



UNITED REPUBLIC OF TANZANIA - PRIME MINISTER'S OFFICE



TANZANIA INVESTMENT CENTRE

Investment Facilitation - Growing Housing
Sector in Tanzania

AREAS OF FOCUS

- ✘ Tanzania Investment Centre's Mandate
- ✘ Investment policy and legal framework
- ✘ Investment Opportunities- Housing sector
- ✘ Fiscal Investment incentives-Housing sector
- ✘ Non-fiscal Investment incentives-housing sector
- ✘ Overview of the housing investment projects under TIC-Registration Data
- ✘ On-going and Completed Strategic Projects under TIC Facilitation
- ✘ Conclusion

TIC'S MANDATE

- ✘ TIC is the Government agency to coordinate, encourage, promote and facilitate investment
- ✘ Also plays a role to advise the Government on investment related matters
- ✘ TIC is the focal point for investors.
- ✘ It is the first point of call for potential investors; it is a “one stop facilitative centre for all investors

INVESTMENT POLICY AND LEGAL FRAMEWORK

- ✘ Tanzania Investment Promotion Policy-1996
- ✘ Tanzania Investment Act (TIA), 1997 provides..
 - + Investment Promotion and Country Branding
 - + Investors Registration to obtain certificate of Incentives
 - + One Stop Shop Facilitation Services
 - + Fiscal and Non Fiscal Incentives Access
 - + Aftercare Services

INVESTMENT OPPORTUNITIES- HOUSING SECTOR

- ✘ Commercial buildings Sector -Listed among Investment priority Sectors under current TIA, 1997
 - + Developers of Residential Housing
 - + Developers of Commercial Estates
 - + Developers of Industrial Estates
 - + Infrastructures developers supporting projects Under Economic Infrastructure Lead Sector
 - + Tourism Sector (Tourist Hotels and Serviced Apartments)

FISCAL INVESTMENT INCENTIVES-HOUSING SECTOR

- ✘ 97.5% Exemption on Import duty for all housing project construction materials
- ✘ 100% Exemption on Duty and VAT for project Capital Goods
- ✘ 45% Exemption on VAT for all project construction materials not produced locally
- ✘ Additional fiscal incentives for Strategic (based on Capital, Employment or Location) projects e.g. Withholding Tax Exemption

NON-FISCAL INVESTMENT INCENTIVES-HOUSING SECTOR

- ✘ Access to land ownership for foreign owned real estate projects-Ref. Land laws No. 5, 1999
- ✘ Foreign Expatriates Immigration quota-up to 5 five automatic
- ✘ Free Transfer of funds of net profits, repayment of foreign loans, royalties, fees charges e.t.c
- ✘ Settlement of Disputes through local or International investment disputes resolution mechanisms

NON-FISCAL INVESTMENT INCENTIVES-HOUSING SECTOR

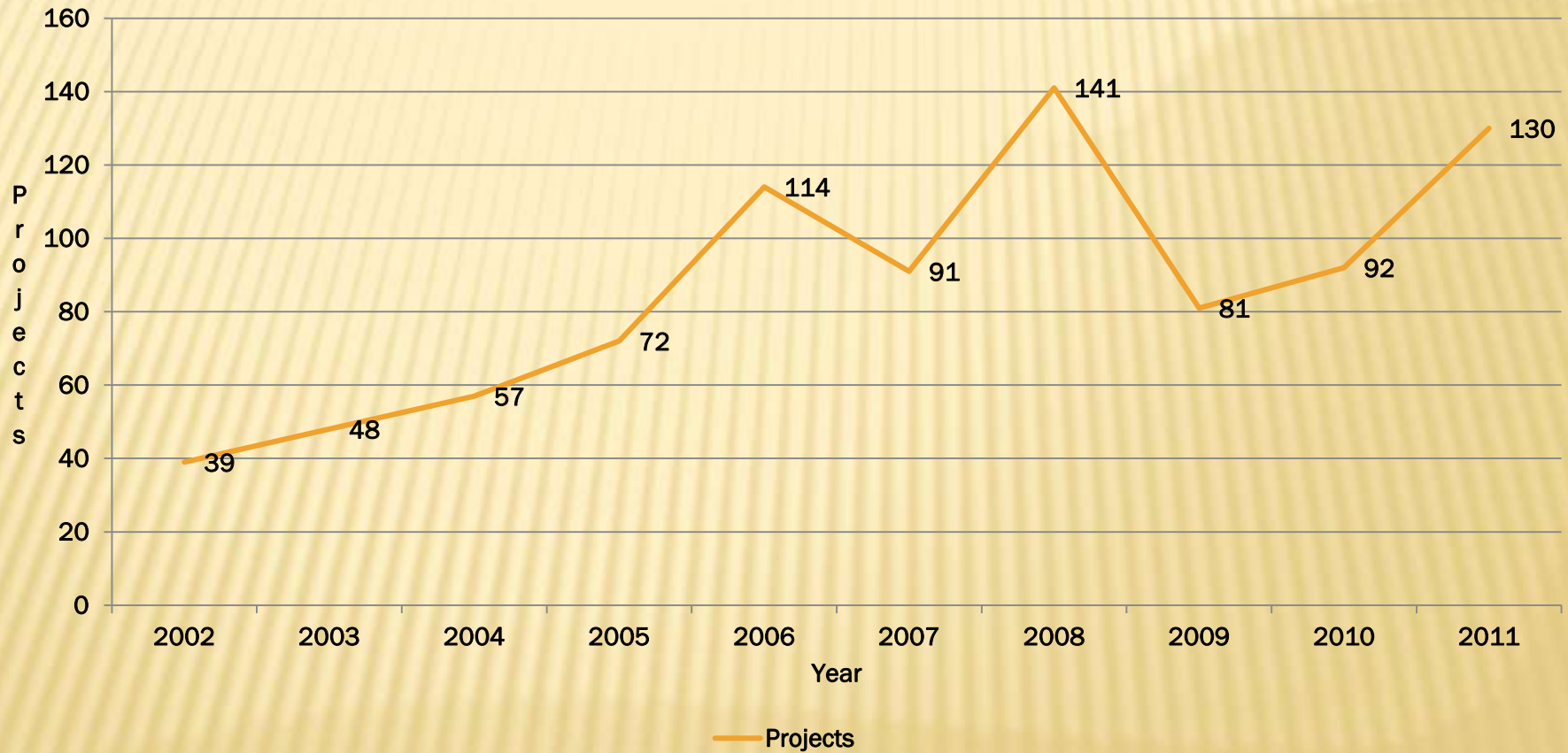
- ✘ Protection of the investment against any forms of Expropriation (Member of both the International Centre for Settlement of Investment Dispute (ICSID) and Multilateral Investment Guarantee Agency (MIGA)).

OVERVIEW OF THE HOUSING INVESTMENT PROJECTS UNDER TIC

- ✘ TIC Registered Housing Projects 2002-2011
 - + 865 Housing Projects Registered valued at 6.4 Bil US \$
 - + 685 New Projects-79%
 - + 180 Expansions and Rehabilitations-21%
 - + 483 Projects owned by Local investors-56%
 - + 192 Projects owned by Foreign investors-22%
 - + 187 were JV projects-22%

OVERVIEW OF THE HOUSING INVESTMENT PROJECTS UNDER TIC

Housing Projects Registered By TIC



ON-GOING/COMPLETED MAJOR HOUSING PROJECTS UNDER TIC FACILITATION

- ✘ National Housing Corporation Projects in Dar es Salaam, Arusha and Dodoma-Local
- ✘ Mlimani City Strategic Commercial Estate Project- Shopping Malls, Residential and Tourist Hotel facility (JV)
- ✘ National Social Security Fund-Commercial Building (Local)
- ✘ Mutual Developers Residential Estates (Foreign)

CONCLUSION

- ✘ According to highlighted TIC performance in Housing sector for the past 10 years, it is projected that the demand for office, retail, residential and industrial real estate in Tanzania will remain strong.
- ✘ This is partly contributed by the Government *steps* towards regulating the sector and to amend and passage of various laws governing the sector including the land policy, laws, a court to arbitrate land disputes and plans to institutionalize housing financing

THANK YOU

FOR YOUR KIND ATTENTION

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