



PRESENTATION ON INVESTMENT OPPORTUNITIES IN ZIMBABWE

**ZIMBABWE INVESTMENT
AUTHORITY**

ECONOMIC OVERVIEW

- ▶ **political stability**
- ▶ **Economy on a rebound**
- ▶ **GDP: 14 billion USD/2015**

Year	Growth Rate (%)
2010	11.4
2011	11.9
2012	10.6
2013	3.3
2014 (Estimated)	3.1
2015 (Estimated)	3.2

- ▶ **Zimbabwean population: 14million (estimate for 2015)**
 - ▶ **Literacy Rate: 97% of those 35years and below**
 - ▶ **Membership to Regional Economic Communities :**
 - ▶ **SADC**
 - ▶ **COMESA**
 - ▶ **Tri-partite REC made up of SADC, COMESA and EAC**
- Govt. priority: Value Addition and Beneficiation**

International Endorsement of Zimbabwe's Economic Revival Thrust .

- **IMF report on Zimbabwe No: 15/105 of 28 April 2015**
- **Report of the British Trade and Investment Mission to Zimbabwe (October 2014)**
- **Report of the French Trade and Investment delegation to Zimbabwe (January 2015)**
- **Lifting of the EU Economic Embargo against Zimbabwe (October 2014)**
- **Reports of visiting delegations from the Netherlands and Scandinavian countries during the last year**

REASONS FOR INVESTING IN ZIMBABWE:

- **Highly skilled and literate workforce**
- **Country strategically and centrally located in the Southern African Region and thus providing a regional gateway (North – South corridor)**
- **Regional logistics hub supported by infrastructure such as railway, roads, power and telecommunications**
- **Natural resource endowment**
- **Diversified economy – manufacturing, services, agriculture, mining and tourism**

..Reasons continued.

- **Use of multiple currency thus minimizing exchange risks**
- **Access to major regional markets – SADC, COMESA**
- **Political stability**
- **Market forces driven economy**

INCENTIVES

- ▶ **100% Remittance of after tax profit**
- ▶ **Industrial Park Developers - 0% tax in 1st Five years, thereafter tax at 25%**
- ▶ **BOOT and BOT Arrangements - 0% tax 1st Five years, thereafter tax at 15%**
- ▶ **Tourism Development Zones - 0% tax 1st Five years, thereafter tax at 25%**
- ▶ **Mining - rebate of duty on goods imported for specific mine development operations**
- ▶ **15% tax for holders of special mining lease**
- ▶ **Reduced taxation for companies exporting 50% of output at 20%**
- ▶ **Duty exemption on imported capital goods**

FISCAL INCENTIVES IN AGRICULTURE:

- ▶ **Special deductions on expenditures on fencing, clearing of land, sinking of boreholes and wells, etc.**
- ▶ **Farming inputs and equipment subjected to 0% VAT – most farm inputs e.g. animal feed, animal remedy, fertilizer are zero rated**

INVESTMENT OPPORTUNITIES IN MINING:

- ▶ **Over 40 mineral resources countrywide:**
 - ▶ **Gold, Nickel, Chrome, Iron Ore, Platinum, Granite, etc...**
- ▶ **Concentration along the 550km stretch of the Great Dyke**
- ▶ **40% contribution to GDP**
- ▶ **Opportunities in : Resuscitating existing gold mines, prospecting and new mining**

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- ▶ **Platinum deposits estimated at 2.8 billion tons grading 5.4gms/ton** (2nd largest known deposits in the world)
- ▶ **Huge deposits of coal estimated at 26 billion tons**
- ▶ **Largest known reserves of coal-bed methane in Sub-Saharan Africa**
- ▶ **Opportunities available in Reviving existing mines, engineering, mine services and construction**
- ▶ **Drop in prices on the international market having negative impact on economic growth**

AGRICULTURE:

- ▶ **Mainstay of the economy (with 70% of the population working on the land both at commercial and small scale levels)**
- ▶ **Contribution to GDP: 15% – 19% (depending on rainfall)**
- ▶ **Contributes 60% of raw materials to industry**
- ▶ **Fully developed agricultural land: 20.6 million hectares (projected to grow to 26.5million hectares by 2022.)**

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- ▶ **Investments opportunities in farm mechanization products, manufacture of fertilizers and earth-moving machinery and equipment.**
- ▶ **Livestock production**
- ▶ **Irrigation development**
- ▶ **Fiscal Incentives offered**

MANUFACTURING:

- ▶ **Contribution to GDP: 14%**
- ▶ **Capacity utilization: currently at 36.3% against 39.6% in 2013**
- ▶ **Production capacity weighed down by antiquated plant and machinery, cheap imports and high cost of production...**
- ▶ **Highly diversified industrial base: in excess of 6 000 products**
- ▶ **Huge investment opportunities available in the sector**

INFRASTRUCTURE:

- ▶ **Govt. remains major stakeholder in provision of enabling infrastructure**
- ▶ **Private sector participation welcome**
- ▶ **Available instruments include: BOOT and BOT**
- ▶ **Fiscal Incentives available**

TOURISM:

- ▶ **Zimbabwe is world-famous tourism destination highlighting the mighty Victoria Falls amongst many other attractions**
- ▶ **Contribution to GDP: 15%**
- ▶ **Awarded the 2014 World Best Tourist Destination by the ECTT**
- ▶ **Successfully jointly hosted the 20th session of the WTO General Assembly Conference with Zambia**
- ▶ **Investment opportunities in the development of tourism infrastructure such as: Resorts, Theme Parks and Accommodation.**
- ▶ **Fiscal Incentives Also Available**

ENERGY

- ▶ **SADC region is an energy and power deficit region**
- ▶ **SADC power generation and distribution is interconnected through the Southern African Power Pool**
- ▶ **Power generation investments underway in most member states and opportunities abound**
- ▶ **Power sector deregulated to encourage private sector participation**

THANK YOU!

- ▶ **For further information please contact the Embassy of Zimbabwe at:
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