business Registration and Licensing Authority (BRELA).	(i) Provides commercial registration and licensing services		
	National Development Corporation (NDC).	(i) Promote, support, and develop strategic Industrial projects.		
	Tanzania Revenue Authority (TRA).	<ul> <li>(i) Collects revenue from customs duties and other taxes.</li> <li>(ii) Administers tax incentives given to investors.</li> <li>(iii) Provides customs clearance and facilitation service for import and export items.</li> <li>(iv) Provides on-site customs clearance in Special Economic Zones.</li> </ul>		
	Bank of Tanzania (BOT).	<ul> <li>(i) Manages the country's foreign exchange reserve; ensures effective use of such reserve through monetary and financial regulations.</li> <li>(ii) Issues approval of transactions involving foreign hard currency (investment capital inflow, repatriation of funds, suppliers' credit, export/ import bank permit, etc).</li> </ul>		
	Water Supply Authorities.	(i) Provide water supply infrastructure.		
	Tanzania Electricity Supply Company (TANESCO).	(i) Provide and administer power plants in the country.		
	Tanzania Bureau of Standards (TBS).	(i) Provides guidance on standards and quality assurance matters		
	Tanzania Trade Development Authority (TANTRADE).	<ul> <li>(i) Fosters better market access conditions for Tanzanian products at domestic, regional, and international markets.</li> <li>(ii) Facilitates the establishment of facilities and infrastructure for holding trade fairs countrywide.</li> <li>(iii) Provides market linkages and opportunities.</li> </ul>		
	Fair Competition Commission (FCC)	<ul> <li>Promotes and protects effective competition in trade and commerce and protects consumers from unfair and misleading market conduct.</li> </ul>		
	Local Government Authorities (LGAs)	<ul> <li>(i) Allocate land for Special Economic Zones.</li> <li>(ii) Provide guidance to investors on the development of Special Economic Zones in their respective areas.</li> <li>(iii) Coordinate and work together with EPZA and TIC on Special Economic Zones planning, development, and management.</li> </ul>		



No.	Name of Institution	Role
	SIDO	<ul><li>(i) Provide consultancy and training services to strengthen the competitive ability of small-scale industries.</li><li>(ii) Fostering the development of small-scale industries.</li></ul>
	NEMC	<ul> <li>(i) Oversee the implementation of the legal and institutional framework for sustainable management of the environment, prevention, and control of pollution, waste management, environmental quality standards, public participation, environmental compliance, and enforcement.</li> </ul>
	OTHER SUPP	ORTING PRIVATE SECTOR INSTITUTIONS
	Tanzania Private Sector Foundation (TPSF).	<ul> <li>(i) To provide, encourage, and coordinate Private investment in Special Economic Zones.</li> <li>(ii) To provide guidance, advisory, and consultancy services to investors on the development of Special Economic Zones.</li> <li>(iii) To promote PPP investment in the development of Special Economic Zones.</li> </ul>
	Confederation of Tanzania Industries (CTI).	<ul> <li>(i) To lobby and advocate for an effective legal and economic business environment in which Special Economic Zones can strive.</li> <li>(ii) To provide advisory and consultancy services to investors on the development of Special Economic Zones.</li> </ul>
	Tanzania Chamber of Commerce, Industry and Agriculture (TCCIA).	<ul> <li>Provide linkage and operate a number of signed Memorandum of Understanding with International and local organizations. This includes Governmental organizations, Chambers of Commerce, Industry, and Agriculture; Investment centers, Confederation of Industries, SMES organizations, sectorial associations, and multilateral companies.</li> </ul>

### 2.2 Status of Special Economic Zones in Tanzania

For the past 16 years, the Government through the Export Processing Zone Authority has registered 34 Special Economic Zones. Out of 34 SEZ, seventeen (17) are publicly owned through EPZA, eleven (11) are owned by Private entities, four (4) owned by Local government and two (2) owned by the National Social Security Fund (NSSF) and Tanzania Ports Authority (TPA) respectively. as shown in Table 2 below. Morever Tanzania Investment Center has registered 31 private owned Industrial Parks across the country.



No.	Name of Industrial Park	Location	Status (Stage)		
	2 (a): 13 Industrial Parks Owned by the Government				
1.	Benjamin William Mkapa SEZ	Dar es Salaam	Fully Operational		
2.	Mtwara Free Port Zone	Mtwara	Operational		
3.	Bagamoyo SEZ	Coast Region	Under Development		
4.	Manyara SEZ	Manyara	Under Development		
5.	Mwanza Tannery SEZ	Mwanza	Partily Developed		
6.	Mkata Sawmill SEZ	Tanga	Acquisition Stage		
7.	Bunda SEZ	Mara	Under Development		
8.	Shinyanga (TPL) SEZ	Shinyanga	Planning		
9.	Nachingwea (Cashewnut) SEZ	Lindi	Under Development		
10.	Nachingwea (Mafuta Ilulu)	Lindi	Under Development		
11.	Kwala SEZ	Coast Region	Under Development		
12.	Chang'ombe National Steel SEZ	Dar es Salaam	Under Development		
13.	Mbeya (TPL) SEZ,	Mbeya	Planning		
14	Tanga SEZ	Tanga	Under Development		
15	Manyoni SEZ	Manyoni	Under Development		
16	Ruvuma SEZ	Ruvuma	Under Development		
17	Nala SEZ	Dodoma	Under Development		
No	Name of Industrial Park	Location	Status (Stage)		

#### Table 2: List of Government and Private owned Industrial Parks

2 (b): 3 Industrial Parks Owned by Regional Secretariats

1.	Kigoma SEZ	Kigoma	Under Development
2.	Buzwagi SEZ (Kahama)	Kahama	Partily Developed
3.	Nyashimbi SEZ	Kahama	Planning
4	Nyamhongolo SEZ	Mwanza	Under development

	2 (c): 1 Industrial Park Owned by NSSF & TPA			
1.	Hifadhi EPZ	Dar es Salaam	Operational	
2	Mtwara Free port zone	Mtwara	Operational	



	2 (d): 9 Industrial Parks Owned by Private Sector				
1.	Kamal Industrial Estate	Bagamoyo	Partially Developed		
2.	Star City SEZ	Morogoro	Under Development		
3.	Kigamboni SEZ	Dar es Salaam	Under Development		
4.	Kilimanjaro SEZ	Dar-es- Salaam	Planning		
5.	Kilwa Business Park	Lindi	Under Development		
6.	Ming Xin Co. Ltd	Mlandizi	Under Development		
7.	Mkinga SEZ	Tanga	Under Development		
8.	Vigor SEZ	Kisarawe	Under Development		
9.	Magnis Technologies (T) Ltd	Ruangwa	Under Development		
10	Ruangwa SEZ	Ruangwa	Under Development		
11	Mkinga SEZ	Mkinga	Under Development		

#### **1.1.1** Prospective Areas for Special Economic Zones Establishment

The Presidents' Office, Planning and Investment in collaboration with Regional Administration and Local Government Authorities has identified prospective areas for Special Economic Zones development in the country. The development of the Special Economic Zones is created on a thematic approach whereby each Special Economic Zones will be developed based on unique available raw materials, Infrastructure, and proximity to the international markets.



### SPECIAL ECONOMIC ZONE PLANNING AND DEVELOPMENT

#### **1.1** Planning of Special Economic Zones

Special Economic Zone development involves careful planning and oversight. The planning process is done by the SEZ developer, who is either the Government, Private, or Private Public Partnership. Successful Special Economic Zones planning requires various stakeholders and professionals in the multi-disciplinary field such as engineers, urban planners, economists, risk management specialists, financial analysts, valuers, real estate economists, project analysts, business analysts, property and facilities specialists, and monitoring and evaluation team.

The principal steps in planning a Special Economic Zones include:

- . Formulation of Business case that involves conducting pre-feasibility studies to inform project financiers about preliminary investor needs and the appropriate Special Economic Zones value proposal, as well as on the Special Economic Zones proposed conceptual master plan and financial models;
- . Pre-identification of suitable zone location/sites based on feasibility studies, land use master plan including logistics connectivity assessments, and basic environmental and social assessments of the sites;
- . Detailed feasibility study of the selected site, including refined market research and investor demand analysis, full environmental and social impact assessments, site master planning, and financial modeling;
- . To maximize the effectiveness of Special Economic Zones (SEZs), their establishment should be strategically planned. This means placing them in locations that leverage a region's inherent strengths and economic advantages, based on the principle of comparative advantage. By focusing on areas with a natural fit for specific industries, SEZs can unlock their full potential for growth success; and
- . Financial structuring and agreement with appropriate financial backers and institutions.

#### **1.1.1 Planning Procedures**

Planning of Special Economic Zones needs a systematic procedure to facilitate sustainable operations including Site Selection, Land Acquisition, Feasibility Study, Master Plan, Infrastructure Development, and Construction of Buildings as stipulated in Tables 3 and 4 below.



Table	3:	Planning	Process	<b>Procedures</b>
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No.	Area	Process
	Site Selection	Selection criteria: (i) Geographical consideration (ii) Raw material availability (iii) Vicinity to infrastructure (iv) Availability of skilled labor (v) Gathering geographical Information data (GIS) (vi) Carry out Pre-Feasibility Study
	Land Acquisition	<ul> <li>(i) The acquisition process starts with a land survey, land valuation, and then payment of land compensation (if applicable).</li> <li>(ii) Obtain all relevant legal documents from Government authorities (Title Deed or Lease Agreement as appropriate)</li> </ul>
	Feasibility Study	Carry out a detailed Feasibility Study (including property market analysis to determine neighboring or comparable facilities as well as consumer behavior) (i) Business plan (ii) Financial Modelling (iii) Economic Impact Assessment (iv) Corporate and Legal Structure (v) Marketing and Pricing Strategy
	Master Plan	(i) Carry out master planning and land use plan
	Environmental Assessment	<ul><li>(i) Carry out Strategic Environmental Assessment (SEA)</li><li>(ii) Carry out an Environmental Impact Assessment (EIA)</li></ul>
	TP Drawings	(i) Preparation of Town Plan drawings and detailed design for the infrastructure
	Infrastructure Development	<ul> <li>Development of onsite infrastructure i.e., Roads, Power, Gas, Communication Networks, Water, Drainage and sewage systems, and Waste treatment and disposal (Effluent Treatment Plant &amp; Solid Treatment Plant).</li> </ul>
	Construction of Buildings	<ul> <li>(i) Industrial sheds</li> <li>(ii) Administrative buildings</li> <li>(iii) Shopping arcades</li> <li>(iv) Storage facility (Dry and Cold)</li> <li>(v) Fire points</li> <li>(vi) Food Court etc.</li> </ul>



No.	<b>Critical Success Factors</b>	Evaluation Parameter
	Land Status	<ul> <li>(i) Availability</li> <li>(ii) Clean title Deed</li> <li>(iii) Land price (or Valuation report which offers an informed market value opinion)</li> <li>(iv) Time required or other challenges in acquisition</li> <li>(v) Cost of development</li> </ul>
	Connectivity	<ul> <li>(i) Distance of identified site from the nearest basic enabling infrastructure</li> <li>(ii) Distance from major population and distribution centers</li> </ul>
	Raw Materials and Services	<ul><li>(i) Availability of raw materials in the area</li><li>(ii) Proximity to service providers</li></ul>
	Physical Features	<ul> <li>(i) Plot size and shape</li> <li>(ii) Topography, including grading and drainage conditions</li> <li>(iii) Soil conditions</li> <li>(iv) On-site resources such as water resources;</li> <li>(v) Accessibility.</li> </ul>
	Infrastructure	<ul> <li>(i) Industrial power, gas, and renewable energy sources</li> <li>(ii) Communications network</li> <li>(iii) Water for industrial use</li> <li>(iv) Industrial and household sewerage disposal, effluents, and stormwater collection, disposal, and treatment points.</li> </ul>
	Environmental and Social Factors.	<ul> <li>(i) Site-specific environmental rules and guides</li> <li>(ii) Site-specific construction rules and guides</li> <li>(iii) Adjacency considerations regarding surrounding areas</li> <li>(iv) Local government and civil society support and commitment.</li> </ul>
	Business Considerations	<ul> <li>(i) Business presence in the area</li> <li>(ii) Business interest, as registered by relevant major trade associations and chambers of commerce</li> <li>(iii) Presence of complementing facilities and services</li> <li>(iv) Presence of competing facilities</li> <li>(v) Operational &amp; utility delivery costs</li> <li>(vi) Supporting business environments such as affordable labor force, presence of nearby central and local government services, and single-window facilities.</li> </ul>

#### **Table 4: Site Selection-Specific Success Factors**

#### **1.1.2 Salient Features of a Special Economic Zone**

Special Economic Zones essentially require different features that cover different types of industrial and non-industrial activities. The relationship between industrial, residential (e.g., worker housing), commercial, administrative, social,



and recreational zones, and the expanse and intensity of each use, have significant impacts on the nature of Special Economic Zones to be established.

Special Economic Zones will catalyze on-site economies of scale in utilities, infrastructure concentration, and utilization, for instance, waste collection and treatment, wastewater recycling, internal transport networks, street lights, and other amenities.

In this case, Special Economic Zones will have to include Industrial zones for targeted sectors, Amenities zones, Special infrastructure zones, Logistics zones, Utility zones, Residential zones, and green zones as detailed in Table 5 below.

Internal Zone	Facilities
Manufacturing zones	<ul> <li>(i) Industrial plots</li> <li>(ii) Standard-designed factory sheds for targeted sectors;</li> <li>(iii) Common facilities – warehouses, cold storage, quality control and testing lab,</li> </ul>
Amenities zones	<ul> <li>(i) Allied facilities – offices, information centres, training centres, research and development facilities, clinics, administrative buildings, fire stations, day care centres, etc.</li> <li>(ii) Commercial – Industrial outlets/showrooms, exhibition space/tents shopping centers, canteens, bank services, etc.</li> </ul>
Logistics zones	<ul> <li>Logistics - Loading and unloading yards, parking lots, packaging facilities, transportation hubs, cargo-handling centres, raw material collection, and storage depots, finished goods storage warehouses, and weigh stations.</li> </ul>
Utility zones	(i) Solid waste collection centers, electrical substations, Common Effluents Treatment Plants, etc.
R e s i d e n t i a l zones	(i) Multi-format worker housing, guest houses and hotels, serviced apartments and lodges, etc.
Green zones	(i) Green belts and buffer zones along the park's boundaries, lawns, parks and water features, gardens, internal walkways between zones

#### Table 5: Types of Zones inside a Special Economic Zone

#### **1.2 Eligibility Criteria for Special Economic Zones Developer**

#### 1.2.1 Size of Land

The minimum area for the establishment of a Special Economic Zone should be at least 20 acres for larger investors and 5 acres for SMEs operating under SEZ, EPZ, and TIC procedures.



#### **1.2.2 Licensing Procedures:**

Application for licenses for the development of Special Economic Zones shall be channeled via EPZA or TIC with the following documentation: -

- □ A duly filled application form.
- A certified copy of the Certificate of Company Incorporation.
- □ A certified copy of the company's Memorandum and Articles of Association.
- Project business plan.
- Three years of audited financial statements of the sourcing company.
- A certified copy of the title deed or lease agreement.
- A clearly defined project team.
- Architectural drawings and defined floor plans that communicate with each other where applicable.
- Company Board Resolution to register the Special Economic Zones or Industrial Park.
- **NB:** The overall Key Performance Indicators (KPIs) to be considered include Employment level, transfer of technology, and local content. The establishment of Industrial Parks in the remote area is more encouraged and highly facilitated.

#### **1.3** Development and Financing Mechanisms of Special Economic Zones

In the development of Special Economic Zones, the Government insists on the participation of the public and private sectors in order to execute their respective roles and responsibilities in terms of the designing, financing, ownership, and development of the project. In Tanzania, the common methodologies used in the development of Special Economic Zones Infrastructures include, but are limited to the following:

- (i) Wholly Government financing whereby infrastructure for such Special Economic Zones would be owned 100% by the Government. The key role of the Government is to develop the infrastructure and utilities of the Zone. The private sector participants may be welcomed to operate the Special Economic Zones, wholly or in partnership with the government agency.
- Wholly Private sector financing and as such the ownership of Special Economic Zones infrastructure becomes 100% by the Private sector in which case a SEZ is developed, owned, and managed wholly through the private sector;
- (iii) Public Private Partnership (PPP) where the Public Sector jointly develops and manages the Special Economic Zones Infrastructure with the Private Sector; and
- (iv) A Joint Venture (JV) where an arrangement between two or more entities that aims to develop and manage the Industrial Park Infrastructure.



Moreover, the basic elements of a Special Economic Zones development involve Designing, Building, Financing, Owning, and Operating as summarized in Table 6 below.

Bevelopinem				
Regulator (EPZA/ TIC)	Developer	Operator (User)	Service Provider	Owner
<ul> <li>(i) Designates land as Spe- cial Economic Zones</li> <li>(ii) Facilitates government services and coordinates public agency inputs to/with- in Special Eco- nomic Zones such as utilities</li> <li>(iii) Monitors and enforces com- pliance</li> <li>(iv) Issues Spe- cial Economic Zones Licenses and Certificate of incentives</li> </ul>	<ul> <li>(i) Owns/sub-leases land, finances, designs, plans, and manages development of Special Economic Zones basic infrastructure</li> <li>(ii) Develops land (grading, leveling, construction) and provision of basic infrastructure such as internal road networks, drainage and sewerage etc.</li> <li>(iii) Performs strategic planning</li> <li>(iv) Promote Special Economic Zones</li> <li>(v) Conducts Strategic Environmental Assessment (SEA)</li> </ul>	<ul> <li>(i) Owns/sub- lease land or industri- al shed</li> <li>(ii) Conducts Environ- mental Impact As- sessment (EIA)</li> <li>(iii) Provides value-add- ed manu- facturing</li> </ul>	<ul> <li>(i) Manages day- to-day services to users</li> <li>(ii) Facilitates mar- keting</li> <li>(iii) Facilities man- agement, leas- ing, and main- tenance</li> <li>(iv) Provides differ- ent services in the SEZ</li> <li>(v) Provides or con- tracts for solid waste removal and treatment, maintenance, security, etc.</li> <li>(vi) Utility mainte- nance</li> </ul>	<ul> <li>(i) Owns site land</li> <li>(ii) Performs strategic planning</li> <li>(iii) Initiates SEZ devel- opment</li> <li>(iv) Pays all or part of the cost of SEZ develop- ment</li> </ul>

Table 6: Key Stakeholders and their Roles for Special Economic Zones Development

**NB:** The roles of owners of SEZ developed under the mode of private-public partnership (PPP) will be similar to the roles stipulated in the PPP law and regulations.

#### 1.4 Special Economic Zones Investment Opportunities in Tanzania

There are numerous investment opportunities for the Special Economic Zones investors, particularly from the priority sectors which include: Agro-processing including food processing, leather processing and manufacturing of leather products, and textile and garments; fertilizer and chemical products; light manufacturing industries; Iron and steel industries; paper and paper products; pharmaceutical and medical devices; lapidary (gold, diamonds and gemstones including the famous Tanzanite); construction materials; and information



and communication technology (ICT) industries. The potential areas suitable for investment undertaking include Zone Infrastructure development, Zone Operation, and Service Provision.

#### **1.4.1** Development of Special Economic Zones Infrastructure

Special Economic Zone developers may have an opportunity to invest in the development of infrastructure. The government has earmarked areas for the development of Special Economic Zones throughout the country. New SEZ sites have been earmarked by EPZA and LGAs for development throughout the country. Infrastructure development opportunities vary from the development of wholly owned private industrial and/or commercial parks to various forms of private-public partnerships (PPP) with EPZA.

Also, there is an opportunity for the establishment of support infrastructure such as power generation plants, water reservoirs, sewerage treatment plants, and industrial buildings.

#### 1.4.2 Special Economic Zones Operations (User)

Special Economic Zones operator may undertake the zone operations and has the option to rent or buy factory sheds, or sub-lease developed land at a competitive rate. Investors can establish manufacturing operations in the Special Economic Zones using either the SEZ User License EPZ User License or TIC certificate of incentives and enjoy the lucrative incentives provided by the schemes.

#### **1.4.3** Provision of Services at the Special Economic Zones

Investors may take advantage of the existing / earmarked Special Economic Zones to provide services such as waste management services, telecommunication services, health services, logistics services, restaurant services, financial services, etc.



#### **SECTION FOUR**

### SPECIAL ECONOMIC ZONE OPERATIONS AND MANAGEMENT

#### 1.1 Special Economic Zones Operation (User)

Special Economic Zones operation involves renting or buying factory sheds, developing or sub-lease developed serviced plots at competitive rates, and establishing manufacturing using either the SEZ User License for the local market EPZ User License for the export market, or TIC certificate of incentives or Strategic investor status.

Some of the Special Economic Zones Operator's main activities are summarized in Table 7 below.

Park Operator (User)	Functions
Central Government through EPZA	<ul> <li>Own or lease plots or rent buildings within the Special Economic Zones</li> <li>Undertake Environmental Impact Assessment (EIA)</li> </ul>
Regional Secretariats and Local Government Authorities	<ul> <li>Bestablishing a manufacturing factory</li> <li>Obtain EPZ or SEZ Operator's license or TIC Certificate of Incentives</li> <li>Manage the factory/sector in accordance with the relevant Authority's guidance</li> </ul>
Private	Provides or contracts for solid waste removal and treatment, maintenance, security, etc.
Public-private partnership	

#### **Table 7: Functions of Special Economic Zones Operators**

#### 1.2 Special Economic Zones Service Provision

Special Economic Zones Service Provision involves the management of day-today services to users and the provision of services such as waste management services, telecommunication services, and banking services using SEZ permits. It involves the establishment of non-manufacturing business activities within the SEZ such as financial services (bank), catering, insurance company, cleaning and gardening, daycare center, supermarket, serviced apartment, and guest houses, etc.



Park Service Provider	Functions
Investor providing non-manufacturing services within the SEZ	<ul> <li>Own or lease plots or rent buildings within the industrial park</li> <li>Obtain EPZ or SEZ Service Provider's Permit</li> <li>Provide services in accordance with the Authority's guidance</li> <li>Site and Facilities Management</li> <li>Facility Leasing</li> <li>Performance Monitoring and Evaluation</li> <li>Improvements and maintenance</li> <li>Manages day-to-day services to users.</li> </ul>

#### Table 8: Functions of Special Economic Zones Service Provider

#### 1.3 Eligibility criteria for Special Economic Zones Operator (User)

#### 1.3.1 Licensing Procedures:

Application for licenses for operation of a Special Economic Zones shall be channeled via EPZA or TIC with the following criteria:

- (i) The investment must be new;
- (ii) Undertake value addition activities, i.e., it must be undertaking manufacturing activities or any other economic activities as stipulated in the SEZ Act;
- (iii) For EPZ licensing, 80% or more of produced goods must be exported (outside the EAC, the investment can be new or existing industries for Tanzanians);
- (iv) For SEZ licensing, the investor has 100% flexibility to sell produced goods in the domestic and foreign markets.
- SMEs can operate within SMEs industrial/commercial parks and are given SME permits from EPZA;
- (vi) Existing SMEs registered must have graduated from incubation parks or any other arrangements recognized by the government;
- (vii) The SME products expected to be produced must have all necessary certifications such as TBS certification/barcode etc.

Also, the following documentation must be submitted:

- (i) A filled application form from EPZA or TIC
- (ii) A certified copy of the Certificate of Company Incorporation
- (iii) A certified copy of the company's Memorandum and Articles of Association
- (iv) Project business plan
- (v) A certified copy of the title deed or lease agreement.



#### 1.3.2 Link for Application for Licenses

- (i) The application forms for EPZA (Annex 1) can be obtained via this link: <u>www.</u> <u>epza.go.tz</u> and email; <u>info@epza.go.tz</u>
- (ii) The Application forms for TIC (Annex 2) All inquiries should be submitted online through <u>www.tic.go.tz</u> / <u>info@tic.go.tz</u>
- (iii) Copy of the Certificate of Incorporation (*Business registration* (Annex 3) *certificate can be obtained via this link: <u>www.brela.go.tz / info@brela.go.tz</u>)*
- (iv) Through the following link <u>https://www.epza.go.tz/pages/sez-licence-and-permit#</u> an investor can obtain: the application form for Developer; Operator; and Service provider licenses.
- 1.4 Eligibility Criteria for Special Economic Zones Service Provider Permit

Service Provider Permit is issued to a business entity that will provide non-core business activities in the Special Economic Zones.

#### 1.4.1 **Procedures for obtaining a Service Provider Permit**

Application for permit to deliver various services of a Special Economic Zones shall be channeled via EPZA or TIC with the following documents:

- (a) Application form with commitment letter to deliver the services at agreed standards;
- (b) A company profile that shall include a checklist of necessary equipment possessed by the applicant for the provision of services applied for;
- (c) A certified copy of the memorandum of association or a charter or constitution incorporating the company;
- (d) A certified copy of the articles of association of the company or other rules for the conduct of the business of the company;
- (e) A certified copy of the certificate of incorporation;
- (f) Existing SMEs registered must have graduated from incubation parks or any other arrangements recognized by the government; and
- (g) The SME products expected to be produced must have all necessary certifications such as TBS certification/barcode etc.



#### 1.5 **Transfer of Developed Plots**

The transfer of developed industrial plots, factory sheds or warehouses can be done either through sales or leases. The decision to sell or lease depends on prevailing land law, market preferences, and the types of assets offered. Leasing provides the greatest market entry and exit flexibility, and the lowest financial barriers for SEZ residents as it does not require a large down payment. The sales and leasing price of serviced land and facilities depends on the location of the SEZ, and the extent of the available infrastructural facilities within it. The leasing and selling out of the developed SEZ must be in the form of derivative Rights for foreign investors.

#### 1.6 **Special Economic Zone Facilitation**

The Government has a role of creating a conducive environment coupled with attractive investment incentive packages. These incentives can be categorized into two types namely fiscal and non-fiscal.

#### 1.6.1 **Fiscal Incentives**

The Government avails fiscal incentives along the different stages of investment within Special Economic Zones- from construction to operation and marketing. Special Economic Zone Developers and Operators benefit from a special tax incentives package that is coupled with efficiency-enhancing facilitation support and investment protections. Under the EPZ and SEZ Acts, Sections 28, 29, and 30, EPZ and SEZ investors can access a range of attractive fiscal, non-fiscal, and procedural incentives designed to facilitate the lower cost of operations, faster setup, and smoother operations.

These incentives are outlined in various legal and regulatory documents, including Tax Laws, The East African Community Customs Management Act (EACCMA), 2004, The East African Community Customs Management Regulations (EACCMR), 2010, The East African Community SEZ Policy, The Value Added Tax Act, 2014 and The Income Tax Act.

Also under the TIC Act, the authority conferred upon it by Part III, Section 20-24 of the Tanzania Investment Act, 2022 offers a package of tax incentives to the Industrial Park investors. The holders of the certificate of incentives are entitled to various investment incentives as stipulated in the Investment Act, 2022.

#### 1.6.2 Non-Fiscal Incentives

These include a range of non-monetary incentives given to investors. The following are non-fiscal related incentives provided:-

- Reliable and relevant information to investors to assist them in establishing Special Economic Zones. Such information includes available investment opportunities, market information, and other information related to the Industrial Park;
- (ii) Facilitation and aftercare service on work permits, labor relations, Customs, etc. at a One-stop-service center in a strategically selected location;



- (iii) Use of one license for Operation;
- (iv) Visa at the point of entry to key technical staff;
- Unconditional transferability of profits, dividends, and loyalties; and (V)
- (vi) On-site customs documentation and inspection.

#### **Special Economic Zone Marketing and Promotion** 1.7

The government in collaboration with all stakeholders is obliged to market and promote the established Special Economic Zone to ensure the set goals and sustainability of these parks are met. Various market strategies are to be deployed to sensitize the general public to understand what Special Economic Zone are, accrued benefits, eligibility criteria, and incentive packages provided. Marketing methodologies to be used will include promotion through mass media (TVs and radios), printing outs like brochures and fliers, online promotion via social media, websites, local and international media, and local and international investment and business forums. A separate detailed marketing and promotion strategy will be developed by the government in collaboration with Special Economic Zone stakeholders.

#### 1.8 **Special Economic Zone Management**

The management of Special Economic Zones will be divided into three categories namely: Government (Central or Local Government), Private Sector, or Public Private Partnership arrangement.

The Central Government-owned SEZ shall be managed by authorized Central Government agencies (TIC, EPZA, NDC, etc) or any private companies contracted by the Central Government Authorities.

Special Economic Zone owned by the Local Government Authority shall be managed by the Local Government Authority or through their subsidiary companies or Special Purpose Vehicle or any other arrangement agreed by partners in accordance with laws governing SEZ.

Special Economic Zone under Private Public Partnership model shall be managed according to the PPP Act and Regulations.

Private-owned Special Economic Zones shall be licensed by the Government Authority through EPZA or TIC and its management must be evaluated during the licensing procedure. Also, the administrative structure of the SEZ shall be approved by the authority during the licensing stage.

During the development stage, monitoring of the compliance of the development conditions stipulated on the developer's license or Certificate of Incentives has been mandated to EPZA or TIC. During the operations stage, management of day-to-day activities of the Special Economic Zone will be implemented by the developer/owner or a company contracted to run the Special Economic Zone.



#### **SECTION FIVE**

### SPECIAL ECONOMIC ZONE MONITORING AND EVALUATION FRAMEWORK

Monitoring & Evaluation (M&E) Framework is a set of goals against which to measure the performance of a Special Economic Zone along with Key Performance Indicators (KPIs). KPIs can be defined for an entire Special Economic Zone, an individual facility, or the various processes at the zone. The framework is an essential tool for assessing the impact and success of the Special Economic Zone against the expected objectives and outcomes. This is in line with the targets of Tanzania Development Vision, particularly target No. 5 (A competitive economy capable of producing sustainable growth and shared benefits), as well as Sustainable Development Goals. This guide focuses on key Special Economic Zone performance indicators, namely Local Employment level, Capital invested, Annual Turnover, Technology Transfer, Availability of Infrastructure, and Corporate Social Responsibility. The evaluation of key indicators is indicated in Annex 5.

Furthermore, to strengthen monitoring and evaluation of the performance of the Special Economic Zone, the government in collaboration with development partners will develop a database of Special Economic Zones, a monitoring and evaluation system to enable internal and external accountability and learning among all key stakeholders.



#### SECTION SIX

### SPECIAL ECONOMIC ZONE RISK MANAGEMENT

Special Economic Zones present many economic opportunities, but they also present a number of risks, whether with respect to their planning, development or operation, business interruption, the environment, or social impacts. Moreover, Special Economic Zones are inherently complex systems comprising numerous users, which all interact with an operator, a host community, and various regulators, requiring compliance with a large number of protocols, rules, and standards.

Risk assessment plans for Special Economic Zone have become an intrinsic element of the planning process for their development. The relevance of the individual risks differs for each one. Proper identification, analysis, and prioritization of potential site-specific risks are thus the first steps required in any risk mitigation plan aiming to ensure the secured and sustained operation of any SEZ. The risks that Special Economic Zones present have to be managed when analyzed using a systematic approach to identify, prioritize, and mitigate them. Clear risk identification, prevention and mitigation plans at both the company and SEZ levels are critical. The government through its respective regulatory authorities will ensure policy stability and regulatory framework to be transparent to minimize the SEZ risks. Each SEZ developer and operator should carry out risk assessment and management to prevent and mitigate inherent risks associated with Special Economic Zones at various stages. Some of the potential special economic zone risks are listed in Annex 6.



## **ANNEX 1**

#### **APPLICATION FOR EPZA LICENSES**



#### THE EXPORT PROCESSING ZONES ACT, 2002 AS AMENDED BY EXPORTPROCESSING ZONES AUTHORITY ACT, 2012

#### **APPLICATION FOR A DEVELOPER'S LICENCE**

{Pursuant to section 6 of the Export Processing Zones Act, as amended in 2012 and Regulation 8 of the Export Processing Zones (General) Regulations, 2003}.

#### NOTES AND GUIDES FOR COMPLETING THE APPLICATION FORM

- 1. The information you provide in the Application Form will assist us in approving your Project in the development of the Export Processing Zones Infrastructure.
- 2. Please, therefore, complete all sections as required. It is important that you assess yarrequirements accurately before filling in the Application Form.
- 3. An incomplete Application Form could result in delays in approving your application.
- 4. In filling the Form, please follow the Metric System for all units of measurements and US Dollars (\$) or Tanzania Shillings for currency details.
- 5. Please tick appropriate boxes, if any, and provide accurate information in the space provided. If more space is needed for any of the sections, please, attach an extra sheet.
- 6. The submission of this Form does not constitute an automatic acceptance or approval of your Application by the Export Processing Zones Authority.



- 7. The information provided in the Application Form will be dealt with in strict confidence.
- 8. This Form should be filled in and submitted in four original copies.
- Completed Application Form should be submitted to Export Processing Zones Authority, Benjamin William Mkapa SEZ Mabibo External Street, P. O. Box 12112 or Fax: +255 222 925061, Dar Es Salaam.

#### A. PARTICULARS OF THE APPLICANT'S COMPANY

Name:	
Physical Address:	
Postal Address:	
Telephone:	
Fax:	
E-mail:	
Web Site:	

#### B. COMPANY PROFILE

- 1. Date of Incorporation:
- 2. Particulars of Directors/Shareholders:

Name of		Number and	
Directors/	Nationality	Value of Shares	Residential Address
Shareholders			



#### C. DESCRIPTION OF THE BUSINESS

- 1. Type of Activities/Operations intended to be undertaken in the Zone
- 2. Main infrastructure to be provided.
- 3. Location of the intended EPZ infrastructure.
  - (a) For undeveloped

Availability of Land		Ownership <sup>1</sup>		Size	
Locality	Has the Land Been Acquired?	Own	Leased	Total Area	Area for Building

#### (b) For developed

		Size		Ownership <sup>2</sup>	
Location	Current Use	Total	Built Area	Own	Lease



Facilities	Status
Fence	
Buildings-Industrial sheds, storage & offices	
Parking	
Toilets	
Access road/rail	
Effluent treatment facilities	
Power	
Water	
Telephone	
Customs examination station	
Security lights	
Firefighting facilities	
Open space between boundary wall buildings	5
Others	

#### (c) For developed area state the main infrastructure currently available<sup>3</sup>

- 1. Attach copies of Title Deed or Lease Agreement and Site Development Plan
- 2. Attach copies of Title Deed or Lease Agreement and approved Site Development Plan
- 3. Tick the appropriate infrastructure available and state its status
- 4. Capital Structure
  - (a) Total Capital \_\_\_\_\_



(b) Capital Outlay

Foreign Equity	Local Equity	Foreign Loan	Local Loan	Suppliers Credit	Others	Total

#### D. MATERIALS/COMPONENTS FOR BUILDING

Materials/Components	Soui	rce	Quantity	Value
	Local	Foreign	Quanny	Value

#### E. EXPECTED OCCUPANCY RATES

- 1. Copy of the Memorandum of Association/Charter/Constitution of the Company
- 2. Copy of the Articles of Association of Rules for conduct of Business
- 3. Copy of the Certificate of Incorporation
- 4. Copy of Effluent Treatment Facility Plan
- 5. Copy of Title Deed or Lease Agreement
- 6. Copy of Site Development Plan
- 7. Proposed Work Plan
- 8. Evidence of commitment of capital for the Project
- 9. Copy of Receipts of the necessary initial fees

#### DECLARATION

I am aware that the information given hereinabove constitutes the basis upon which the Agent may grant the Licence for Development of the Export Processing Zones infrastructure. Any information which proves to be false and contrary to what have been declared hereinabove is, consequently an offense under the Export Processing Zones as amended Act.

I \_\_\_\_\_\_who is \_\_\_\_\_\_of (Name of Signatory) (Title of the Signatory) \_\_\_\_\_\_\_of the Applicant, hereby declare that to the best of my knowledge and belief, all the particulars furnished, in this Application are true and correct. I, therefore, undertake to indemnify the Agent for any misrepresentation, deliberate omission and any information that may, in the future, prove to be false.

Date: \_\_\_\_\_ Signature: \_\_\_\_\_

<sup>4</sup>Attach evidence of commitment of capital for the project



TZ/EPZ/02



#### THE EXPORT PROCESSING ZONES ACT, 2012 CAP 373 R.E 2012

#### **APPLICATION FOR OPERATOR'S LICENSE**

(Pursuant of section 6 of the Export Processing Zones as amended Act No. 2012 and Regulation 15 of the Export Processing Zones (General) Regulations, 2003)

NOTES AND GUIDES FOR COMPLETING THE APPLICATION FORM

- 1. The information you provide in the Application Form will assist us in approving your Project in the Export Processing Zones.
- 2. Please, therefore, complete all sections as required. It is important that you assess your requirements such as Facility, Utility, effluent treatment and Manpower accurately before filling in the Application Form.
- 3. An incomplete Application Form could result in delays in approving your Application.
- 4. In filling the Form, please follow the HSC (Harmonized System Coding) for product codes related to import/export/re-export and use the Metric System for all units of measurements and US Dollars (\$) or Tanzania Shillings for currency details.
- 5. Please tick appropriate boxes, if any, and provide accurate information in the space provided. If more space is needed for any of the sections, please, attach an extra sheet.[
- 6. The submission of this Form does not constitute an automatic acceptance or approval of your Application by the Export Processing Zones Authority.
- 7. The information provided in the Application Form will be dealt with in strict confidence.[
- 8. This Form should be filled in and submitted in four original copies.
- Completed Application Form should be submitted to the Export Processing Zones Authority, Benjamin William Mkapa SEZ, Mabibo External, P. O. Box 12112 or Fax: +255 22 2925061, Dar es Salaam, or Website: <u>www.epza.go.tz</u>.



### A. PARTICULARS OF THE APPLICANT'S COMPANY.

Name:
Physical Address:
Postal Address:
elephone:
ax:
-mail
Veb Site:

#### **B. COMPANY PROFILE**

- 1. Date of Incorporation: \_\_\_\_\_
- 2.
- 3. Particulars of Directors/Shareholders:

Name of Shareholders	Nationality	Number and Value of Shareholders	Residential Address



4.	Description of The Company's Intended Business/Operations.				
	(i) Type of Activities/Operations				
	(iii) Type of main products/ Services				
	(iv) Location of the EPZ				
	(vi) Owner of the Infrastructure				
	(viii) Capital Structure				
	(a) Total Capital				
	(i) Authorized capital				
	(iii)Paid up capital				
	(b) Investment Outlay				

Foreign Equity	Local Equity	Foreign Loan	Local Loan	Suppliers Credit	Others	Total

(x) Capital Expenditure Structure.

Description	1 <sup>st</sup> Year	2 <sup>nd</sup> Year	3 <sup>rd</sup> Year	4 <sup>th</sup> Year	Total Amount
Premises (Building – if constructed at your cost or rented)					
Equipment					
Working capital					
Others					

C.



#### D. DETAILS OF MACHINERY/EQUIPMENT

Major items of Machinery	Condition (New or Used)	Country of Origin	Cost
	, , , , , , , , , , , , , , , , , , ,		

#### **D. PRODUCTION SCHEDULE**

	1 <sup>st</sup> Year		2 <sup>nd</sup> Year		2 <sup>nd</sup> Year
Qty	Ex-Factory Value (US\$)	Qty	Ex-Factory Value (US\$)	Qty	Ex-Factory Value (US\$)

#### E. RAW MATERIAL/COMPONENTS

Raw Materials/Components	Source		Quantity	Value
	Local Foreign			



#### F. UTILITY REQUIREMENTS

Please indicate your Utility requirements in terms of:

Electricity: MD (Maximum Demand):	KVA
Water – Industrial:	Gallons/day
Gas:	Cubic meters/day
Telephone:	No. of Lines (including Faxes
Others:	

#### G. SALES SCHEDULE

	1 <sup>st</sup> Year			2 <sup>nd</sup> Year		<sup>rd</sup> Year			
							Sales %	<b>)</b>	
Products	Sales %	Qty	Value	Sales %	Qty	Value	Qty		Value
	Local	Export		Local	Export		Local	Export	

#### H. EMPLOYMENT SCHEDULE

Employment Category	1 <sup>st</sup> Year	-	2 <sup>nd</sup> Year	-	3 <sup>rd</sup> Year	
Management Staff	Local	Foreign	Local	Foreign	Local	Foreign
Technical and Supervisory Staff						
Workers (a) Skilled (b) Unskilled						
Other						

#### I. LIST OF ATTACHMENTS

- 1. Copy of the Memorandum of Association/Charter/Constitution of the Company.
- 2. Copy of the Articles of Association or Rules for Conduct of business.
- 3. Copy of the Certificate of Incorporation.



- 4. An Export Business Plan by Products, Markets and others.
- 5. An EIA Report.
- 6. Copy of Receipts of the necessary initial fees.

#### J. DECLARATION

I am aware that the information given hereinabove constitutes the basis upon which the Agent may grant the License for Operations in the Export Processing Zones. Any Information which proves to be false and contrary to what have been declared hereinabove is, consequently, an offence under the Export Processing Zones Amended Act. 2006.

Ι		who is
	of (Name of Sig	natory)(Title of the Signatory)
		Limited, the applicant, hereby
declare that to the best of my k	nowledge and belief	, all the particulars furnished,
in the application are true and	correct. I, therefore, (	undertake to indemnify the
Agent for any misrepresentatio	n, deliberate omissio	n and any information that
may, in the future, prove to be t	false.	
Date:	_ Signature:	And Seal/
Stamp		





#### THE EXPORT PROCESSING ZONES

#### **APPLICATION FOR A SMEs DEVELOPER'S LICENCE**

#### NOTES AND GUIDES FOR COMPLETING THE APPLICATION FORM

- 1. The information you provide in the Application Form will assist us in approving your Project in the development of the Small and Medium Enterprises Infrastructure.
- 2. Please, complete all sections as required. It is important that you assessyour requirements accurately before filling in the Application Form.
- 3. An incomplete Application Form could result in delays in approving your application.
- 4. In filling the Form, please follow the Metric System for all units of measurements and US Dollars (\$) or Tanzania Shillings for currency details.
- 5. Please tick appropriate boxes, if any, and provide accurate information in the space provided. If more space is needed for any of the sections, please, attach an extra sheet.
- 6. The submission of this Form does not constitute an automatic acceptance or approval by the Export Processing Zones Authority of your Application.
- 7. The information provided in the Application Form will be dealt with in strict confidence.
- 8. This Form should be filled in and submitted in four original copies.
- 9. Completed Application Form should be submitted to Export Processing Zones Authority, Benjamin William Mkapa SEZ Mabibo External Street, P. O. Box 12112 or Fax: +255 222 925061, Dar Es Salaam.



#### A. PARTICULARS OF THE APPLICANT'S COMPANY

Name:	
Physical Address:	
Postal Address:	
Telephone:	
Fax:	
E-mail:	
Web Site:	

#### B. COMPANY PROFILE

- 1. Date of Incorporation:
- 2. Particulars of Directors/Shareholders:

Name of Directors/ Shareholders	Nationality	Number and Value of Shares	Residential Address



#### C. DESCRIPTION OF THE BUSINESS

- 1. Type of Activities/Operations intended to be undertaken in the Zone
- 2. Main infrastructure to be provided.
- 3. Location of the intended SMEs infrastructure.

#### (D) FOR UNDEVELOPED

Availability of Land		Ownership <sup>1</sup>		Size	
Locality	Has the Land Been Acquired?	Own	Leased	Total Area	Area for Building

### (E) FOR DEVELOPED

		Size		Own	ership <sup>2</sup>
Location	Current Use	Total	Built Area	Own	Lease

i)



 Facilities	Status
Fence	
Buildings-Industrial sheds, storage & offices	
Parking	
Toilets	
 Access road/rail	
Effluent treatment facilities	
Power	
Water	
Telephone	
Customs examination station	
Security lights	
Firefighting facilities	
Open space between boundary wall buildings	
Others	

#### ii) For developed area state the main infrastructure currently available<sup>3</sup>

- 5. Attach copies of Title Deed or Lease Agreement and Site Development Plan
- 6. Attach copies of Title Deed or Lease Agreement and approved Site Development Plan
- 7. Tick the appropriate infrastructure available and state its status
- 8. Capital Structure
  - (a) Total Capital \_\_\_\_\_
  - (b) Capital Outlay



Foreign Equity	Local Equity	Foreign Loan	Local Loan	Suppliers Credit	Others	Total

#### **(A)** MATERIALS/COMPONENTS FOR BUILDING

Materials/Components	Sou	rce	Quantity	Value	
	Local	Foreign	Quanny	Value	

#### **EXPECTED OCCUPANCY RATES (B)**

- 1. Copy of the Memorandum of Association/Charter/Constitution of the Company
- Copy of the Articles of Association of Rules for conduct of Business
   Copy of the Certificate of Incorporation
   Copy of Effluent Treatment Facility Plan
   Copy of Title Deed or Lease Agreement
   Copy of Site Development Plan

- 7. Proposed Work Plan
- 8. Evidence of commitment of capital for the Project
- 9. Copy of Receipts of the necessary initial fees

#### (C) DECLARATION

I am aware that the information given hereinabove constitutes the basis upon which the Agent may grant the Licence for Development of the Export Processing Zones infrastructure. Any information which proves to be false and contrary to what have been declared hereinabove is, consequently, an offense.

-	
- 1	
<u>т</u>	

\_\_who is\_\_\_\_\_

\_of

(Name of Signatory)

(Title of the Signatory)

of the Applicant, hereby declare that to the best of my knowledge and belief, all the particulars furnished, in this Application are true and correct. I, therefore, undertake to indemnify the Agent for any misrepresentation, deliberate omission and any information that may, in the future, prove to be false.

Date:

Signature: \_

Attach evidence of commitment of capital for the project





#### THE EXPORT PROCESSING ZONES

#### **APPLICATION FOR SMES OPERATOR'S LICENSE**

#### NOTES AND GUIDES FOR COMPLETING THE APPLICATION FORM

- 1. The information you provide in the Application Form will assist us in approving your Project in the Small and Medium Enterprises industrial park.
- 2. Please, complete all sections as required. It is important that you assess your requirements, such as Facility, Utility, effluent treatment and Manpower accurately before filling in the Application Form.
- 3. An incomplete Application Form could result in delays in approving your application.
- 4. In filling the Form, please follow the HSC (Harmonized System Coding) for product codes related to import/export/re-export and use the Metric System for all units of measurements and US Dollars (\$) or Tanzania Shillings for currency details.
- 5. Please tick appropriate boxes, if any, and provide accurate information in the space provided. If more space is needed for any of the sections, please, attach an extra sheet.
- 6. The submission of this Form does not constitute an automatic acceptance or approval of your Application by the Export Processing Zones Authority.
- 7. The information provided in the Application Form will be dealt with in strict confidence.
- 8. This Form should be filled in and submitted in four original copies.
- Completed Application Form should be submitted to the Export Processing Zones Authority, Benjamini William Mkapa SEZ, Mabibo External, P. O. Box 12112 or Fax: +255 22 2925061, Dar es Salaam, or Website: <u>www.epza.go.tz</u>.



#### A. PARTICULARS OF THE APPLICANT'S COMPANY

ame:
nysical Address:
bstal Address:
lepnone:
ıx:
mail
eb Site:

#### **B. COMPANY PROFILE**

1. Date of Incorporation/starting the business: \_\_\_\_\_

1 Particulars of Directors/Shareholders/Association/Group:

Name of Shareholders	Nationality	Number and Value of Shareholders	Residential Address

3. Description of The Company's Intended Business/Operations.

(i) Type of Activities/Operations
(ii) Type of main products Services
(iii) Location of the SME
(iv) Owner of the Infrastructure
(v) Capital Structure
1. Capital

- 2. Paid up capital \_\_\_\_\_
- C. INVESTMENT OUTLAY



Foreign	Local	Foreign	Local	Suppliers	Others	Total Amount
Equity	Equity	Loan	Loan	Credit		

#### D. CAPITAL EXPENDITURE STRUCTURE

Description	1 <sup>st</sup> Year	2 <sup>nd</sup> Year	3 <sup>rd</sup> Year	4 <sup>th</sup> Year	Total Amount
Premises (Building – if constructed at your cost or rented)					
Equipment					
Working capital					
Others					

### E. PRODUCTION SCHEDULE

	1 <sup>st</sup> Year		2 <sup>nd</sup> Year		2 <sup>nd</sup> Year
Qty	Ex-Factory Value (US\$)	Qty	Ex-Factory Value (US\$)	Qty	Ex-Factory Value (US\$)

#### F. RAW MATERIALS/COMPONENTS

Raw Materials/Components	Sou	rce	Quantity	Value
	Local Foreign			



#### G. UTILITY REQUIREMENTS

Please indicate your Utility requirements in terms of:

Electricity: MD (Maximum Demand):	
KVA	
Water –	
Industrial:	
litres/day	
Gas:	
Cubic meters/day	
Telephone:	_ No. of Lines
(including Faxes)	
Others:	

#### H. SALES SCHEDULE

	1 <sup>st</sup> Year			2 <sup>nd</sup> Year			3rd Year		
Products	Sales % Qty Value		Sales % Qty Value		Value	Sales % Qty		Value	
	Local	Export		Local	Export		Local	Export	

#### I. EMPLOYMENT SCHEDULE

	1 <sup>st</sup>		2 <sup>nd</sup>		3 <sup>rd</sup>	
	Year		Year		Year	
Employment Category	Local	Foreign	Local	Foreign	Local	Foreign
Management Staff						
Technical and Supervisory Staff						
Workers						
(a) Skilled						
(b) Unskilled						
Other						

#### J. LIST OF ATTACHMENTS

1. Copy of the Memorandum of Association/Charter/Constitution of the Company



- 2. Copy of the Articles of Association or Rules for Conduct of business
- 3. Copy of the Certificate of Incorporation
- 4. Business Plan by Products, Markets and others
- 5. Copy of Receipts of the necessary initial fees
- 6. Copy of SIDO incubation graduation Certificates

#### K. DECLARATION

I am aware that the information given hereinabove constitutes the basis upon which the Agent may grant the License for Operations in the Small and Medium Enterprises industrial park. Any Information which proves to be false and contrary to what have been declared hereinabove is, consequently, an offence under the Export Processing Zones Amended Act. 2006.

I		who is
	of	
(Name	e of Signatory)	(Title of the Signatory)
the application of	are true and correct. I, theref esentation, deliberate omiss	d belief, all the particulars furnished, in ore, undertake to indemnify the Agent ion and any information that may, in
Date:	Signature:	And Seal/

Stamp\_\_\_\_





#### THE EXPORT PROCESSING ZONES

#### APPLICATION FOR A SMEs SERVICE PROVISION PERMIT

#### NOTES AND GUIDES FOR COMPLETING THE APPLICATION FORM

- 1. The information you provide in the application form will assist us in approving your service in the Small and Medium Enterprises Industrial Parks.
- 2. Please complete all sections as required. It is important that you assess your requirements such as Facility, Utility, effluent treatment and Manpower accurately before filling in the application Form.
- 3. An incomplete application form could result in delays in approving your application.
- 4. Please tick appropriate boxes, if any, and provide accurate information in the space provided. If more space is needed for any of the sections, please, attach an extract sheet.
- 5. The submission of this Form does not constitute an automatic acceptance or approval of your Application by the Export Processing Zones Authority.
- 6. The Information provided in the application form will be dealt with in strict confidence.
- 7. This Form should be filled in and submitted in four original copies.
- 8. Completed Application Form should be submitted to the Export Processing Zones Authority, BWM-SEZ, Mabibo External, P. O. Box 12112 or Fax: +255 22 2925061, Dar es Salaam, or Website: <u>www.epza.go.tz</u>.

#### A. PARTICULARS OF THE APPLICANT'S COMPANY

Name of the Company:	
Registered Office:	
Postal Address:	
Telephone:	
Mobile phone:	
E-mail:	

**B. BUSINESS PROFILE** 

10. Date of Incorporation/starting the business: \_\_\_\_\_

11. Particulars of Directors/Shareholders/association/Group:

Name of Shareholders	Nationality	Number and Value of Shareholders	Residential Address

3. Description of the Company's Business/Operations.

- L. Type of Activities/Operations \_\_\_\_\_ M. Type of main Products/Services \_\_\_\_\_ N. Location of the Industrial Park\_\_\_\_\_
- O. Owner of the Infrastructure \_\_\_\_\_ P. Capital Structure \_\_\_\_\_\_
  - a. Total Capital

    - i. Authorized capital \_\_\_\_\_
    - ii. Paid up capital \_\_\_\_\_
    - b. Investment Outlay

Local Equity	Foreign Loan	Local Loan	Suppliers Credit	Others	Total



#### 3. Capital Expenditure Structure.

Description	1 <sup>st</sup> Year	2 <sup>nd</sup> Year	3 <sup>rd</sup> Year	4 <sup>th</sup> Year	Total Amount
Premises (Building – if constructed at your cost or rented)					
Equipment					
Working capital					
Others					

#### E. UTILITY REQUIREMENTS

Please indicate your Utility requirements in terms of: Electricity: MD (Maximum Demand): \_\_\_\_\_KVA Water – Industrial: \_\_\_\_\_litres/day Gas: \_\_\_\_\_Cubic metres/day Telephone: \_\_\_\_\_No. of Lines (Including Faxes) Others: \_\_\_\_\_

#### G. EMPLOYMENT SCHEDULE

Employment Category	1 <sup>st</sup> Year	2 <sup>nd</sup> Year	3 <sup>rd</sup> Year
Management Staff			
Technical			
Supervisory Staff			
Workers Skilled Unskilled Others			

H. LIST OF ATTACHMENTS

(a) Copy of a letter from Local Government authority

(b) Copy of Receipts of the necessary initial fees

#### DECLARATION

I am aware that the information given hereinabove constitutes the basis upon



which the Agent may grant the Licence for Providing Services in the Industrial parks. Any Information which proves to be false and contrary to what have been declared hereinabove is, consequently, an offence under the Export Processing Zones Act, 2002.

Ι		who is
_	of	

(Name of Signatory)

(Tile of the Signatory)

Limited, the applicant, hereby declare that to the best of my knowledge and belief, all the particulars furnished, in the application are true and correct. I, therefore, undertake to indemnify the Agent for any misrepresentation, deliberate omission and any information that may, in the future, prove to be false.

Date: \_\_\_\_\_Signature: \_\_\_\_\_And Seal/ Stamp\_\_\_\_\_





#### THE EXPORT PROCESSING ZONES ACT, 2012 CAP 373 R.E 2012

#### APPLICATION FOR A SERVICE PROVISION PERMIT (Pursuant to Section 6 of the Export Processing Zones Act, 2012 and Regulation 23 of the Export Processing Zones (General) Regulations, 2003)

NOTES AND GUIDES FOR COMPLETING THE APPLICATION FORM

- 1. The information you provide in the application form will assist us in approving your Project in the Export Processing Zones.
- 2. Please, therefore, complete all sections as required. It is important that you assess your requirements such as Facility, Utility, effluent treatment and Manpower accurately before filling in the application Form.
- 3. An incomplete application form could result in delays in approving your application.
- 4. In filling the Form, please follow the HSC (Hormonized System Coding) for product codes related to import/export and use the Metric system for all units of measurements and US Dollars (\$) or Tanzania Shilling for currency details.
- 5. Please tick appropriate boxes, if any, and provide accurate information in the space provided. If more space is needed for any of the sections, please, attach an extract sheet.
- 6. The submission of this Form does not constitute an automatic acceptance or approval by the Export Processing Zones Authority of your Application.
- 7. The Information provided in the application form will be dealt with in strict confidence.
- 8. This Form should be filled in and submitted in four original copies.
- 9. Completed Application Form should be submitted to the Export Processing



Zones Authority, BWM-SEZ, Mabibo External, P. O. Box 12112 or Fax: +255 22 2925061, Dar es Salaam, or Website: www.epza.go.tz.

#### A. PARTICULARS OF THE APPLICANT'S COMPANY

lame of the Company:
egistered Office:
ostal Address:
elephone:
ax:
-mail:
Veb Site:

#### **B. COMPANY PROFILE**

10. Date of Incorporation: \_\_\_\_\_

\_\_\_\_\_

11.Particulars of Directors/Shareholders:

Name of Shareholders	Nationality	Number and Value of Shareholders	

- 3. Description of the Company's Business/Operations.
- Q. Type of Activities/Operations \_\_\_\_\_ Type of main Products/Services \_\_\_\_\_ R. Location of the EPZ \_\_\_\_\_
- S. Owner of the Infrastructure \_\_\_\_\_
- T. Capital Structure \_\_\_\_\_ a. Total Capital
  - i. Authorized capital \_\_\_\_\_ ii. Paid up capital \_\_\_\_\_



### b. Investment Outlay

Foreign Equity	Local Equity	Foreign Loan	Local Loan	Suppliers Credit	Others	Total

### (vi) Capital Expenditure Structure

Description	1 <sup>st</sup> Year	2 <sup>nd</sup> Year	3 <sup>rd</sup> Year	4 <sup>th</sup> Year	Total Amount
Premises (Building – if constructed at your cost or rented)					
Equipment					
Working capital					
Others					

#### E. UTILITY REQUIREMENTS

Please indicate your Utility requirements in terms of:	
Electricity: MD (Maximum Demand):	KVA
Water – Industrial:	Gallons/day
Gas:	Cubic metres/day
Telephone:	No. of Lines (Including Faxes)
Others:	

#### F. SALES OF THE SERVICE

	1 <sup>st</sup> Year				2 <sup>nd</sup> Year		3 <sup>rd</sup> Year			
Products	Sales	s % Qty	Value	Sale	Sales% Qty Value		Sales % Qty		Value	
	Local	Export		Local	Export		Local	Export		



#### G. EMPLOYMENT SCHEDULE

EMPLOYMENT	1 <sup>st</sup> Year		2 <sup>nd</sup>	Year	3 <sup>rd</sup> Year		
CATEGORY	Local	Foreign	Local	Foreign	Local	Foreign	
Management Staff							
Technical and supervisory staff							
Skilled workers							
Unskilled workers							
Others							

#### H. LIST OF ATTACHMENTS

- (c) Copy of the Memorandum of Association/charter/Constitution of the company.
- (d) Copy of the Articles of Association of rules for Conduct of Business.
- (e) Copy of the Certificate of Incorporation.
- (f)Copy of Receipts of the necessary initial fees.

#### DECLARATION

I am aware that the information given hereinabove constitutes the basis upon which the Agent may grant the License for Providing Services in the Export Processing Zones. Any Information which proves to be false and contrary to what have been declared hereinabove is, consequently, an offence under the Export Processing Zones Act, 2002.

(Tile of the Signatory)

(Name of Signatory) Limited, the applicant, hereby declare that to the best of my knowledge and belief, all the particulars furnished, in the application are true and correct. I, therefore, undertake to indemnify the Agent for any misrepresentation, deliberate omission and any information that may, in the future, prove to be false.

Date:	Signature:	And Seal/Stamp	
-------	------------	----------------	--



## **ANNEX 2**

#### **ONLINE BRELA REGISTRATION FORM**



## NAMNA YA KUFUNGUA AKAUNTI YA USAJILI KWA NJIA YA MTANDAO (ORS)

TEN GENEZA AKAUNTIYA OR S

Jaza tarehe ya kuzaliwa .2 Taarifa za nafasi namba

baada ya kujaza 4,5,8 na 7 zitajazwa na 5 m fum o nam ba ya NIDA 7

Jazan eo la siri.9 Rudia kujazan eo la siri.10

> Weka alama ya vema .12 Bonyeza wasilisha.13

1. Chagua Uraia

3. Andika namba ya NIDA

8. Jaza namba ya simu

9. Jaza barua pepe

11. Jaza tarakim u tano

# ORS, Huduma popote, wakati wote.

*"Tunaipa utu wa kisheria biashara yako"* guideline for development and management of special economic zones in tanzania



## at

#### TIC APPLICATION FORM

FORM P.A. 1

.....

SERIAL NO.: .....

TICN:



#### TANZANIA INVESTMENT CENTRE

#### REGISTRATION FORM FOR CERTIFICATE OF INCENTIVES

(Tanzania Investment Act 1997, Section 17 and 18, and the Investment Regulations: Regulation 42, Government Notice No. 318A of 2002)

> Tanzania Investment Centre 9A & B Shaaban Robert Street P. O. Box 938 DAR ES SALAAM Tel. 2116328 Fax. 2118253 e-mail: information@tic.co.tz Website: www.tic.co.tz

(Please fill the form in duplicate)



#### THE UNITED REPUBLIC OF TANZANIA

THE TANZANIA INVESTMENT ACT (No. 26 of 1997)

#### APPLICATION FOR REGISTRATION (Made under Regulation 42)

- To: The Executive Director Tanzania Investment Centre P. O. Box 938 DAR ES SALAAM Tanzania
  - 1. I/We ...... (director/directors/agent of ....... (name of business enterprise) apply for registration of ...... under Section 17 of the Act and Part IV of the Investment Regulations, 2002.
  - 2. The registered office of the company will be situated at ....... Copies of the following documents are attached to this application:
    - (i) The Memorandum and Articles of Association/or partnership agreement
    - (ii) Certificate of Incorporation/Registration
    - (iii) A copy of the Project Profile or Feasibility Study showing the implementation period, programme of implementation and operative date
    - (iv) Evidence of financing and evidence of land ownership for the project
  - 3. The Head Office of the Company will be situated at .....
  - 4. The Principal Officers of the Company are.....
    - ------
  - 5. Auditors of the Company are .....
  - 6. The authorized share capital of the Company is Tshs./US\$ .....

.....

- 7. The intended capital investment of the Company in terms of Section 2(2) of the Act is Tshs./US\$
- 8. The month and day of the financial year end is .....

Note: failure to provide all the required information will result in the return of the application by the Centre.

Declared at Dar es Salaam }

Applicant

.....

The .....day of ..... 2003}

Before me:

..... Commissioner for Oaths

Attach only where applicable, otherwise indicate "N/A



# **ANNEX 4**

#### SPECIAL ECONOMIC ZONE PERFORMANCE INDICATORS

#### A: PARTICULARS OF AN SPECIAL ECONOMIC ZONE

#### a) Location:

- b) Total area of Land developed:
- c) Total area of Land undeveloped:
- d) Particulars of Operators within SEZ

No.	Name of Operator	Total Land Occupied	Activities of the Operator	Annual Rent

#### B: EFFLUENT TREATMENT AND WASTE DISPOSAL SYSTEM.

State environmental impacts mitigating measures provided in the Special Economic Zone/Industrial Park

#### C: AVAILABILITY OF INFRASTRUCTURE

- a) State the available and status of the infrastructure (including utilities) in the Industrial Park
- b) State plans for improving the status of the infrastructure (if necessary) and the extent of the Agent's facilitation required.

#### D: ANNUAL/QUARTER PERFORMANCE FOR YEAR.....

- a) Briefly explain the main services provided
- b) Performance

Description		Units	nits Quarterly Production Performance				
Capacity Utilization			1 <sup>st</sup> Q	2 <sup>nd</sup> Q	3 <sup>rd</sup> Q	4 <sup>th</sup> Q	
Operator 1							
Operator 2							
Operator 3							
Operator 4							
Operator 5							



c) Sales turnover of the products/services

No.	Type of product or service	Units	Destina	ition	Quarterly Sales turnover (Value in USD)				Total
			Local	Overseers	1 <sup>st</sup> Q	2 <sup>nd</sup> Q	3 <sup>rd</sup> Q	4 <sup>th</sup> Q	
1.									
2.									
3.									
4.									
5.									
6.									

d) Were your performance targets met? If NO, state the reasons

## E: PRODUCTION/SERVICE COST STRUCTURE

Item	Cost				Total
	1 <sup>st</sup> Q	2 <sup>nd</sup> Q	3 <sup>rd</sup> Q	4 <sup>th</sup> Q	
Raw materials/components (if any)					
Power					
Water					
Labor					
Maintenance & repair					
Research & training					
Rent					
Other charges					

F: EMPLOYMENT AND TRAINING

a) Employment Performance



Employment Category	Previous Year		Actual for Year		Plans for Next Year	
	Local	Foreign	Local	Foreign	Local	Foreign
Management Staff						
Technical and supervisory staff						
Skilled workers						
Unskilled workers						
Others						

#### b) Training of Local staff1

Employment Category	Previous Year		Actual for Current Year		Plans for Next Year	
	Local	Foreign	Local	Foreign	Local	Foreign
Management Staff						
Technical and supervisory staff						
Skilled workers						
Unskilled workers						
Others						

G: SERVICES AND MARKET DEVELOPMENT

a) Details on the services and market research development and the respective costs

b) Details on market promotion and diversification activities undertaken

c) Market promotion and marketing network established abroad.



# **ANNEX 5**

# MONITORING & EVALUTION FORM FOR KEY SPECIAL ECONOMIC ZONE PERFORMANCE INDICATORS

TZ/EPZA/OPERATORS' QRF)



### The Export Processing Zones Act, Cap 373, R.E 2012

### THE OPERATOR'S QUARTERLY RETURNS FOR QUARTER ENDED .....(choose quarter) (Pursuant to Regulation 17(1) of the Export Processing Zones (General) Regulations. 2003)

### PART 1 FINANCIAL AND EQUITY STRUCTURE

### 1.1 FINANCIAL

S/n	Particular (Amount in Tshs)	Amount
1.	Authorized capital	
2.	Paid up capital	
3.	Total capital investment ( <i>Total investment = total paid-up capital + total loans + total assets</i> )	
4.	Proposed additional capital investment for the fourth- coming quarter	
5.	Total fixed assets	
6.	Wages, salaries and allowance paid in quarter under reference	
7.	Expenditure on utilities in quarter under reference (Utilities = Electricity + Water + Telecommunications charges)	



8.	Expenditure on Transportation in quarter ( <i>Includes: amounts paid to bus companies used to transport workers or amount used to run your company's bus used to transport workers</i>	
9.	Expenditure on Rents (if any)	
10.	Expenditure on License (if any)	
11.	Other expenditures (specify)	

### 1.2 EQUITY STRUCTURE

S/n	Particular	Amount (USD)	Percentage	Source Country
1.	Local Equity			
2.	Foreign Equity			

### PART 2 SALES AND PURCHASES

### **1.1SALES OF FINISHED GOODS\***

TYPE OF FINISHED GOODS	SALES OVERSEAS (EXPORTS; SPECIFY COUNTRY, EXCLUDE EAC COUNTRIES)	LOCAL SALES	SALES TO EPZ/MUB/ DUTY FREE AREA	SALES TO EAST AFRICAN COUNTRIES	TOTAL SALES OF FINISHED GOODS
	Tshs	Tshs	Tshs	Tshs	Tshs
Total					

\* Finished goods include exports of by-products and rejects.



### **1.2 IMPORTS PURCHASES OF RAW MATERIALS\***

TYPE OF RAW MATE- RIALS (RM)	OVERSEAS PURCHASE (SPECIFY COUNTRY, EXCLUDE EAC COUN- TRIES)	LOCAL PUR- CHASES	PURCHASES FROM EPZ/ MUB/DUTY FREE FIRMS	PURCHAS- ES FROM EAST AF- RICAN COUN- TRIES	TOTAL PUR- CHASE/ IMPORTS OF RAW MATE- RIALS
	Tshs	Tshs	Tshs	Tshs	Tshs
Total					

Note: \* *Raw materials include all materials, components that enter into the production process.* 

### **1.3 PURCHASES OF CAPITAL GOODS\***

TYPE OF CAPITAL GOODS (CG)	OVERSEAS PURCHASE (SPECIFY COUNTRY, EXCLUDE EAC COUN- TRIES)	LOCAL PUR- CHASES	PURCHAS- ES FROM EPZ/MUB/ DUTY FREE FIRMS	PURCHASES FROM EAST AFRICAN COUNTRIES	TOTAL PUR- CHASE/ IMPORTS OF CAP- ITAL GOODS
	Tshs	Tshs	Tshs	Tshs	Tshs
Total					

Note \* capital goods include all physical assets which are expected to have a productive life of more than one year, excluding land and building.



### **1.4 EXPORT TARGETS**

Estimation of Export targets for the next three quarters

QUARTER	VOLUME OF EXPORTS	VALUE IN USD	% INCREASE
First			
Second			
Third			

### **1.5 MEETING EXPORT TARGETS**

S/n	Export targets	Yes/NO	Reason
1.	Did you meet export targets for quarter under reference		

## PART 3

### CARGO STATISTICS DURING THE QUATER

State the mode of transport utilized for all of your exports and imports.

Exports	Volume of Cargo*	Value of Cargo (USD) (CIF)
(i) By Air (in kilos)		
(ii) By sea (in metric tons)		
(iii) By road/rail (in metric tons)		
(iv) By road/rail (in Cubic Meters, for containers)		
Total		
Imports	Volume of Cargo*	Value of Cargo (USD) (CIF)
(i) By Air (in kilos)		
(ii) By sea (in metric tons)		
(iii) By road/rail (in metric tons)		
(iv) By road/rail (in Cubic Meters, for containers)		
Total		

\* *EPZ* Garments/Apparel *enterprises to give Volume of Exports in* Number of Pieces/units *or* Dozens *while Volume of Imports of* Fabric *should be given either in* Square Meters (*M*<sup>2</sup>) *or* Square Yards (Yd<sup>2</sup>).



## PART 4 MANPOWER AND EMPLOYMENT DURING QUARTER

### **1.1 EMPLOYMENT AND WAGES FOR QUARTER UNDER REFERENCE**

CATEGORY OF EMPLOYMENT	TANZANIANS PERMANENT		TANZANIAN CASUAL	
	Number	Total Salary	Number	Total Salary
Managerial and Professional				
Supervisory and Technical				
Clerical				
Skilled workers				
Unskilled workers				
General workers				
TOTAL				

Note:\*

- Managerial and Professional includes: Engineers, Accountants, Financial Analysts, System Analysts, Research Scientists, etc.
- Supervisory and Technical includes: Middle management staff e.g. Personnel Officer, Supervisor, Technicians
- Clerical includes: Clerks, Typists, Stenographers, Personal Secretaries, Sales Personnel, Book-Keepers, etc.
- 4. General workers include: Telephone Operators, Receptionists, Drivers, Gardeners, Office Boys, Security Guards, Etc.



JAL	EXPERTIES		TOTAL NUMBER OF	TOTAL SALARY/ WAGES	No. of MALES	No. of FEMALE	TOTAL NUMBER OF WORKERS
alary	Number	Total wages	WORKERS				



### **1.2SCALES OF WAGES/SALARIES FOR THE COMPANY**

(Where applicable, indicate starting salary only).

S/N	CARDER	AMOUNT PER MONTH (TSHS)
1.	Managing Director/General Manager/Manager	
2.	Middle Management (Personnel Officer, Accountant, etc)	
3.	Engineers (Tshs)	
4.	Technician (Tshs)	
5.	Clerk (Tshs)	
6.	General worker	
7.	Skilled worker	
8.	Unskilled worker	

### **1.3TRAINING CONDUCTED DURING THE QUARTER**

Type of Training	No. of Workers Trained	Period of Training

#### PART 4 INFORMATION OF SUPPLY OF RAW MATERIALS DURING QUARTER

S/N	Type of Raw Material	Supplier (Local or Foreign)	Amount Purchased	Client Name
1.				
2.				
3.				
4.				



### PART 5 PERSONNEL INFORMATION

Designation	Full Name	Email Address	Mobile Number
Chairman			
Managing Director			
General Manager			
Plant Manager			
Personnel Manager			
Finance Manager			

### PART 5 DECLARATION

I hereby declare that to the best of my knowledge, all the particulars furnished in this survey are true and correct information of my company.

Name of reporting officer: \_\_\_\_\_

Official Position: \_\_\_\_\_

Signature: \_\_\_\_\_

Date: \_\_\_\_\_

Company's official stamp



# **ANNEX 6**

### POTENTIAL SPECIAL ECONOMIC ZONE RISKS

SEZ PLANNING RISKS	<ul> <li>Planning compliance</li> <li>Surrounding population density</li> <li>Traffic and congestion</li> <li>Adjacent projects</li> <li>Utilities capacity</li> <li>Enterprise layout</li> <li>Land title</li> <li>Demand risks</li> <li>Economic justification</li> </ul>	SEZ ENVIRONMENTAL AND HAZMAT RISKS	<ul> <li>Storm flood</li> <li>Fire/explosion</li> <li>Hazardous materials</li> <li>Waste and wastewater disposal</li> <li>Natural disasters</li> </ul>
SEZ STRATEGIC RISKS	<ul> <li>Construction risks</li> <li>Supplier and partner</li> <li>non-performance risks</li> <li>Policy instability</li> <li>Promoter capacity</li> <li>Operations</li> <li>Governance</li> <li>Technology</li> <li>Regulatory framework</li> </ul>	SEZ HUMAN RESOURCE AND OCCUPATIONAL RISKS	<ul> <li>Accidents/health</li> <li>Operational safety</li> <li>Reduction and retention</li> <li>Knowledge management</li> <li>Emergency support</li> <li>Management</li> </ul>
SEZ FINANCIAL RISKS	<ul> <li>Stock exchange / capital</li> <li>market fluctuations</li> <li>Exchange and interest</li> <li>rate fluctuation</li> <li>Liquidity / cash flow</li> <li>Fraud</li> <li>Financial viability</li> </ul>	SEZ FIXED ASSET RISKS	<ul> <li>Security</li> <li>Energy supply</li> <li>Property damage</li> <li>Machinery breakdown</li> </ul>
SEZ MARKET AND COMMERCIAL RISKS	<ul> <li>Competitors / Market share</li> <li>Reputation</li> <li>Business interruption</li> </ul>		

Source: Adapted from Oldani Insurance Group Ltd. (2015) and Locus Econom







### GUIDELINE FOR DEVELOPMENT AND MANAGEMENT OF SPECIAL ECONOMIC ZONES IN TANZANIA