

# CATALOGUE OF INCENTIVES - ZAMBIA

Catalogue of Incentives

2022

## **PART I: FISCAL (TAX) INCENTIVES IN ZAMBIA**

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### **1.0 ZDA PRIORITY SECTORS INCENTIVES FOR QUALIFYING BUSINESSES**

Under the Zambia Development Agency Act No. 11, 2006 as amended by SI no.17 of 2014

- a) “**Priority sector or product**” means a sector or product that has a high growth potential, listed in the Second Schedule

#### ***Second Schedule Priority Sectors***

- i. Manufacturing: Manufacturing activities located in an MFEZ, Industrial Park or Rural Area**
- ii. Construction and Development of Infrastructure:**
  - a. Construction of education and skills training institutions;
  - b. Construction of health centres as defined under the Health Professions Act, 2009;
  - c. Construction and establishment of hotels;
  - d. Construction and establishment of Convention centres;
  - e. Construction and establishment of Exhibition centers;
  - f. Construction and establishment of Museums;
  - g. Construction and establishment of Theme parks;
  - h. Construction and establishment of Galleries;
  - i. Construction and establishment of Theaters;
  - j. Construction and establishment of large retail complex containing a variety of ten (10) or more stores;
  - k. Development of 50 or more houses erected or maintained under one management;
  - l. Construction of crop and grain storage facilities.
- iii. Energy and Water Development**
  - a. Building and installation of power stations
  - b. Building and installation of processing and refinery plants for bio-fuel
  - c. Construction of petroleum refineries
  - d. Construction of pipelines
  - e. Construction of rural filling stations
  - f. Construction of depots
  - g. Construction of dams
  - h. Construction of irrigation canals
  - i. Construction of water and sewerage treatment plant.

## **A. CUSTOMS AND EXCISE DUTY**

### **1.1 Machinery and equipment**

Customs duty exemption valued for non-extendable period of five 5 years in respect of machinery and equipment, other than spare parts for use in a priority sector.

## **B. INCOME TAX**

### **1.2 Reduced rates of tax on profits and dividends**

- Zero percent income tax on dividends declared by ZDA registered enterprise operating in an MFEZ or Industrial Park on exports for the ten (10) years from the year of commencement.
- Income tax on profits declared by ZDA registered enterprise operating in an MFEZ or Industrial Park on exports as follows:

<b>S/N</b>	<b>DURATION OF RELIEF</b>	<b>TAX RATE</b>
<b>1.</b>	First ten (10) years from commencement	Zero (0) % on profits
<b>2.</b>	Years 11 to 13	Fifty (50) % of the applicable rate
<b>3.</b>	Years 14 to 15	Seventy-Five (75) % of the applicable rate

### **1.3 Accelerated Depreciation**

A business in a priority sector declared under the ZDA Act, may claim, on a straight-line basis, wear and tear at an accelerated rate not exceeding hundred (100) percent in respect of any new implement, plant or machinery.

## **C. VALUE ADDED TAX (VAT)**

### **1.4 Infrastructure development in an MFEZ/Industrial Park**

Goods or services supplied to or imported by a developer for the purposes of developing infrastructure in a Multifacility Economic Zone (MFEZ) or Industrial Park are zero-rated for VAT purposes.

## 2.0 MANUFACTURING SECTOR

### A. CUSTOMS AND EXCISE DUTY

#### 2.1 Manufacture of roofing sheets

Customs Duty exemption valid for non-extendible period of 5 years from time of approval on inputs used in the manufacture of roofing sheets.

#### 2.2 Assembly of motor vehicles and trailers

Customs Duty exemption from time of approval in respect of machinery, equipment and component parts required for use in the assembly of motor vehicles and trailers by a business enterprise registered by the Zambia Development Agency.

Under the Customs and Excise Regulation as amended by SI no.6 of 2015:

- a) **"assembly"** means the fitting together of component parts of a motor vehicle or trailer where the local content value addition is not less than twenty five percent of exfactory price;
- b) **"component parts"** excludes complete unassembled units of motor vehicles, trailers, motorcycles and bicycles.
- c) **"equipment and machinery"** includes specialised motor vehicles as defined under the Act, but excludes motor vehicles for the transportation of passengers and goods or goods whose unit cost, excluding insurance and freight, is equal to or less than US\$1000; and
- d) **"rural area"** means an area that is not declared, or deemed to have been declared as the area of Ndola city council, Kitwe city council, Livingstone city council, and Lusaka city council under the Local Government Act, 2019.

#### 2.3 Un-denatured spirits

Excise Duty on un-denatured spirits of alcoholic content of 80 percent or higher, by volume, suspended to 0% from 125%, when imported by a licensed excise manufacturer.

#### 2.4 Cigarettes Manufactured in Zambia

Valuation for duty purposes of assessing excise duty on cigarettes manufactured in Zambia:

Heading No.	Description of Goods	Harmonized commodity description and coding system Heading No.	Statistical Unit of Quantity	Duty Rate
4	(1)Cigars, cheroots,	24.02	Kg	A quarter of K240

	cigarillos and cigarettes, of tobacco or of tobacco substitutes			per mille
4	(2)Other manufactured tobacco and manufactured tobacco substitutes; homogenized or reconstituted tobacco extracts and essences	24.03	Kg	A quarter of K240 per mille

**NOTE: A Mille is a unit of measurement representing 1,000 sticks of cigarette.**

## 2.5 Manufacturing inputs

Suspension of Duty on inputs intended for use in the manufacturing of other goods in Zambia where:

- i. The manufacturing inputs are not locally available; and
- ii. The duty rate on the input is higher than the lowest duty rate applicable under any special preferential tariff agreement on comparable imported finished products.

## 2.6 Duty free importation of the following:

- Fabric including loomstead specially imported for further processing in the textile industry;
- Various machine tools
- Calendaring or other rolling machines, other than for metals or glass, and cylinders
- Machinery for filling, closing, sealing, or labelling bottles, cans, boxes, bags or other containers; machinery for capsuling bottles, jars, tubes and similar containers; machinery for aerating beverages
- Mechanical appliances (whether or not hand-operated) for projecting, dispersing or spraying liquids or powders; fire extinguishers, whether or not charged; spray guns and similar appliances; steam or sand blasting machines and similar jet projecting machines.
- Disperse dyes and preparations based thereon
- Polymers in primary forms.
- Importations of Chemicals, and fertilizers.

## 2.7 Duty drawback

Three (3) years refund of duty paid on inputs, when the final good is exported to any country or supplied to any organisation entitled to a rebate, refund or remission of duty on such goods. “drawback” means a refund of duty payable.

## **B. INCOME TAX**

### **2.8 Buildings used for manufacturing**

- Capital allowances on industrial buildings used for the purposes of manufacturing are entitled to a deduction of 10% in case of low-cost housing and 5% for other industrial buildings.
- Persons who incur capital expenditure on an industrial building are entitled to claim a deduction called Initial Allowance at 10% of the cost incurred in the charge year in which the industrial building is first brought into use.
- Any person who incurs capital expenditure on an industrial building is entitled to an investment allowance at 10 percent of such an expenditure in the first year that the building is used for manufacturing purposes.

“**Industrial Building**” means a building or structure in use for the purposes of any electricity, gas, water, inland navigation, transport, hydraulic power, bridge or tunnel undertaking, or any like undertaking of public utility or is in use for the purpose of any trade which is carried on in a mill, factory, or like premises;

- Consists of the manufacture of goods or materials or their subjection to any process;
- Consists the storage of goods or materials to be used in the manufacture or processing of other goods;
- Consists the storage of goods on import or for export; or
- Consists in working of a mine or well for the extraction of natural deposits

### **2.9 Manufacture of ceramic products**

Corporate income tax for persons in the business of manufacturing ceramic products is suspended to Zero (0) for the years 2022 and 2023.

### **2.10 Non-traditional Exports**

Profits from export of nontraditional exports are taxed at 15% for an unlimited duration (means anything produced or manufactured in the republic, excluding minerals, electricity, services, or cotton lint exported without an export permit].

## **C. VALUE ADDED TAX (VAT)**

### **2.11 Commercial Exporters Scheme**

Refund of Zambian VAT on export of Zambian products by non – resident businesses under the Commercial Exporters Scheme.

## **2.12 Manufacture of Mosquito Nets and Long-lasting Insecticide**

The following raw material used for manufacturing mosquito nets and long-lasting insecticide treated curtains: polyester textured yam and textile dyestuff are zero rated for VAT purposes.

### **3.0 MINING SECTOR**

#### **A. CUSTOMS AND EXCISE DUTY**

##### **3.1 Duty free importation on the following regardless of origin:**

- a) Copper ores and concentrates;
- b) Cobalt ores and concentrates;
- c) Petroleum oils and oils obtained from bituminous minerals, crude;
- d) Aviation spirit for piston engines Jet (aviation turbine) fuel;
- e) base oils suitable only for further processing;
- f) Tin, not alloyed; and
- g) Alloys of iron and steel except those locally produced.

#### **B. INCOME TAX**

##### **3.2 Losses and Interests Carry Forward Period**

10-year period carry forward of Tax losses and disallowed interest for persons carrying on mining operations.

##### **3.3 Reduced Tax Rate on Profits and Dividends**

- Dividends declared by persons carrying on mining operations are taxed at zero (0) % for an unlimited duration.
- Corporate income tax for processing of copper cathodes is at a reduced rate of fifteen (15) percent.

## **C. VAT**

### **3.4 Supply of Copper Cathodes**

The supply of copper cathodes is zero (o) rated for VAT purposes.

### **3.5 Supply of Capital equipment**

The supply of capital equipment to persons carrying on mining operations is zero (o) rated for VAT purposes.

## **4.0 TOURISM SECTOR**

### **A. CUSTOMS AND EXCISE DUTY**

#### **4.1 Duty free importation of the following:**

- Helicopters and micro-lights for use in the tourism sector;
- Stoves, ranges, grates, cookers (including those with subsidiary boilers for central heating), barbecues, braziers, gas-rings, plate warmers and similar nonelectric domestic appliances, and parts thereof, of iron or steel for gas and other fuels;
- Industrial or laboratory furnaces and ovens, including incinerators, non-electric.  
- Furnaces and ovens;
- Refrigerating or freezing equipment for cold rooms.
- The fifteen (15) percent customs duty on safari game viewing vehicles, tourist buses and coaches is suspended from 1<sup>st</sup> January, 2021 to 31<sup>st</sup> December, 2023 when imported by accommodation establishments, convention centers and tourism enterprise.

### **B INCOME TAX**

#### **4.2 Capital Allowances**

- Capital allowances at 50% of the cost of plant and machinery.
- 5 percent wear and tear allowance to an extension to a hotel (being an industrial building).
  - a. Investment allowance at 10% of the cost of an extension to a hotel (being an industrial building).

10 percent initial allowance on an extension to a hotel (being an industrial building) in the year the building is first brought into use

#### **4.3 Reduced Tax Rate on Profits**

Corporate income tax earned by hotels and lodges on accommodation and food services is suspended for the years 2021 and 2022.

## C. VALUE ADDED TAX

### 4.4 Zero Rated Supplies

- supply of goods, including meals, beverages and duty free goods for use in aircraft stores on flights to destinations outside Zambia;
- supply of an inclusive tour to a tourist by a tour operator or travel agent licensed as such under the Tourism and Hospitality Act, 2007, if the contract was entered into before 1<sup>st</sup> January, 2014.

" **tourist**" means a person who travels to, and stays in, places outside that person's usual residence for leisure, business and other purposes not related to the exercise of an activity remunerated from within the place visited, but does not include a citizen or a person resident in Zambia.

"**inclusive tour**" means a published package of tourist services booked before a visitor arrives in Zambia, which includes (a) accommodation and any provision of meals; and (b) any tourist services not ancillary to accommodation and meals which account for a significant proportion of the package when sold or offered for sale at an inclusive price and when the service covers a period of more than twenty-four hours or includes overnight accommodation;

- Other tourist services provided to foreign tourists other than those included in tour packages.
- All goods temporarily imported into the country by foreign tourists.

## 5.0 AGRICULTURE AND AGRO-PROCESSING SECTOR

### A. CUSTOMS AND EXCISE DUTY

#### 5.1 Duty free importation on the following regardless of origin:

- insecticides, rodenticides, fungicides, herbicides, antisprouting products and plant growth regulators, disinfectants and similar products, used in agriculture and horticulture;
- Pumps for liquids, whether or not fitted with a measuring device; liquid elevators;
- Dryers for agricultural products;
- Tractors;
- Surveying (including photogrammetrical surveying), hydrographic, oceanographic, hydrological, meteorological or geophysical instruments and appliances, excluding compasses; rangefinders;

- Flours, meals and pellets, of meat or meat offal, of fish or of crustaceans, molluscs or other aquatic invertebrates, unfit for human consumption; greaves;
- Milk cream;
- Bovine semen;
- Crude oil: soya, sunflower, coconut;
- Flours; and
- Bulk importations of lubrication preparations.

## 5.2 Refrigerated Trucks

The customs on refrigerated trucks is suspended for from 1<sup>st</sup> January, 2021 to 31<sup>st</sup> December, 2022 when imported by agro-processors, processors of milk and manufactures of medicaments.

## B. INCOME TAX

### 5.3 Reduced tax rate on profits

- Profits from agro-processing is at 10% for an unlimited duration.
- Profit from the production of organic or the chemical fertilizer is at 15% for an unlimited duration.
- Profits from farming is at 10% for an unlimited duration.

### 5.4 Capital Allowances

- Farm improvement allowance at 100% on fencing, brick or stone wall and an allowance of K10 million for farm occupied by farm workers.
- The wear and tear allowance at 100% on a straight-line basis on implements, machinery and plant used in Farming and Agro-processing.

“**Agro-processing**” is defined as subjecting any farming produce produced in Zambia to any process which materially changes the farming produce in substance, character or appearance thereby making it a food product, but does not include;

(a) processing of that farming produce into alcoholic and non-alcoholic beverages, sugar crystals, flour or maize meal; or

(b) further or additional processing of the farm produce by a third party.

For a business to qualify as an agro entity, it must meet the following conditions:

i) the farming produce must be produced in Zambia;

ii) the end product from the processing must be food other than alcoholic and non- alcoholic beverages, sugar crystals, flour and maize meal.

iii) the business must process unprocessed agriculture produce into a final food product. Therefore, it means that partially processed food products do not qualify.

- Farm works allowance at 100% for the full cost of stumping and clearing, works for prevention of soil erosion, boreholes, wells, aerial and geophysical surveys and water conservation.
- Development allowance is given for any person who incurs expenditure on the growing of tea, coffee or banana plants or citrus trees or similar plants or trees. An allowance of 10% of such expenditure shall be deducted in ascertaining the gains and profits of that business.

### **5.5 Local Content Allowance**

Local content allowance at the rate of two (2) percent for manufacturing and processing of products that utilize locally available raw materials specifically Mangoes, Pineapples and Cassava.

## **C. VALUE ADDED TAX (VAT)**

### **5.6 Zero Rated supplies**

- Maize dehullers; Hammer mills; two-wheel tractors, including ploughs, harrows, disc harrows, planters, seeders, rippers or subsoilers, and cultivators of such tractors; tractors up to 90 Horse Power, including ploughs, harrows, disc harrows, planters, seeders, rippers or subsoilers, and cultivators of such tractors; pump sets; knapsack sprayers (agricultural sprayers), wheat; flour produced from wheat; and, bread, including bread rolls and buns.
- Agricultural products and supplies when exported.
- Interest on leasing of agriculture equipment.

### **5.7 Intending VAT Trader**

Guaranteed VAT claim for four years prior to commencement of production for Vatable agricultural businesses.

### **5.8 VAT deferment**

VAT deferment on importation of some agricultural equipment and machinery.

## **6.0 HEALTH SECTOR**

### **A. CUSTOMS AND EXCISE DUTY**

### **6.1 Duty free importation on the following regardless of origin:**

- Dental Goods;
- Bentonite;
- Plasters;
- Preparations for oral or dental hygiene, including denture fixative pastes and powders; yarn used to clean between the teeth (dental floss), in individual retail packages;
- Photographic and film or X-ray;
- Mosquito and fruit tree netting;
- Compound optical microscopes, including those for photomicrography, cinephotomicrography or microprojection;
- instruments and appliances used in medical, surgical, dental or veterinary sciences, including scintigraphic apparatus, other electro-medical apparatus and sight-testing instruments;
- Other breathing appliances and gasmasks, excluding protective masks having neither mechanical parts nor replaceable filters;
- Apparatus based on the use of X-rays or of alpha, beta or gamma radiations, whether or not for medical, surgical, dental or veterinary uses, including radiography or radiotherapy apparatus, X-ray tubes and other X-ray generators, high tension generators, control panels and desks, screens, examination or treatment tables, chairs and the like;
- Dentists', barbers' or similar chairs and parts thereof;
- Medical, surgical or laboratory sterilisers; and
- Pharmaceutical products.

## **B. INCOME TAX**

### **6.2 Income Tax of a medical aid society**

Income of any medical aid society is exempt.

## **C. VALUE ADDED TAX (VAT)**

### **6.3 Zero Rated Supplies:**

- Medical supplies and drugs

**"medical supplies and drugs"** means any substance or mixture of substance prepared, sold or for use in:

(a) the diagnosis, treatment, mitigation or prevention of a disease, disorder or an abnormal physical state, or symptoms thereof, in human beings or animals; or

(b) restoring, correcting or modifying organic functions in human beings or animals, but does not include preparations, whether or not possessing therapeutic or prophylactic properties, commonly used for toilet purposes or in connection with the care of the human body, whether for cleaning, deodorising, beautifying, preserving or restoring.

- The supply to, or importation by, a medical doctor, optician, dentist, hospital or clinic registered under the Health Professions Act, 2009, or to a patient, of equipment designed solely for medical or prosthetic use.
- Raw material used for manufacturing mosquito nets and long-lasting insecticide treated curtains: polyester textured yam and textile dyestuff.

## **7.0 TRANSPORT SECTOR**

### **A. CUSTOMS AND EXCISE DUTY**

#### **7.1 Duty free importation on the following regardless of origin:**

- Railway or tramway track construction material of iron or steel, the following: rails, checkrails and rack rails, switch blades, crossing frogs, point rods and other crossing pieces, sleepers (cross-ties), fish-plates, chairs, chair wedges, sole plates (base plates), rail clips, bedplates, ties and other material specialized for jointing or fixing rails;
- Spark-ignition reciprocating or rotary internal combustion piston engines;
- Compression-ignition internal combustion piston engines (diesel or semi-diesel engines);
- Hydraulic turbines and water wheels;
- Special purpose motor vehicles, other than those principally designed for the transport of persons or goods (for example, breakdown lorries, crane lorries, fire fighting vehicles, concrete mixer lorries, road sweeper lorries, spraying lorries, mobile work shops, mobile radiological units);
- Motorcycles (including mopeds) and cycles fitted with an auxiliary motor, with or without side-cars; side-cars;

- Balloons and dirigibles; gliders, hang gliders and other non-powered aircraft. Other aircraft (for example, helicopters, aeroplanes); spacecraft (including satellites) and suborbital and spacecraft launch vehicles;
- Cruise ships, excursion boats, ferry-boats, cargo ships, barges and similar vessels for the transport of persons or goods and all forms of water vessels;
- Ambulances and;
- Garbage dumper trucks.
- Aviation spirit for piston engines Jet (aviation turbine) fuel.
- Rail locomotives powered from an external source of electricity or by electric accumulators and other railway equipment.

## **B. VALUE ADDED TAX (VAT)**

### **7.2 Zero Rated supplies**

Supply of Aviation fuel

## **8.0 EDUCATION AND ARTS SECTOR**

### **A. CUSTOMS AND EXCISE DUTY**

#### **8.1 Duty free importation on the following regardless of origin:**

- Artists', students' or signboard paintings' colours, modifying tints, amusement colours and the like, in tablets, tubes, jars, bottles, pans or in similar forms or packings
- Printed books, brochures, leaflets and similar printed matter, whether or not in single sheets;
- Newspapers, journals and periodicals, whether or not illustrated or containing advertising materials.
- Children's picture, drawing or colouring books.
- Music, printed or in manuscript, whether or not bound or illustrated.
- Maps and hydrographic or similar charts of all kinds, including atlases, wall maps and topographical plans and globes, printed without advertising matter.

- Plans and drawings for architectural, engineering, industrial, commercial, topographical or similar purposes, being originals drawn by hand; hand-written texts; photographic reproductions on sensitised paper and carbon copies.
- Postage, revenue and similar stamps stamp-impressed paper Banknotes and other paper currency; documents of title (for example, stock, share and bond certificates).
- Paintings, drawings and pastels, executed entirely by hand, other than drawings of heading 49.06 and other hand-painting or hand decorated manufactured articles; collages and similar decorative plaques.
- Collections and collectors' pieces of zoological, botanical, mineralogical, anatomical, historical, archaeological, palaeontological, ethnographic or numismatic interest.
- All musical instruments
- Dryers for - For wood, paper pulp, paper or paperboard

## **B. VALUE ADDED TAX (VAT)**

### **8.2 Zero Rated supplies**

Books, including electronic learning material, and school exercise books.

## **9.0 COMMUNICATION SECTOR**

### **A. CUSTOMS AND EXCISE DUTY**

#### **9.1 Duty free importation on the following regardless of origin:**

- Telephone sets, including telephones for cellular networks or for other wireless; other apparatus for the transmission or reception of voice, images or other data, including apparatus for communication in a wired or wireless network.
- Microphones and stands therefor.
- Video recording or reproducing apparatus, whether or not incorporating a video turner.
- Electrical signalling, safety or traffic control equipment for railways, tramways, roads, inland waterways, parking facilities, port installations or airfields.
- Electric sound or visual signalling apparatus (for example, bells, sirens, indicator panels, burglar or fire alarms).
- Electrical capacitors, fixed, variable or adjustable.

- Optical fibres, optical fibre bundles and cables; and
- Point of sale machines, electronic fiscal devices and sim cards

## **10.0 ENERGY SECTOR**

### **A. CUSTOMS AND EXCISE DUTY**

#### **10.1 Duty free Importations on the following:**

- Furnace burners for liquid fuel, for pulverised solid fuel or for gas; mechanical stokers, including their mechanical grates, mechanical ash dischargers and similar appliances;
- Electric motors and generators;
- Electric accumulators, including separators therefor, whether or not rectangular; and
- Electrical transformers, static converters.
- Solar products listed in Statutory Instrument No. 102 of 2021- The Customs and Excise (Solar Products) Regulations, 2021

### **B. INCOME TAX**

#### **10.2 Reduced rate on dividends**

Dividends declared by a business enterprise approved by the Zambia Development Agency and carrying on electricity generation.

### **C. VALUE ADDED TAX (VAT)**

#### **10.3 Zero rated goods (for which no VAT is applicable when sold, but supplier can claim the input VAT):**

- Discharge lamps, other than ultra violet lamps (energy efficient lighting lamps).
- Florescent lamps (tubes and bulbs).
- Non-electric storage water heaters (solar geysers); solar panels, solar batteries-lead acid used for starting piston engines.
- Other lead acid accumulators, nickel cadmium, nickel iron.
- Other accumulators, static converters (inverters for solar power).
- Electric generating sets- generators with compression ignition internal, combustion piston engines (diesel or semi-diesel generators).

- Generators with spark ignition internal combustion piston engines (petrol generators).
- Windmills.
- liquefied Petroleum Gas (LPG)

**11.0 CROSS SECTOR MATTERS**

**A. CUSTOMS AND EXCISE DUTY**

**B. INCOME TAX**

- Presumptive tax on small business with turnover below K800,000 per annum. Taxed at a rate of 4%.
- New listing on LUSE more than 33% shares taken by Zambians: 7 percent discount, available for one year only.
- Other new listings on LUSE: 2 percent discount, available for one year only.

**C. VALUE ADDED TAX**

- Import VAT relief for VAT registered businesses on imports of eligible capital goods (VAT Deferment).
- Guarantee of VAT refund within 30 days of lodgment of adequately supported claims within 30 days of submission of the claim.
- Relief of VAT on transfer of business as a going concern.
- Equal treatment of services for VAT irrespective of domicile of supplier (Reverse VAT).
- Cash accounting for VAT members of the Association of Building and Civil Engineering Contractors, and mining companies.
- Guaranteed VAT input tax claim for three months prior to VAT registration for businesses that have already commenced trading.
- Voluntary registration for VAT for compliant businesses whose turnover is below K800,000 per annum.
- Relief on VAT paid for purchases made by registered suppliers.
- VAT Intending Trader - Companies in any sector, including mining, mining and exploration may claim VAT incurred on their inputs before they commence trading activities as follows:

	<b>SECTOR</b>	<b>DURATION</b>
1	Exploration	10 years
2	Mining	4 years
3	Farming	4 years
4	Tourism	4 years
5	Electricity generation	4 years

6	Other Sectors	2 years
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## **PART II: NON-FISCAL INCENTIVES**

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Investors meeting the prescribed investment threshold of USD250,000 for foreign investors and USD 50,000 for local investors are also entitled to the following non-fiscal incentives offered by the Zambia Development Agency (ZDA):

- a) Free facilitation for Business Formalisation;
- b) Investment guarantees and protection against state nationalization;
- c) Free facilitation for immigration permits;
- d) Provision of aftercare services to fast track project implementation;
- e) 100% repatriation of capital and assets (Free Capital Economy);
- f) Free facilitation for land acquisition and utilities;
- g) Free facilitation of Business Profiling services;
- h) Free facilitation for access to Tax Rebates;
- i) Free facilitation for Local meetings, i.e Business-to-Business and Business-to-Government Meetings;
- j) Free facilitation for access to Local Markets and linkages to Export Market;
- k) Linkages to access to Finance;
- l) Free facilitation for Joint Ventures and Partnerships with other businesses/ entities;
- m) Access to Farming Blocks for Core-Venture and Out-grower schemes;
- n) Free facilitation for access to Multi Facility Economic Zones/ Industrial Park;
- o) Provision of Investment and Trade Information;
- p) Free facilitation of participation in International Fora, Trade Missions (Shows/Exhibitions/Trade Fairs etc) and Business to business Meetings;

- q) Capacity Building for Export markets, and access to trade finance for exports; and
- r) Product Development services.

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