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ANDERSON INTERNATIONAL ASSOCIATES

Technical and Management Advisory Services

INVESTMENT INCENTIVES

in

SELECTED AFRICAN COUNTRIES

In partial fulfillment of Labat-Anderson contract

89-087-8400 Task # 002: African Business
Information System

A Division of Anderson Enterprises
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COUNTRY: Botswana.
INCENTIVE CATEGORY: Finance.

INCENTIVE: Access to local credit.
ACTIVITY: Local credit markets are open to foreign investors
with few restrictions.

COUNTRY: Botswana.
INCENTIVE CATEGORY: Finance.

INCENTIVE: Financial assistance.
ACTIVITY: The Financial Assistance Policy (FAP) provides
financial assistance to newly formed or expanding
enterprises. The assistance includes tax relief
and/or cash grants and is available to foreign
investments valued at more than about US\$12,000.

COUNTRY: Botswana.
INCENTIVE CATEGORY: Finance.

INCENTIVE: Local equity capital availability.
ACTIVITY: The Botswana Development Corporation (a parastatal)
will often provide local equity capital for approved
projects when private local sources do not come
forward.

COUNTRY: Botswana.
INCENTIVE CATEGORY: Infrastructure.

INCENTIVE: Land availability.
ACTIVITY: There is a shortage of serviced land available for
new businesses.

COUNTRY: Botswana.
INCENTIVE CATEGORY: Infrastructure.

INCENTIVE: Services.
ACTIVITY: Electricity costs are high. Water supplies are scarce
in many rural areas.

COUNTRY: Botswana.
INCENTIVE CATEGORY: Labor.

INCENTIVE: Labor availability.
ACTIVITY: It is difficult to obtain skilled labor. Many firms are forced to look outside of Swaziland for quality skilled labor. Work permit regulation impede utilization of expatriate labor.

COUNTRY: Botswana.
INCENTIVE CATEGORY: Labor.

INCENTIVE: Labor laws.
ACTIVITY: Legislation controls minimum wages (which range from US\$0.33 to US\$0.42 per hour), length of workweek, leave time, hiring and termination.

COUNTRY: Botswana.
INCENTIVE CATEGORY: Ownership & Control.

INCENTIVE: Profit/capital repatriation.
ACTIVITY: Approval is required and normally given for repatriation of profits.

COUNTRY: Botswana.
INCENTIVE CATEGORY: Ownership & Control.

INCENTIVE: Treaty arrangements.
ACTIVITY: The U.S. and Botswana signed an Investment Guarantee treaty in 1968.

COUNTRY: Botswana.
INCENTIVE CATEGORY: Protection.

INCENTIVE: Anti-dumping duties.
ACTIVITY: Additional duty is imposed on imported goods which would compete unfairly in price with locally produced goods.

COUNTRY: Botswana.
INCENTIVE CATEGORY: Protection.

INCENTIVE: Competing investment prohibition.
ACTIVITY: Existing firms, particularly if citizen owned, will
be protected from displacement by new investments.

COUNTRY: Botswana.
INCENTIVE CATEGORY: Protection.

INCENTIVE: Customs union.
ACTIVITY: A customs union liberalizes trade between Lesotho,
Swaziland, Botswana and the Republic of South Africa.
Customs and excise duties are uniform.

COUNTRY: Botswana.
INCENTIVE CATEGORY: Protection.

INCENTIVE: Infant industries tariff barriers.
ACTIVITY: Tariff protection for up to eight years is available
to infant industries through the Customs Union
agreement. However, Botswana has sought such
protection only twice in fifteen years. Tariffs are
set at the port of entry into the customs union,
which is most often in South Africa.

COUNTRY: Botswana.
INCENTIVE CATEGORY: Regulation.

INCENTIVE: Restricted business activities.
ACTIVITY: Certain activities are restricted to citizens. These
include filling stations, butcheries, dairies,
security guard services, general trading stores, some
restaurants, clothing boutiques, manufacture of
school uniforms, furniture, and brick-making.

COUNTRY: Botswana.
INCENTIVE CATEGORY: Taxation.

INCENTIVE: Company taxes.
ACTIVITY: The company tax rate is 40%. An additional 15% is
assessed on non-resident company profits after the
40% company tax and allowing for various deductions
for profit reinvestment.

COUNTRY: Botswana.
INCENTIVE CATEGORY: Taxation.

INCENTIVE: Tax reduction/exemption.
ACTIVITY: Investors are eligible for an annual tax exemption allowance for plant and machinery, but not buildings. Tax relief may be granted to approved development projects.

COUNTRY: Botswana.
INCENTIVE CATEGORY: Taxation.

INCENTIVE: Tax reduction/exemption.
ACTIVITY: Any person can claim 200% of the cost of approved training of his citizen employees in arriving at his taxable income.

COUNTRY: Burundi.
INCENTIVE CATEGORY: Exchange Control.

INCENTIVE: Exchange controls.
ACTIVITY: Foreign exchange is tightly controlled by the Bank of the Republic of Burundi.

COUNTRY: Burundi.
INCENTIVE CATEGORY: Exchange Control.

INCENTIVE: Guarantees for priority investments.
ACTIVITY: Investments accorded priority status are granted guarantees of foreign exchange for repayment of loans and importation of materials needed for production.

COUNTRY: Burundi.
INCENTIVE CATEGORY: Finance.

INCENTIVE: Access to local credit.
ACTIVITY: Credit markets are open to all persons having capital resources of US\$50,000 or more.

COUNTRY: Burundi.
INCENTIVE CATEGORY: General.

INCENTIVE: Investment incentives.
ACTIVITY: Privileges awarded depend on the nature of the investment and range from reduction of income taxes to import and export tax advantages.

COUNTRY: Burundi.
INCENTIVE CATEGORY: Labor.

INCENTIVE: Labor laws.
ACTIVITY: Minimum wages are US\$0.76 per day in rural areas and US\$1.22 per day in Bujumbura and Gitega. Maternity and sick leaves are ample. Job positions must be filled through the Ministry of Social Affairs and Labor. Regulations govern job security and employee dismissal must follow procedures mandated by law.

COUNTRY: Burundi.
INCENTIVE CATEGORY: Location.

INCENTIVE: Geographical preference.
ACTIVITY: Incentives are available to investments located outside Bujumbura including tax exemptions for up to ten years, greater foreign exchange allowances for dividend distribution, and subsidization of energy and water costs for five years.

COUNTRY: Burundi.
INCENTIVE CATEGORY: Ownership & Control.

INCENTIVE: Joint ventures preferred.
ACTIVITY: While there are no specific laws requiring local participation in investments, the government has generally sought to be an equity investor in new enterprises.

COUNTRY: Burundi.
INCENTIVE CATEGORY: Ownership & Control.

INCENTIVE: Profit/capital repatriation.
ACTIVITY: Investments accorded priority status are granted guarantees of transfer of invested capital, earnings and personal income.

COUNTRY: Burundi.
INCENTIVE CATEGORY: Ownership & Control.

INCENTIVE: Profit/capital repatriation.
ACTIVITY: Subject to the availability of foreign exchange,
profits may be transferred over a period of five years
according to a schedule that allows 50% (in some
cases more) of profits to be transferred immediately.

COUNTRY: Burundi.
INCENTIVE CATEGORY: Ownership & Control.

INCENTIVE: Treaty arrangements.
ACTIVITY: A bilateral agreement between the U.S. and Burundi
was signed in 1969. A bilateral investment treaty is
currently being negotiated.

COUNTRY: Burundi.
INCENTIVE CATEGORY: Preferred Investments.

INCENTIVE: Officially contracted investments.
ACTIVITY: Investments considered officially contracted are
eligible for concessions beyond those granted
priority investments. An investment is so considered
if it is of predominant importance to development,
its feasibility studies are approved by the National
Commission on Investments, and it either creates
substantial permanent employment (100 industrial or
150 agricultural positions) or commits substantial
capital (US\$8.5 million for industrial and US\$4.2

COUNTRY: Burundi.
INCENTIVE CATEGORY: Preferred Investments.

INCENTIVE: Priority investments.
ACTIVITY: Priority status is accorded to investments which meet
a set of requirements including the following:
priority given to hiring and training citizens;
contributes to the current five-year plan; promotes
import substitution or export expansion; creates
at least 15 new jobs; stimulates technical
development; contributes to regional balance; is in a
priority sector; is technically and financially
sound; and meets certain size criteria.

COUNTRY: Burundi.

INCENTIVE CATEGORY: Protection

INCENTIVE: Trade preference.

ACTIVITY: Preferences mandated by current membership rules will be extended to fellow members of the Preferential Trade Area for Eastern and Southern States and for fellow members of the Economic Community of the States of Central Africa.

COUNTRY: Burundi.

INCENTIVE CATEGORY: Taxation.

INCENTIVE: Customs duties and taxes.

ACTIVITY: Import duty ranges between 2% and 5%. EEC and franc zone imports are exempt

COUNTRY: Burundi.

INCENTIVE CATEGORY: Taxation.

INCENTIVE: Customs duties and taxes.

ACTIVITY: A statistical tax is levied at a rate of 4% ad valorem on all imports. A transaction tax of 2% ad valorem is levied on the duty paid value of all imports and is applied to all commercial transactions.

COUNTRY: Burundi.

INCENTIVE CATEGORY: Taxation.

INCENTIVE: Foreign trade zone.

ACTIVITY: There are no foreign free trade zones nor duty free import zones.

COUNTRY: Burundi.

INCENTIVE CATEGORY: Taxation.

INCENTIVE: Revenue duty.

ACTIVITY: The revenue duty averages between 15% and 35% ad valorem.

COUNTRY: Burundi.
INCENTIVE CATEGORY: Taxation.

INCENTIVE: Tax reduction/exemption.
ACTIVITY: Investments considered officially contracted may negotiate for a variety of concessions including tax exemptions for up to ten years.

COUNTRY: Burundi.
INCENTIVE CATEGORY: Taxation.

INCENTIVE: Tax reduction/exemption.
ACTIVITY: Export oriented investments are eligible for import tax exemption for specified time periods.

COUNTRY: Burundi.
INCENTIVE CATEGORY: Taxation.

INCENTIVE: Tax reduction/exemption.
ACTIVITY: Investments accorded priority status are granted partial or total exemption for up to eight years from taxes on profits and capital gains with certain conditions, from property taxes, and from company taxes paid on salaries.

COUNTRY: Cameroon.
INCENTIVE CATEGORY: Exchange Control.

INCENTIVE: Access to foreign exchange.
ACTIVITY: Currency is fully convertible to the French Franc at a fixed exchange rate.

COUNTRY: Cameroon.
INCENTIVE CATEGORY: Exchange Control.

INCENTIVE: Exchange controls.
ACTIVITY: Payments may be made freely to France, Monaco, and countries whose bank of issue is linked with the French Treasury by an Operations Account. All exchange transactions with other countries must be effected through authorized intermediaries.

COUNTRY: Cameroon.
INCENTIVE CATEGORY: Finance.

INCENTIVE: Access to local credit.
ACTIVITY: Foreign firms are eligible for credit at low rates to finance local expenses of investment projects.

COUNTRY: Cameroon.
INCENTIVE CATEGORY: Finance.

INCENTIVE: Land rental.
ACTIVITY: Foreign firms are eligible for land rental at 230 CFA Franc per square meter per year for land rental in industrial parks.

COUNTRY: Cameroon.
INCENTIVE CATEGORY: Ownership & Control.

INCENTIVE: Joint ventures.
ACTIVITY: There is no legislation limiting the degree of foreign participation in investment projects.

COUNTRY: Cameroon.
INCENTIVE CATEGORY: Ownership & Control.

INCENTIVE: Joint ventures preferred.
ACTIVITY: Joint venture with parastatals or Cameroon nationals are encouraged and are the preferred method of foreign establishment in Cameroon, but all proposals are considered.

COUNTRY: Cameroon.
INCENTIVE CATEGORY: Preferred Investments.

INCENTIVE: Special consideration.
ACTIVITY: Special considerations exist for investments in the hotel trade and tourism.

COUNTRY: Cameroon.
INCENTIVE CATEGORY: Protection.

INCENTIVE: Market protection.
ACTIVITY: Foreign investors are eligible for protection against foreign competition as long as products benefiting from this protection are of good quality and are price competitive.

COUNTRY: Cameroon.
INCENTIVE CATEGORY: Protection.

INCENTIVE: Tariff barriers.
ACTIVITY: An equalization tax is levied on sugar imports.

COUNTRY: Cameroon.
INCENTIVE CATEGORY: Taxation.

INCENTIVE: Tax reduction/exemption.
ACTIVITY: New or industrial or agricultural projects are eligible for fiscal and other benefits which vary according to the size of the investment and its benefits to national economic growth and the pursuit of national economic and social development plans.

COUNTRY: Cameroon.
INCENTIVE CATEGORY: Taxation.

INCENTIVE: Tax reduction/exemption.
ACTIVITY: All enterprises which reinvest a part of their profits are allowed a 50% tax reduction.

COUNTRY: Chad.
INCENTIVE CATEGORY: Exchange Control.

INCENTIVE: Access to foreign exchange.
ACTIVITY: Currency is fully convertible to the French Franc at a fixed exchange rate.

COUNTRY: Chad.
INCENTIVE CATEGORY: Exchange Control.

INCENTIVE: Exchange controls.
ACTIVITY: Exchange controls do not apply to France, Monaco, and countries whose bank of issue is linked with the French Treasury by an Operations Account. All exchange transactions with other countries must be effected through authorized banks.

COUNTRY: Chad.
INCENTIVE CATEGORY: Labor.

INCENTIVE: Labor availability.
ACTIVITY: No shortage of unskilled workers. Limited number of skilled and semi-skilled workers available in urban areas.

COUNTRY: Chad.
INCENTIVE CATEGORY: Ownership & Control.

INCENTIVE: Land ownership.
ACTIVITY: The government sells land on condition of payment made and agreed upon improvements completed by the buyer within stipulated period. The buyer receives title after payment and improvements are completed.

COUNTRY: Chad.
INCENTIVE CATEGORY: Ownership & Control.

INCENTIVE: Nationalization/expropriation.
ACTIVITY: N/A.

COUNTRY: Chad.
INCENTIVE CATEGORY: Protection.

INCENTIVE: Tariff barriers.
ACTIVITY: Textile, tobacco, and sugar industries are protected by tariff barriers against competing imports.

COUNTRY: Chad.
INCENTIVE CATEGORY: Regulation.

INCENTIVE: Business license exemption.
ACTIVITY: New companies can apply for a five year exemption from business licence fees.

COUNTRY: Chad.
INCENTIVE CATEGORY: Regulation.

INCENTIVE: Business licenses.
ACTIVITY: Fees vary according to the size of the enterprise.

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COUNTRY: Chad.
INCENTIVE CATEGORY: Taxation.

INCENTIVE: Company taxes.
ACTIVITY: Vary from 45% to 50% of net profits. All companies must pay minimum fiscal of approximately 0.6-1.0% of total receipts. Minimum fiscal is deducted as a credit from the corporate income tax.

COUNTRY: Chad.
INCENTIVE CATEGORY: Taxation.

INCENTIVE: Industry taxation.
ACTIVITY: Primary materials are imported duty free and a single negotiated 'tax unique' is paid on local sales (normal sales tax is not paid.) A tax of approximately six percent is paid on exports under this tax regime.

COUNTRY: Chad.
INCENTIVE CATEGORY: Taxation.

INCENTIVE: Tax reduction/exemption.
ACTIVITY: New companies eligible for a five year income tax exemption.

COUNTRY: Chad.
INCENTIVE CATEGORY: Taxation.

INCENTIVE: Tax reduction/exemption.
ACTIVITY: Processing and manufacturing companies can apply for reduced customs rates on importation of machinery.

COUNTRY: Chad.
INCENTIVE CATEGORY: Taxation.

INCENTIVE: Tax reduction/exemption.
ACTIVITY: Primary input materials for industries are imported duty free.

COUNTRY: Chad.
INCENTIVE CATEGORY: Taxation.

INCENTIVE: Tax reduction/exemption.
ACTIVITY: Tax incentives guaranteed for 25 years are offered to investors willing to commit one billion FCFA (about US\$ 2.5 million). Guarantees of shorter duration available for commitments of lesser amounts.

COUNTRY: Gambia.
INCENTIVE CATEGORY: Exchange Control.

INCENTIVE: Exchange controls.
ACTIVITY: All transactions in foreign exchange are subject to control. Commercial banks may sell foreign currencies freely and without limit for permissible imports as well as for all other transactions.

COUNTRY: Gambia.
INCENTIVE CATEGORY: General.

INCENTIVE: Investment incentives.
ACTIVITY: Concessions are made for pioneer industries, newly incorporated companies, etc.

COUNTRY: Gambia.
INCENTIVE CATEGORY: Infrastructure.

INCENTIVE: Transport, communications, and services.
ACTIVITY: Roads, housing, urban services, and education are of poor quality. Telecommunication facilities are excellent.

COUNTRY: Gambia.
INCENTIVE CATEGORY: Labor.

INCENTIVE: Labor availability.
ACTIVITY: There is abundant unskilled labor in The Gambia and a shortage of skilled labor.

COUNTRY: Gambia.
INCENTIVE CATEGORY: Labor.

INCENTIVE: Labor laws.
ACTIVITY: Labor laws are quite liberal requiring employers to
make reasonably affordable contributions to a social
security program.

COUNTRY: Gambia.
INCENTIVE CATEGORY: Ownership & Control.

INCENTIVE: Joint ventures.
ACTIVITY: There are no legal requirements for joint ventures
and the government does not seek participation.

COUNTRY: Gambia.
INCENTIVE CATEGORY: Ownership & Control.

INCENTIVE: Land ownership.
ACTIVITY: Land may be owned with government approval.

COUNTRY: Gambia.
INCENTIVE CATEGORY: Ownership & Control.

INCENTIVE: Profit/capital repatriation.
ACTIVITY: Repatriation of earnings and capital is unrestricted.

COUNTRY: Gambia.
INCENTIVE CATEGORY: Preferred Investments.

INCENTIVE: Priority investments.
ACTIVITY: Industries accorded priority status and special
foreign investment incentive benefits include:
manufacturing, agriculture, livestock, fishing and
forestry, mining and quarrying, and tourism.

COUNTRY: Gambia.
INCENTIVE CATEGORY: Protection.

INCENTIVE: Subsidies.
ACTIVITY: There are no subsidies whatsoever.

 COUNTRY: Gambia.
 INCENTIVE CATEGORY: Protection.

 INCENTIVE: Trade preference.
 ACTIVITY: The Republic of Senegal enjoys trade preferences as a
 result of a trade agreement with Gambia.

 COUNTRY: Gambia.
 INCENTIVE CATEGORY: Protection.

 INCENTIVE: Trade preference.
 ACTIVITY: Preferences mandated by current membership rules will
 be extended to fellow members of the Preferential
 Trade Area for Eastern and Southern States and for
 fellow members of the Economic Community of West
 African States.

 COUNTRY: Gambia.
 INCENTIVE CATEGORY: Taxation.

 INCENTIVE: Company taxes.
 ACTIVITY: Company taxes vary but there is no profit tax.

 COUNTRY: Gambia.
 INCENTIVE CATEGORY: Taxation.

 INCENTIVE: Customs duties and taxes.
 ACTIVITY: There are no customs surcharges or excise duties.

 COUNTRY: Gambia.
 INCENTIVE CATEGORY: Taxation.

 INCENTIVE: Customs duties and taxes.
 ACTIVITY: An import tax of 6% of c.i.f. value is levied on all
 imports unless specifically exempted.

 COUNTRY: Gambia.
 INCENTIVE CATEGORY: Taxation.

 INCENTIVE: Foreign trade zone.
 ACTIVITY: There are no foreign free trade zones nor duty free
 import zones.

COUNTRY: Gambia.
INCENTIVE CATEGORY: Taxation.

INCENTIVE: Tax reduction/exemption.
ACTIVITY: Capital equipment for use in development projects
other than for repairs is eligible for import tax
exemption.

COUNTRY: Gambia.
INCENTIVE CATEGORY: Taxation.

INCENTIVE: Tax reduction/exemption.
ACTIVITY: Industries accorded priority status are eligible for
tax credit certificates of varying amounts depending
on the benefit of the investment to the economy.

COUNTRY: Ghana.
INCENTIVE CATEGORY: Exchange Control.

INCENTIVE: Exchange controls.
ACTIVITY: All exchange is strictly controlled by the Bank of
Ghana.

COUNTRY: Ghana.
INCENTIVE CATEGORY: Ownership & Control.

INCENTIVE: Production and pricing.
ACTIVITY: The government may issue rulings as to quantity,
quality, and prices of the products of any
manufacturing industry.

COUNTRY: Ghana.
INCENTIVE CATEGORY: Preferred Investments.

INCENTIVE: Priority investments.
ACTIVITY: Industries accorded priority status and special
foreign investment incentive benefits include:
petroleum exploration, minerals, timber and wood
processing, agriculture, fishing, food processing,
export industries, and indigenous manufacturing.

COUNTRY: Ghana.
INCENTIVE CATEGORY: Protection.

INCENTIVE: Special customs tariffs.
ACTIVITY: Special levies are imposed on imports of cement,
rice, sugar, beer, wine, spirits, cigarettes, textile
fabrics, and automotive vehicles.

COUNTRY: Ghana.
INCENTIVE CATEGORY: Protection.

INCENTIVE: Trade preference.
ACTIVITY: Duty rates generally apply equally to imports from
all nations.

COUNTRY: Ghana.
INCENTIVE CATEGORY: Protection.

INCENTIVE: Trade preference.
ACTIVITY: Preferences mandated by current membership rules will
be extended to fellow members of the Preferential
Trade Area for Eastern and Southern States and for
fellow members of the Economic Community of West
African States.

COUNTRY: Ghana.
INCENTIVE CATEGORY: Regulation.

INCENTIVE: Investment control.
ACTIVITY: The government has authority to control the type of
industries established or expanded in order to insure
that investment projects do not conflict with
official policy.

COUNTRY: Ghana.
INCENTIVE CATEGORY: Taxation.

INCENTIVE: Customs duties and taxes.
ACTIVITY: All imports are liable for import duties, sales tax
of 20% of the c.i.f. value on finished goods, and
excise duties.

COUNTRY: Ghana.
INCENTIVE CATEGORY: Taxation.

INCENTIVE: Foreign trade zone.
ACTIVITY: A free zone is located in Ghana's main port.
Investors in the zone receive various tax
concessions, including exemption from income,
employment, and sales taxes, and import duties.

COUNTRY: Kenya.
INCENTIVE CATEGORY: Exchange Control.

INCENTIVE: Exchange controls.
ACTIVITY: All transactions in foreign exchange are subject to
control.

COUNTRY: Kenya.
INCENTIVE CATEGORY: Finance.

INCENTIVE: Access to local credit.
ACTIVITY: Foreign investors may borrow Kenya shillings from
local banks to cover the costs of import duties on
capital equipment.

COUNTRY: Kenya.
INCENTIVE CATEGORY: Finance.

INCENTIVE: Access to local credit.
ACTIVITY: Local firms are favored in the allocation of locally
raised capital. Many foreign firms must look outside
Kenya for loan capital.

COUNTRY: Kenya.
INCENTIVE CATEGORY: Infrastructure.

INCENTIVE: Transport and communications.
ACTIVITY: Transport and telecommunications are excellent.

COUNTRY: Kenya.
INCENTIVE CATEGORY: Infrastructure.

INCENTIVE: Transport costs.
ACTIVITY: Lack of cheap transport is a major constraint to
business development.

COUNTRY: Kenya.
INCENTIVE CATEGORY: Labor.

INCENTIVE: Expatriate replacement requirements.
ACTIVITY: Investors must sign an agreement with the government stating training arrangements for phasing out expatriates. Work permits for expatriates are difficult to obtain or renew.

COUNTRY: Kenya.
INCENTIVE CATEGORY: Labor.

INCENTIVE: Labor availability.
ACTIVITY: Access to quality skilled and supervisory labor is not a serious constraint to investment although some training is usually required. Unskilled labor is abundant. The minimum wage is about US\$55 per month and vacation and overtime pay is required.

COUNTRY: Kenya.
INCENTIVE CATEGORY: Ownership & Control.

INCENTIVE: Joint venture with parastatals, control.
ACTIVITY: It is generally advantageous to share equity in investment projects with local organizations. While parastatals owned by the Kenyan government are the most common equity partners, they seldom take an active role in day-to-day management.

COUNTRY: Kenya.
INCENTIVE CATEGORY: Ownership & Control.

INCENTIVE: Joint ventures.
ACTIVITY: There are no restrictions on percentage of foreign investment in enterprises where foreign investment is permitted; but the government encourages and prefers at least 51% local participation, particularly in agri-business.

COUNTRY: Kenya.
INCENTIVE CATEGORY: Ownership & Control.

INCENTIVE: Profit/capital repatriation.
ACTIVITY: A 'Certificate of Approved Status' is granted to investment projects accepted as contributory to development. The certificate guarantees the right to repatriate capital profits after taxes and dividends.

COUNTRY: Kenya.
INCENTIVE CATEGORY: Ownership & Control.

INCENTIVE: Treaty arrangements.
ACTIVITY: The U.S. and Kenya have signed a bilateral investment treaty.

COUNTRY: Kenya.
INCENTIVE CATEGORY: Preferred Investments.

INCENTIVE: Priority investments.
ACTIVITY: Preference is given to investments which earn or save foreign exchange, increase technical knowledge, increase employment, utilize local resources, and are based outside of Nairobi and Mombasa.

COUNTRY: Kenya.
INCENTIVE CATEGORY: Protection.

INCENTIVE: Anti-dumping duties.
ACTIVITY: Additional duty sufficient to bring prices to fair market value is imposed on imported goods which local officials feel would compete unfairly in price with locally produced goods.

COUNTRY: Kenya.
INCENTIVE CATEGORY: Protection.

INCENTIVE: Export subsidies.
ACTIVITY: Locally manufactured products with less than 30% import content are eligible for a 20% compensation of total export value after earnings have been received. Petroleum products, chemicals, electric power, and certain agricultural products are not

COUNTRY: Kenya.

INCENTIVE CATEGORY: Protection.

INCENTIVE: Import controls and duties.

ACTIVITY: Local markets for locally manufactured goods are protected from competing goods through a system of import controls and duties.

COUNTRY: Kenya.

INCENTIVE CATEGORY: Protection.

INCENTIVE: Trade preference.

ACTIVITY: Preferences mandated by current membership rules will be extended to fellow members of the Preferential Trade Area for Eastern and Southern States.

COUNTRY: Kenya.

INCENTIVE CATEGORY: Regulation.

INCENTIVE: Price controls.

ACTIVITY: Price controls, which have been a major disincentive to investment, are being liberalized.

COUNTRY: Kenya.

INCENTIVE CATEGORY: Regulation.

INCENTIVE: Regulatory environment.

ACTIVITY: Requirements for work permits and licenses, prices controls, import restrictions, and tax policies combine to create a cumbersome environment which can be a major barrier to production growth.

COUNTRY: Kenya.

INCENTIVE CATEGORY: Regulation.

INCENTIVE: Restricted business activities.

ACTIVITY: Government approval for foreign investment in agriculture, distributive trade, and small-scale enterprise is difficult to obtain and utilities are closed to foreign investment.

COUNTRY: Kenya.
INCENTIVE CATEGORY: Regulation.

INCENTIVE: Trade boycott.
ACTIVITY: All imports from South Africa are prohibited.

COUNTRY: Kenya.
INCENTIVE CATEGORY: Regulation.

INCENTIVE: Restricted business activities.
ACTIVITY: Areas in which non-citizens may trade freely are limited unless with special authorization.

COUNTRY: Kenya.
INCENTIVE CATEGORY: Regulation.

INCENTIVE: Trade restrictions.
ACTIVITY: Some imports from all sources are prohibited for reasons of public policy.

COUNTRY: Kenya.
INCENTIVE CATEGORY: Taxation.

INCENTIVE: Company taxes.
ACTIVITY: Rates are 45% for local firms and 52.5% for branches of foreign companies. Additionally, withholding tax of 12.5% to 30% is imposed on payments such as royalties, interest, dividends, and management fees.

COUNTRY: Kenya.
INCENTIVE CATEGORY: Taxation.

INCENTIVE: Customs duties and taxes.
ACTIVITY: Most imports bear a 10% surcharge.

COUNTRY: Kenya.
INCENTIVE CATEGORY: Taxation.

INCENTIVE: Excise duties and taxes.
ACTIVITY: Excise taxes are assessed on beer, sugar, tobacco and tobacco products, matches, spirits, soap, woven fabrics, paints, varnishes, lacquers, enamels, and distempers.

COUNTRY: Kenya.
INCENTIVE CATEGORY: Taxation.

INCENTIVE: Sales tax.
ACTIVITY: Medicines and farm inputs are exempted from the sales tax.

COUNTRY: Kenya.
INCENTIVE CATEGORY: Taxation.

INCENTIVE: Sales tax.
ACTIVITY: Sales taxes on imports currently range from 10% to 50%.

COUNTRY: Kenya.
INCENTIVE CATEGORY: Taxation.

INCENTIVE: Tax reduction/exemption.
ACTIVITY: Duties on imported materials used for local production may be eligible for refund.

COUNTRY: Kenya.
INCENTIVE CATEGORY: Taxation.

INCENTIVE: Tax reduction/exemption.
ACTIVITY: A one time investment allowance tax deduction from the cost of industrial buildings, fixed plant, and machinery is available. The allowance is 50% for investments outside Nairobi and Mombasa and 10% for investments within those cities.

COUNTRY: Lesotho.
INCENTIVE CATEGORY: Protection.

INCENTIVE: Anti-dumping duties.
ACTIVITY: Additional duty is imposed on imported goods which would compete unfairly in price with locally produced goods.

COUNTRY: Lesotho.
INCENTIVE CATEGORY: Protection.

INCENTIVE: Customs union.
ACTIVITY: A customs union liberalizes trade between Lesotho,
Swaziland, Botswana and the Republic of South Africa.
Customs and excise duties are uniform.

COUNTRY: Lesotho.
INCENTIVE CATEGORY: Protection.

INCENTIVE: Trade preference.
ACTIVITY: Preferences mandated by current membership rules will
be extended to fellow members of the Preferential
Trade Area for Eastern and Southern States.

COUNTRY: Liberia.
INCENTIVE CATEGORY: Exchange Control.

INCENTIVE: Access to foreign exchange.
ACTIVITY: The U.S. Dollar, which is freely convertible, is
legal tender in Liberia. The Liberian dollar
officially traded at a one to one rate with the U.S.
dollar but because of hard currency shortages in
Liberia, transferring local earnings to hard currency
is difficult.

COUNTRY: Liberia.
INCENTIVE CATEGORY: Exchange Control.

INCENTIVE: Exchange controls.
ACTIVITY: There is no general system of exchange controls.

COUNTRY: Liberia.
INCENTIVE CATEGORY: Finance.

INCENTIVE: Access to local credit.
ACTIVITY: Foreign companies have equal access to local credit
sources.

COUNTRY: Liberia.
INCENTIVE CATEGORY: Finance.

INCENTIVE: Access to local credit.
ACTIVITY: Local credit is in short supply and many investors are consequently forced to seek outside sources of credit.

COUNTRY: Liberia.
INCENTIVE CATEGORY: Finance.

INCENTIVE: Credit and land.
ACTIVITY: Liberian government loans, equity participation, and attractive leasing arrangements for government owned land in urban industrial parks are negotiable incentives offered to preferred investment projects.

COUNTRY: Liberia.
INCENTIVE CATEGORY: Finance.

INCENTIVE: Investment guarantees.
ACTIVITY: U.S. Overseas Private Investment Corporation (OPIC) programs are available through the U.S.-Liberia Investment guarantee Agreement.

COUNTRY: Liberia.
INCENTIVE CATEGORY: General.

INCENTIVE: Investment incentives.
ACTIVITY: Economically desirable investment projects are eligible for tax holidays, tariff exemptions, and sometimes tariff protection. Use of local inputs is encouraged with greater incentives.

COUNTRY: Liberia.
INCENTIVE CATEGORY: Labor.

INCENTIVE: Labor availability.
ACTIVITY: Skilled labor is scarce and expatriate labor is allowed but discouraged; where it is at all feasible, companies are expected to train citizens for skilled labor positions. Unskilled labor is abundant.

COUNTRY: Liberia.
INCENTIVE CATEGORY: Location.

INCENTIVE: Geographical preference.
ACTIVITY: No increased incentive is offered for the
geographical location of an investment.

COUNTRY: Liberia.
INCENTIVE CATEGORY: Ownership & Control.

INCENTIVE: Joint ventures.
ACTIVITY: While there are no local participation requirements,
local participation and the utilization and training
of citizens is preferred and encouraged.

COUNTRY: Liberia.
INCENTIVE CATEGORY: Ownership & Control.

INCENTIVE: Land ownership.
ACTIVITY: The Liberian Constitution allows only citizens to own
land, and foreign firms usually lease their land.
However, the National Assembly has decreed that
foreigners may now own land and a few foreigners have
purchased land. The conflict between the
Constitution and the Assembly's decree has yet to be
tested in court.

COUNTRY: Liberia.
INCENTIVE CATEGORY: Ownership & Control.

INCENTIVE: Nationalization/expropriation.
ACTIVITY: Expropriation is forbidden by the Liberian
Constitution except where national security, public
health, or safety are endangered. If expropriation
occurs, just compensation must be promptly paid,
expropriation or compensation can be challenged in
court, the former owner has first right of refusal
for reacquisition if the expropriated property ceases
to be used.

COUNTRY: Liberia.

INCENTIVE CATEGORY: Ownership & Control.

INCENTIVE: Profit/capital repatriation.

ACTIVITY: There are no restrictions on repatriation of profits or capital.

COUNTRY: Liberia.

INCENTIVE CATEGORY: Ownership & Control.

INCENTIVE: Treaty arrangements.

ACTIVITY: Investment relations between Liberia and the U.S. are governed by the Treaty of Friendship, Commerce and Navigation of 1938.

COUNTRY: Liberia.

INCENTIVE CATEGORY: Preferred Investments.

INCENTIVE: Priority investments.

ACTIVITY: The Mano River Union offers incentives for in industries such as textiles, synthetics, salt, fruit and vegetable processing, fish processing, edible oils, agricultural implements, detergents, rubber tires, and dry cell batteries.

COUNTRY: Liberia.

INCENTIVE CATEGORY: Protection.

INCENTIVE: Customs union.

ACTIVITY: Liberia is a member of the Mano river Union with Sierra Leone and Guinea. Trade within the Union is liberalized.

COUNTRY: Liberia.

INCENTIVE CATEGORY: Protection.

INCENTIVE: Tariff barriers.

ACTIVITY: Import duties have occasionally been levied or increased on imports competing with locally produced goods. New industries are often granted protection of this sort.

COUNTRY: Liberia.
INCENTIVE CATEGORY: Protection.

INCENTIVE: Trade preference.
ACTIVITY: Preferences mandated by current membership rules will be extended to fellow members of the Preferential Trade Area for Eastern and Southern States and for fellow members of the Economic Community of West African States.

COUNTRY: Liberia.
INCENTIVE CATEGORY: Regulation.

INCENTIVE: Import controls.
ACTIVITY: There is no general system of import controls but some items are subject to licensing and quantitative restriction.

COUNTRY: Liberia.
INCENTIVE CATEGORY: Regulation.

INCENTIVE: Import monopolies.
ACTIVITY: Imports of petroleum, fresh, chilled, and frozen meat, and rice for commercial purposes is restricted to legal monopolies with a few special exceptions.

COUNTRY: Liberia.
INCENTIVE CATEGORY: Regulation.

INCENTIVE: Restricted business activities.
ACTIVITY: Foreigners are prohibited from participating in 14 areas of business in Liberia including commercial printing, advertising, travel agency, graphic and commercial art, movie houses, ice cream manufacture, distribution of locally manufactured products, public transport, gasoline stations, sale of animal and poultry feedstuff, production of poultry and poultry products, supply of sand and gravel, and general vending.

COUNTRY: Liberia.
INCENTIVE CATEGORY: Regulation.

INCENTIVE: Trade boycott.
ACTIVITY: All imports from South Africa are prohibited.

COUNTRY: Liberia.
INCENTIVE CATEGORY: Regulation.

INCENTIVE: Trade restrictions.
ACTIVITY: Some imports from all sources are prohibited for reasons of public policy.

COUNTRY: Liberia.
INCENTIVE CATEGORY: Taxation.

INCENTIVE: Customs duties and taxes.
ACTIVITY: Surcharges have been reduced on all imported goods to a maximum of 10%.

COUNTRY: Liberia.
INCENTIVE CATEGORY: Taxation.

INCENTIVE: Customs duties and taxes.
ACTIVITY: Luxury taxes in addition to customs duties are levied on cosmetics and perfumes, luxury jewelry, beer and malt beverages, alcoholic liquors, cigars, and cigarettes.

COUNTRY: Liberia.
INCENTIVE CATEGORY: Taxation.

INCENTIVE: Foreign trade zone.
ACTIVITY: The Liberia Industrial Free Zone Authority offers substantial tax exemption and reduction incentives for manufacturers who will export at least 80% of their production. The incentives include tax and duty free imports and exports for an indefinite period, exemption from corporate income tax for five years and a tax rate cap of 25% thereafter, and assistance in obtaining finance. The free trade zone is located next to the Freeport of Monrovia.

COUNTRY: Liberia.
INCENTIVE CATEGORY: Taxation.

INCENTIVE: Invoice entry fee.
ACTIVITY: There is an invoice entry fee of 7.5% of c.i.f. value for duty-free goods and goods for transshipment, 5% for non-essential dutiable goods, and 1.5% for dutiable essential goods.

COUNTRY: Liberia.
INCENTIVE CATEGORY: Taxation.

INCENTIVE: Tax reduction/exemption.
ACTIVITY: New industries are exempt from customs duties, tax levies, and other charges for (1) approved imports of construction machinery, equipment, and materials necessary for the provision of facilities for the enterprise, and (2) raw semiprocessed, or processed materials required in the manufacture of articles for a period of five years from the first importation. New income exempted from taxation is generally limited to 150% of capital investment at the time

COUNTRY: Malawi.
INCENTIVE CATEGORY: Exchange Control.

INCENTIVE: Exchange controls.
ACTIVITY: Allocation of foreign exchange is regulated by an annual foreign exchange budget. Advance applications to the Reserve Bank are required in order to obtain foreign exchange to pay for imports.

COUNTRY: Malawi.
INCENTIVE CATEGORY: Finance.

INCENTIVE: Access to local credit.
ACTIVITY: Companies must be incorporated in Malawi to obtain local credit. Credit and interest rates are controlled by the Reserve Bank and the Ministry of Finance.

COUNTRY: Malawi.
INCENTIVE CATEGORY: Infrastructure.

INCENTIVE: Services.
ACTIVITY: Infant industries are eligible for incentives regarding access to infrastructure services provided by the government (including roads, electric power, and water.)

COUNTRY: Malawi.
INCENTIVE CATEGORY: Labor.

INCENTIVE: Labor availability.
ACTIVITY: Unskilled and semi-skilled labor is abundant. Expatriate work permits are usually issued only for high-level management and personnel with specialized skills that are critically scarce in Malawi.

COUNTRY: Malawi.
INCENTIVE CATEGORY: Labor.

INCENTIVE: Labor laws.
ACTIVITY: Minimum wages are low by African standards. Labor legislation regulates the terms and conditions of employment.

COUNTRY: Malawi.
INCENTIVE CATEGORY: Location.

INCENTIVE: Geographical preference.
ACTIVITY: Investments located outside Blantyre are eligible for reduced land rent.

COUNTRY: Malawi.
INCENTIVE CATEGORY: Ownership & Control.

INCENTIVE: Management.
ACTIVITY: Every foreign business maintaining a place of business in Malawi but not locally incorporated must appoint no less than three nor more than nine directors, the majority of whom shall be resident in Malawi and a local director shall be appointed chairman.

COUNTRY: Malawi.
INCENTIVE CATEGORY: Ownership & Control.

INCENTIVE: Nationalization/expropriation.
ACTIVITY: There is no history of nationalization.

COUNTRY: Malawi.
INCENTIVE CATEGORY: Ownership & Control.

INCENTIVE: Profit/capital repatriation.
ACTIVITY: Earnings may be repatriated after taxes are paid.
Capital repatriation is subject to the approval of
the ministry of Finance and the Reserve Bank.

COUNTRY: Malawi.
INCENTIVE CATEGORY: Ownership & Control.

INCENTIVE: Treaty arrangements.
ACTIVITY: The U.S. and Malawi signed an OPIC Investment
Guarantees Agreement in 1967. There are no bilateral
investment treaties in effect.

COUNTRY: Malawi.
INCENTIVE CATEGORY: Preferred Investments.

INCENTIVE: Priority investments.
ACTIVITY: Import-substitution, export-based, and labor
intensive investment projects are eligible for
special incentives including tariff protection,
exclusive licensing, and financing.

COUNTRY: Malawi.
INCENTIVE CATEGORY: Protection.

INCENTIVE: Exclusive manufacturing rights.
ACTIVITY: Infant industries are eligible for five year
renewable exclusive manufacturing rights.

COUNTRY: Malawi.
INCENTIVE CATEGORY: Protection.

INCENTIVE: Infant industries tariff barriers.
ACTIVITY: Infant industries are eligible for tariff protection.

COUNTRY: Malawi.
INCENTIVE CATEGORY: Protection.

INCENTIVE: Trade preferences.
ACTIVITY: Members of EEC and all ACP countries, all members of the Commonwealth, all contracting parties to the GATT, and Angola and Mozambique are accorded most favored nations benefits which include preferential customs tariffs.

COUNTRY: Malawi.
INCENTIVE CATEGORY: Protection.

INCENTIVE: Trade preferences.
ACTIVITY: Preferences mandated by current membership rules will be extended to fellow members of the Preferential Trade Area for Eastern and Southern States.

COUNTRY: Malawi.
INCENTIVE CATEGORY: Taxation.

INCENTIVE: Company taxes.
ACTIVITY: The tax rate for manufacturing and trading companies is 50% of taxable income. Companies not incorporated in Malawi and which pay dividends to non-resident shareholders are liable for a further 5%.

COUNTRY: Malawi.
INCENTIVE CATEGORY: Taxation.

INCENTIVE: Customs duties and taxes.
ACTIVITY: Up to 45%.

COUNTRY: Malawi.
INCENTIVE CATEGORY: Taxation.

INCENTIVE: Customs duties and taxes.
ACTIVITY: An import levy is fixed at 5%.

COUNTRY: Malawi.
INCENTIVE CATEGORY: Taxation.

INCENTIVE: Excise duties and taxes.
ACTIVITY: Cigarettes, some alcoholic products, and various
other products are subject to excise duties.

COUNTRY: Malawi.
INCENTIVE CATEGORY: Taxation.

INCENTIVE: Foreign trade zone.
ACTIVITY: There are no foreign free trade zones nor duty free
import zones.

COUNTRY: Malawi.
INCENTIVE CATEGORY: Taxation.

INCENTIVE: Surtax.
ACTIVITY: Most goods, whether imports or domestic manufactures,
are subject to a surtax of up to 30%.

COUNTRY: Malawi.
INCENTIVE CATEGORY: Taxation.

INCENTIVE: Tax reduction/exemption.
ACTIVITY: Infant industries considered to be of national
importance are eligible for duty exemption on capital
goods and preferential duties on materials imported
for local manufacture.

COUNTRY: Mali.
INCENTIVE CATEGORY: Exchange Control.

INCENTIVE: Exchange controls.
ACTIVITY: Exchange controls do not apply to France, Monaco, and
countries whose bank of issue is linked with the
French Treasury by an Operations Account. All
exchange transactions with other countries must be
effected through authorized banks.

COUNTRY: Mali.
INCENTIVE CATEGORY: General.

INCENTIVE: Incentives for priority investments.
ACTIVITY: Investment incentives are awarded according to the size of the investment. Those of at least US\$90,000 must negotiate for incentives. Those of at least US\$535,000 are eligible for tax and duty reductions and exemptions. Investments of at least US\$3.5million are eligible for the foregoing plus further benefits including stabilization of customs and fiscal arrangements and guaranteed access to resources and credit.

COUNTRY: Mali.
INCENTIVE CATEGORY: Infrastructure.

INCENTIVE: Transport, communications, and services.
ACTIVITY: Transportation and communication is generally poor. Electric power is not widely available outside Bamako.

COUNTRY: Mali.
INCENTIVE CATEGORY: Labor.

INCENTIVE: Labor availability.
ACTIVITY: Unskilled labor is abundant and cheap relative to neighboring countries. Technical and professional labor is scarce and must usually be obtained outside Mali. Every enterprise must establish training programs to prepare citizens for technical and management responsibilities.

COUNTRY: Mali.
INCENTIVE CATEGORY: Labor.

INCENTIVE: Labor laws.
ACTIVITY: All enterprises in Mali are required to join the Federation of Malian Employers and to register with the National Labor Office. Labor legislation governs salaries, bonuses, paid vacation, hiring and firing, and the right to unionize. Minimum wage rates were established in 1962 and are thus largely irrelevant to current conditions; private investors generally negotiate higher rates with their employees on an individual basis.

COUNTRY: Mali.
INCENTIVE CATEGORY: Location.

INCENTIVE: Geographical preference.
ACTIVITY: Additional benefits are available to investments
which locate outside of Bamako.

COUNTRY: Mali.
INCENTIVE CATEGORY: Ownership & Control.

INCENTIVE: Joint ventures.
ACTIVITY: When the government is involved in a joint venture
with a foreign investor, it is required by law to
control at least 51% of total equity. Nevertheless,
foreign firms have negotiated contracts which allow
them to exercise control over operations and
management and financial decisions in such joint
ventures. There are no regulations concerning equity
ownership in joint ventures where the government does
not participate.

COUNTRY: Mali.
INCENTIVE CATEGORY: Ownership & Control.

INCENTIVE: Nationalization/expropriation.
ACTIVITY: There have been no expropriations nor
nationalizations under the current government, which
came to power in 1968.

COUNTRY: Mali.
INCENTIVE CATEGORY: Ownership & Control.

INCENTIVE: Profit/capital repatriation.
ACTIVITY: There are no restrictions on repatriation of earnings
and capital. Expatriate employees are expected to
use a portion of their income to pay for everyday
living expenses; 'reasonable' limits are therefore
applied to repatriation of personal income.
Nevertheless, expatriates have never had difficulty
repatriating income earned in Mali.

COUNTRY: Mali.

INCENTIVE CATEGORY: Ownership & Control.

INCENTIVE: Treaty arrangements.

ACTIVITY: Mali maintains bilateral investment agreements with France and numerous West African countries. The U.S. has no bilateral investment agreement with Mali although the Overseas Private Investment Corporation (OPIC) signed a bilateral investment agreement with Mali in 1969.

COUNTRY: Mali.

INCENTIVE CATEGORY: Preferred Investments.

INCENTIVE: Priority investments.

ACTIVITY: Preference and greater incentives are given to investments which further national development goals. Priority industries include: vegetable and animal processing; fishing and fish processing; stockraising, breeding and sanitary protection; metallurgy; manufacturing or assembly; water and power production; tourism or real estate development; transportation; public works; and investment promotion.

COUNTRY: Mali.

INCENTIVE CATEGORY: Protection.

INCENTIVE: Tariff barriers/infant industries.

ACTIVITY: Infant industries are protected from foreign competition with a system of quotas and import price controls.

COUNTRY: Mali.

INCENTIVE CATEGORY: Protection.

INCENTIVE: Trade preferences.

ACTIVITY: Preferences mandated by current membership rules will be extended to fellow members of the Preferential Trade Area for Eastern and Southern States and for fellow members of the Economic Community of West African States.

COUNTRY: Mali.
INCENTIVE CATEGORY: Regulation.

INCENTIVE: State trading.
ACTIVITY: Imports and exports of some goods are legally monopolized by various state enterprises. These goods include groundnuts, cotton, and cotton fibers whose exports are monopolized, and sugar, flour, salt, milk, cement and soap whose import is monopolized.

COUNTRY: Mali.
INCENTIVE CATEGORY: Regulation.

INCENTIVE: Price controls.
ACTIVITY: A comprehensive system of price control is practiced.

COUNTRY: Mali.
INCENTIVE CATEGORY: Regulation.

INCENTIVE: Required reinvestment.
ACTIVITY: All wholly owned foreign firms must reinvest a percentage of their net profits. The rate is determined during contract negotiations with the government. The portion of profits retained by the Malian participant in a joint venture satisfies the reinvestment requirement.

COUNTRY: Mali.
INCENTIVE CATEGORY: Regulation.

INCENTIVE: Trade boycott.
ACTIVITY: Imports from Israel, the Democratic People's Republic of Korea, and South Africa are prohibited.

COUNTRY: Mali.
INCENTIVE CATEGORY: Taxation.

INCENTIVE: Company taxes.
ACTIVITY: After tax exemption/reduction incentives lapse, foreign companies are taxed at a rate of 50% of net profits. If a company fails to show a profit, it is taxed at a rate of 1% of its gross annual income.

COUNTRY: Mali.

INCENTIVE CATEGORY: Taxation.

INCENTIVE: Customs duties and taxes.

ACTIVITY: Mali is a member of the West African Customs Union (CEAO). All intra CEAO trade is exempt from customs duties. Trade with non-CEAO countries is subject to customs duty of at least 5%.

COUNTRY: Mali.

INCENTIVE CATEGORY: Taxation.

INCENTIVE: Foreign trade zone.

ACTIVITY: There are transit zone facilities at Abidjan, Ivory Coast, Dakar, Senegal, and Kaolack, Senegal, for goods destined for Mali.

COUNTRY: Mozambique.

INCENTIVE CATEGORY: Exchange Control.

INCENTIVE: Exchange controls.

ACTIVITY: Allocation of foreign exchange is regulated by an annual foreign exchange budget. Exporting enterprises may retain a variable percentage of their foreign exchange proceeds for purchases of imported goods.

COUNTRY: Mozambique.

INCENTIVE CATEGORY: Infrastructure.

INCENTIVE: Transport and communications.

ACTIVITY: The transport infrastructure is weak but improving. New rail, port, and road construction is on-going.

COUNTRY: Mozambique.

INCENTIVE CATEGORY: Labor.

INCENTIVE: Labor availability.

ACTIVITY: Unskilled labor is abundant. Skilled and managerial labor is extremely scarce.

COUNTRY: Mozambique.
INCENTIVE CATEGORY: Labor.

INCENTIVE: Labor laws.
ACTIVITY: Employees are required to have written contracts.
Wages are defined by decree and lie within the range
of US\$16.88 to US\$131.25 per month. Justifiable
bonus and seniority pay are permitted to double these
levels.

COUNTRY: Mozambique.
INCENTIVE CATEGORY: Ownership & Control.

INCENTIVE: Joint ventures.
ACTIVITY: There are no requirements for local participation in
investments.

COUNTRY: Mozambique.
INCENTIVE CATEGORY: Ownership & Control.

INCENTIVE: Land ownership.
ACTIVITY: All land belongs to the state and is leased to
business enterprises for fifty year renewable
periods. Improvements can be owned and traded,
though the state has a preferential right of purchase
at a market price.

COUNTRY: Mozambique.
INCENTIVE CATEGORY: Ownership & Control.

INCENTIVE: National centralized planning.
ACTIVITY: The government is currently dismantling centralized
planning mechanisms and encouraging free market
development. De-nationalization programs are
on-going and ambitious. Price ceilings are being
raised or eliminated.

COUNTRY: Mozambique.
INCENTIVE CATEGORY: Ownership & Control.

INCENTIVE: Nationalization/expropriation.
ACTIVITY: Foreign investments can be legally nationalized only
in exceptional circumstances and based on reasons of
high interest. In such a case, just and equitable
compensation paid in foreign currency is legally
mandated.

COUNTRY: Mozambique.
INCENTIVE CATEGORY: Ownership & Control.

INCENTIVE: Profit/capital repatriation.
ACTIVITY: Guarantees of transfer in foreign currency of
exportable profits are available.

COUNTRY: Mozambique.
INCENTIVE CATEGORY: Ownership & Control.

INCENTIVE: Treaty arrangements.
ACTIVITY: The U.S. and Mozambique signed an OPIC Investment
Guarantees Agreement in 1984. There are no bilateral
investment treaties in effect.

COUNTRY: Mozambique.
INCENTIVE CATEGORY: Preferred Investments.

INCENTIVE: Priority investments.
ACTIVITY: The mineral sector is accorded top priority in
government foreign investment incentive programs.

COUNTRY: Mozambique.
INCENTIVE CATEGORY: Taxation.

INCENTIVE: Customs duties and taxes.
ACTIVITY: Customs and excise tariffs apply to all goods.

COUNTRY: Mozambique.
INCENTIVE CATEGORY: Taxation.

INCENTIVE: Tax reduction/exemption.
ACTIVITY: Income and profit tax exemption incentives are
available for certain investment activities and for
reinvestment.

COUNTRY: Mozambique.
INCENTIVE CATEGORY: Taxation.

INCENTIVE: Tax reduction/exemption.
ACTIVITY: Certain enterprises engaged in activities of economic
and social interest may be eligible for reductions of
or exemptions from tariffs.

COUNTRY: Mozambique.
INCENTIVE CATEGORY: Taxation.

INCENTIVE: Tax reduction/exemption.
ACTIVITY: Tariff exemptions or reductions apply to the following goods: seeds, insecticides, fertilizers, agricultural machinery and implements, breeding animals, pharmaceuticals, film and other educational materials, raw materials and equipment for industries.

COUNTRY: Mozambique.
INCENTIVE CATEGORY: Taxation.

INCENTIVE: Tax reduction/exemption.
ACTIVITY: Tax exemptions and reductions are available for training Mozambicans.

COUNTRY: Rwanda.
INCENTIVE CATEGORY: Exchange Control.

INCENTIVE: Access to foreign exchange.
ACTIVITY: Industries accorded Priority status (see 'Priority Industries') are eligible for access to foreign currency for the repayment of principle and interest on loans contracted abroad for investment in Rwanda. Access to foreign currency for foreign technical assistance, and for a portion of foreign agent remuneration, family allowance, and pension fund contribution is also available.

COUNTRY: Rwanda.
INCENTIVE CATEGORY: Exchange Control.

INCENTIVE: Access to foreign exchange.
ACTIVITY: Industries accorded Priority status (see 'Priority Industries') can access foreign currency for repatriation of foreign capital, upon termination of business, if investments were made with foreign currency assets converted at official rates.

COUNTRY: Rwanda.
INCENTIVE CATEGORY: Finance.

INCENTIVE: Access to local credit.
ACTIVITY: Foreigners are accorded equal access to local credit sources. Loans of more than about US\$14000 must have the approval of the Central Bank, which is given perfunctorily.

COUNTRY: Rwanda.
INCENTIVE CATEGORY: General.

INCENTIVE: Incentive packages.
ACTIVITY: There are four incentive packages: general; small and medium enterprise; decentralization; and convention. Each package requires a set of minimum criteria relating to investment type and size and level of compliance with investment agreements. All packages include duty and tax reductions and exemptions. Some packages variously include interest rate subsidies foreign exchange allocation priorities, tax rate stabilization, and priority in bidding on gove

COUNTRY: Rwanda.
INCENTIVE CATEGORY: Labor.

INCENTIVE: Labor availability.
ACTIVITY: Unskilled labor is abundant. Skilled and semi-skilled labor is scarce.

COUNTRY: Rwanda.
INCENTIVE CATEGORY: Labor.

INCENTIVE: Labor laws.
ACTIVITY: Minimum wages vary with the skill of the labor and range from about US\$33 to US\$426 per month. Employer social security contributions amount to 5% of employee salary. Other required benefits amount to 20% of basic wages. Labor recruitment is controlled by the Ministry of Civil Service and Employment which provides candidate lists to employers with job vacancies. Special permits are required for expatriate employees.

COUNTRY: Rwanda.
INCENTIVE CATEGORY: Ownership & Control.

INCENTIVE: Joint ventures.
ACTIVITY: While there are no requirements for local participation in investments, joint ventures with citizen investors are encouraged and some incentives are available only to investments with majority Rwandan capital.

COUNTRY: Rwanda.
INCENTIVE CATEGORY: Ownership & Control.

INCENTIVE: Nationalization/expropriation.
ACTIVITY: No companies have ever been nationalized.

COUNTRY: Rwanda.
INCENTIVE CATEGORY: Ownership & Control.

INCENTIVE: Profit/capital repatriation.
ACTIVITY: Industries accorded Priority status are eligible for the return on invested capital in full for foreign capital ventures and in proportion to joint and foreign capital in joint ventures. Foreign owned companies are permitted to repatriate up to 40% of profits each year and to reimburse all foreign loans with interest. Salaries may be repatriated minus either 40% or US\$932 per head of family plus US\$266 per other family member, whichever is less.

COUNTRY: Rwanda.
INCENTIVE CATEGORY: Ownership & Control.

INCENTIVE: Treaty arrangements.
ACTIVITY: An exchange of notes between the U.S. and Rwanda, which became effective in 1969, constitutes an investment guarantee agreement and applies only to guaranteed investments approved by the Rwandan government.

COUNTRY: Rwanda.

INCENTIVE CATEGORY: Preferred Investments.

INCENTIVE: Preferred investment characteristics.

ACTIVITY: Industries which are labor intensive, use local inputs, are import substituting, train Rwandan personnel, or provide technical assistance are favored for investment approval.

COUNTRY: Rwanda.

INCENTIVE CATEGORY: Preferred Investments.

INCENTIVE: Priority investments.

ACTIVITY: Industries accorded priority status and special foreign investment incentive benefits include: real estate, plant and animal product processing, raw material processing, fertilizer, industrial crop enterprises, hydrocarbon processing and prospecting, fishing, tourism and hotels, electricity, transport, mineral exploration and exploitation enterprises and their related management firms, enterprises contributing to basic infrastructure financing, and low-cost housing construction.

COUNTRY: Rwanda.

INCENTIVE CATEGORY: Protection.

INCENTIVE: Trade preference.

ACTIVITY: Preferences mandated by current membership rules will be extended to fellow members of the Preferential Trade Area for Eastern and Southern States and for fellow members of the Economic Community of the States of Central Africa.

COUNTRY: Rwanda.

INCENTIVE CATEGORY: Regulation.

INCENTIVE: Price controls.

ACTIVITY: Maximum margins are fixed at 15% for wholesalers and 25% for retailers. The government attempts to monitor product pricing and each company is required to report prices to the Ministry of Finance.

COUNTRY: Rwanda.
INCENTIVE CATEGORY: Regulation.

INCENTIVE: Trade boycott.
ACTIVITY: Most imports from South Africa are prohibited.

COUNTRY: Rwanda.
INCENTIVE CATEGORY: Regulation.

INCENTIVE: Trade restrictions.
ACTIVITY: Some imports from all sources are prohibited for reasons of public policy. Only firms with Rwandan participation are eligible for import licenses for certain products including basic foodstuffs and used clothing.

COUNTRY: Rwanda.
INCENTIVE CATEGORY: Taxation.

INCENTIVE: Company taxes.
ACTIVITY: An annual fee to political parties ranges from US\$40 to US\$466. A minimum business tax, credited against the business income tax, varies depending on the size and type of business and ranges from 2% to 3% of invested capital for large manufacturers and service firms, and from US\$30 to US\$3000 for commercial enterprises and small manufacturers. A business tax on gross income varies from 20% to 50%. The sales tax is 6% (2% for 'priority goods'). Property tax

COUNTRY: Rwanda.
INCENTIVE CATEGORY: Taxation.

INCENTIVE: Customs duties and taxes.
ACTIVITY: There are two customs charges: customs duties and revenue duties.

COUNTRY: Rwanda.
INCENTIVE CATEGORY: Taxation.

INCENTIVE: Customs duties and taxes.
ACTIVITY: A handling fee" of 4% of the c.i.f. value is levied on all imported goods."

COUNTRY: Rwanda.
INCENTIVE CATEGORY: Taxation.

INCENTIVE: Foreign trade zone.
ACTIVITY: There are no foreign free trade zones nor duty free import zones.

COUNTRY: Senegal.
INCENTIVE CATEGORY: Exchange Control.

INCENTIVE: Exchange controls.
ACTIVITY: Exchange controls do not apply to France, Monaco, and countries whose bank of issue is linked with the French Treasury by an Operations Account. All exchange transactions with other countries must be effected through authorized banks.

COUNTRY: Senegal.
INCENTIVE CATEGORY: Infrastructure.

INCENTIVE: Transport and communications.
ACTIVITY: By regional standards, Senegal's communication and transport infrastructure is well developed.

COUNTRY: Senegal.
INCENTIVE CATEGORY: Labor.

INCENTIVE: Labor availability.
ACTIVITY: There is an abundant supply of unskilled and semi-skilled labor. Skilled labor is scarce.

COUNTRY: Senegal.
INCENTIVE CATEGORY: Labor.

INCENTIVE: Labor laws.
ACTIVITY: The minimum wage is about US\$113 per month. Employer social security contribution requirements amount to about 25% of wages. Employer-employee relations are governed by a labor code.

COUNTRY: Senegal.
INCENTIVE CATEGORY: Location.

INCENTIVE: Geographical preference.
ACTIVITY: Special incentives are available to investments
located outside the Dakar-Cap Vert region.

COUNTRY: Senegal.
INCENTIVE CATEGORY: Ownership & Control.

INCENTIVE: Management.
ACTIVITY: Joint ventures are the preferred method of investment
and are encouraged. However, they are not required
by law in most sectors (food production and fishing
being the notable exceptions where majority
Senegalese ownership is required.)

COUNTRY: Senegal.
INCENTIVE CATEGORY: Ownership & Control.

INCENTIVE: Profit/capital repatriation.
ACTIVITY: The right to transfer of capital and also of income
earned on investments which were financed with
convertible foreign exchange is legally guaranteed.

COUNTRY: Senegal.
INCENTIVE CATEGORY: Ownership & Control.

INCENTIVE: Treaty arrangements.
ACTIVITY: The U.S. and Senegal signed a bilateral investment
treaty in 1983. The treaty provides reciprocal
guarantees concerning the standard treatment of
investors, free transfer of profits and capital,
prompt and adequate compensation in the event of a
mechanism for dispute resolution, most favored nation
treatment for U.S. investors, and other benefits.
(The treaty has yet to be ratified by the U.S.
Congress.)

COUNTRY: Senegal.
INCENTIVE CATEGORY: Preferred Investments.

INCENTIVE: Priority investments.
ACTIVITY: Investment areas accorded priority status and special foreign investment incentive benefits include: manufacturing, farming, waters and forestry, fishing, cattle raising, energy production, mining, tourism, cinematographic activities, transportation, and telecommunications.

COUNTRY: Senegal.
INCENTIVE CATEGORY: Regulation.

INCENTIVE: Trade boycott.
ACTIVITY: Imports from South Africa are prohibited.

COUNTRY: Senegal.
INCENTIVE CATEGORY: Taxation.

INCENTIVE: Customs duties and taxes.
ACTIVITY: Senegal is a member of the West African Customs Union (CEAO). All intra CEAO trade is exempt from customs duties. Trade with non-CEAO countries is subject to customs duty of at least 5%.

COUNTRY: Senegal.
INCENTIVE CATEGORY: Taxation.

INCENTIVE: Customs duties and taxes.
ACTIVITY: Four taxes can be levied on imported goods: a) statistical tax; b) turnover tax (10% c.i.f. on all goods whether imported or domestically produces); c) Standard tax (20% c.i.f. value on various imports); and d) Consumption tax (40% on tobacco, alcoholic beverages, petroleum products, and textiles).

COUNTRY: Senegal.
INCENTIVE CATEGORY: Taxation.

INCENTIVE: Foreign trade zone.
ACTIVITY: The Dakar Industrial Free Zone , which is located near Dakar, offers special tax incentives, low cost electricity, water, waste processing facilities, and satellite telecommunications facilities.

COUNTRY: Senegal.
INCENTIVE CATEGORY: Taxation.

INCENTIVE: Tax reduction/exemption.
ACTIVITY: Foreign enterprises which fall under the priority investment category are eligible for special tax benefits which vary according to the nature and size of the investment.

COUNTRY: Swaziland.
INCENTIVE CATEGORY: Exchange Control.

INCENTIVE: Exchange controls.
ACTIVITY: Swaziland is a member of the Common Monetary Area (CMA) together with South Africa and Lesotho. Transfer of money within the CMA is unrestricted. Exchange with non-CMA countries is regulated.

COUNTRY: Swaziland.
INCENTIVE CATEGORY: Finance.

INCENTIVE: Access to local credit.
ACTIVITY: Central Bank permission is required for lending to foreign companies or to joint ventures with more than 25% foreign control. In practice, permission is automatic.

COUNTRY: Swaziland.
INCENTIVE CATEGORY: Infrastructure.

INCENTIVE: Services.
ACTIVITY: Government services, including electricity, water, housing, health, education, etc., are of such poor quality as to be considered an obstacle to business development.

COUNTRY: Swaziland.
INCENTIVE CATEGORY: Infrastructure.

INCENTIVE: Transport and communications.
ACTIVITY: The road and rail network and telecommunications facilities are excellent.

COUNTRY: Swaziland.
INCENTIVE CATEGORY: Labor.

INCENTIVE: Labor availability.
ACTIVITY: Unskilled labor is abundant. It is difficult to obtain skilled labor. Many firms are forced to look outside of Swaziland for quality skilled labor. Work permit regulation impede utilization of expatriate labor.

COUNTRY: Swaziland.
INCENTIVE CATEGORY: Ownership & Control.

INCENTIVE: Joint ventures.
ACTIVITY: There is no legal requirement that citizens be appointed as directors of locally registered firms.

COUNTRY: Swaziland.
INCENTIVE CATEGORY: Ownership & Control.

INCENTIVE: Land ownership.
ACTIVITY: Land and business property are transferrable without government involvement.

COUNTRY: Swaziland.
INCENTIVE CATEGORY: Ownership & Control.

INCENTIVE: Nationalization/expropriation.
ACTIVITY: Expropriation and nationalization are forbidden by law. The Kingdom has never confiscated property nor nationalized any property without full compensation.

COUNTRY: Swaziland.
INCENTIVE CATEGORY: Ownership & Control.

INCENTIVE: Treaty arrangements.
ACTIVITY: The U.S. and Swaziland signed an OPIC Investment Agreement in 1967. There are no bilateral investment treaties in effect.

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COUNTRY: Swaziland.
INCENTIVE CATEGORY: Protection.

INCENTIVE: Anti-dumping duties.
ACTIVITY: Additional duty is imposed on imported goods which
would compete unfairly in price with locally produced
goods.

COUNTRY: Swaziland.
INCENTIVE CATEGORY: Protection.

INCENTIVE: Customs union.
ACTIVITY: A customs union liberalizes trade between Lesotho,
Swaziland, Botswana and the Republic of South Africa.
Customs and excise duties are uniform.

COUNTRY: Swaziland.
INCENTIVE CATEGORY: Protection.

INCENTIVE: Trade preference.
ACTIVITY: Preferences mandated by current membership rules will
be extended to fellow members of the Preferential
Trade Area for Eastern and Southern States.

COUNTRY: Swaziland.
INCENTIVE CATEGORY: Regulation.

INCENTIVE: Investment approval restriction.
ACTIVITY: Investments suspected of using Swaziland to
circumvent sanctions imposed by various countries on
South Africa will not be approved.

COUNTRY: Swaziland.
INCENTIVE CATEGORY: Taxation.

INCENTIVE: Tax reduction/exemption.
ACTIVITY: Double deductibility of training expenses is
available.

COUNTRY: Swaziland.
INCENTIVE CATEGORY: Taxation.

INCENTIVE: Tax reduction/exemption.
ACTIVITY: New manufacturing investments are eligible for a five
year tax holiday.

COUNTRY: Tanzania.
INCENTIVE CATEGORY: Exchange Control.

INCENTIVE: Exchange controls.
ACTIVITY: Exchange is controlled by the Bank of Tanzania.

COUNTRY: Tanzania.
INCENTIVE CATEGORY: General.

INCENTIVE: Investment incentives.
ACTIVITY: Investment incentives are negotiated on an ad hoc
basis . They can include tax holidays, customs
exemptions, guaranteed market shares, and inexpensive
land leases.

COUNTRY: Tanzania.
INCENTIVE CATEGORY: Labor.

INCENTIVE: Labor availability.
ACTIVITY: There is abundant unskilled labor in the urban areas
but a shortage in many rural areas. Skilled labor is
scarce. Enterprises using expatriate labor are
required to hire an equal number of citizens; but
because of the shortage of skilled labor, this
regulation is largely ignored.

COUNTRY: Tanzania.
INCENTIVE CATEGORY: Labor.

INCENTIVE: Labor laws.
ACTIVITY: The minimum urban wage is about US\$13 per month.
Employers are required to contribute to employee
housing, pensions, and insurance.

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COUNTRY: Tanzania.

INCENTIVE CATEGORY: Ownership & Control.

INCENTIVE: Profit/capital repatriation.

ACTIVITY: The government has not released foreign exchange to repatriate dividends since the late 1970's.

COUNTRY: Tanzania.

INCENTIVE CATEGORY: Ownership & Control.

INCENTIVE: Treaty arrangements.

ACTIVITY: The U.S. and Tanzania signed an OPIC Investment Guarantees Agreement in 1963. There are no bilateral investment agreements.

COUNTRY: Tanzania.

INCENTIVE CATEGORY: Preferred Investments.

INCENTIVE: Priority investments.

ACTIVITY: Investment areas accorded priority status and special foreign investment incentive benefits include: tourism, fishing, export agriculture, and mineral and oil exploration.

COUNTRY: Tanzania.

INCENTIVE CATEGORY: Protection.

INCENTIVE: Anti-dumping duties.

ACTIVITY: Additional duty sufficient to bring prices to fair market value is imposed on imported goods which local officials feel would compete unfairly in price with locally produced goods.

COUNTRY: Tanzania.

INCENTIVE CATEGORY: Regulation.

INCENTIVE: Foreign investment procedures.

ACTIVITY: Investments must be negotiated on an ad hoc basis.

COUNTRY: Tanzania.
INCENTIVE CATEGORY: Regulation.

INCENTIVE: State trading.
ACTIVITY: The state controls virtually all trade in Tanzania.

COUNTRY: Tanzania.
INCENTIVE CATEGORY: Regulation.

INCENTIVE: Trade boycott.
ACTIVITY: All imports from South Africa are prohibited.

COUNTRY: Tanzania.
INCENTIVE CATEGORY: Taxation.

INCENTIVE: Company taxes.
ACTIVITY: The tax rate is 55% for non-resident corporations
with a permanent establishment in Tanzania and 22.5%
for corporate income derived from mining specified
minerals.

COUNTRY: Tanzania.
INCENTIVE CATEGORY: Taxation.

INCENTIVE: Consumption tax.
ACTIVITY: A consumption tax is imposed on all soft drinks in
Tanganyika.

COUNTRY: Tanzania.
INCENTIVE CATEGORY: Taxation.

INCENTIVE: Customs duties and taxes.
ACTIVITY: Goods imported by non-resident businessmen are
subject to a 30% import tax.

COUNTRY: Tanzania.
INCENTIVE CATEGORY: Taxation.

INCENTIVE: Foreign trade zone.
ACTIVITY: Dar-es-Salaam, Kigoma, Mtwara, Tanga.

COUNTRY: Tanzania.
INCENTIVE CATEGORY: Taxation.

INCENTIVE: Income taxes.
ACTIVITY: Personal income taxes are progressive and range from
0% to 75%.

COUNTRY: Tanzania.
INCENTIVE CATEGORY: Taxation.

INCENTIVE: Sales tax.
ACTIVITY: Sales taxes are levied on all goods and range from
25% to 500%.

COUNTRY: Tanzania.
INCENTIVE CATEGORY: Taxation.

INCENTIVE: Tax reduction/exemption.
ACTIVITY: Materials imported for local production are granted
duty refunds.

COUNTRY: Uganda.
INCENTIVE CATEGORY: Exchange Control.

INCENTIVE: Exchange controls.
ACTIVITY: Foreign exchange is allocated and controlled by the
Bank of Uganda acting for the Ministry of Finance.
Foreign exchange is difficult to obtain at official
exchange rates.

COUNTRY: Uganda.
INCENTIVE CATEGORY: Exchange Control.

INCENTIVE: Parallel exchange rates.
ACTIVITY: The parallel exchange rate significantly different
from the official rate. Because foreign investors
must operate at the official rate, they suffer a
severe disadvantage to local investors who operate at
the parallel rate.

COUNTRY: Uganda.
INCENTIVE CATEGORY: Labor.

INCENTIVE: Labor availability.
ACTIVITY: Unskilled labor is abundant. Skilled labor is in short supply.

COUNTRY: Uganda.
INCENTIVE CATEGORY: Ownership & Control.

INCENTIVE: Nationalization/expropriation.
ACTIVITY: Certain industries which have been specified by the Uganda National Liberation Front are required to be either government owned or involve government participation. The law provides for fair and prompt compensation for any compulsory acquisition.

COUNTRY: Uganda.
INCENTIVE CATEGORY: Ownership & Control.

INCENTIVE: Profit/capital repatriation.
ACTIVITY: Transfers of profits (after taxes), proceeds from approved sale of capital assets, principal and interest of loans, and compensation at the official rate of exchange are provided for under Ugandan law.

COUNTRY: Uganda.
INCENTIVE CATEGORY: Ownership & Control.

INCENTIVE: Treaty arrangements.
ACTIVITY: Uganda has no bilateral investment treaties or agreements. However, Uganda qualifies for OPIC guarantees.

COUNTRY: Uganda.
INCENTIVE CATEGORY: Preferred Investments.

INCENTIVE: Priority investments.
ACTIVITY: Priority areas for foreign investment include crop production, forest product processing, fish processing, oil milling, mining, and production of steel, sugar, textiles, chemicals, fertilizers, pharmaceuticals, pesticides, paper, leather goods, glass and plastic products, ceramics, tools, implements, machinery, beverages, spare parts, and building materials.

COUNTRY: Uganda.
INCENTIVE CATEGORY: Protection.

INCENTIVE: Anti-dumping duties.
ACTIVITY: Additional duty sufficient to bring prices to fair market value is imposed on imported goods which local officials feel would compete unfairly in price with locally produced goods.

COUNTRY: Uganda.
INCENTIVE CATEGORY: Protection.

INCENTIVE: Trade preference.
ACTIVITY: Preferences mandated by current membership rules will be extended to fellow members of the Preferential Trade Area for Eastern and Southern States.

COUNTRY: Uganda.
INCENTIVE CATEGORY: Regulation.

INCENTIVE: Import regulation.
ACTIVITY: Most imports are controlled by the foreign exchange allocation system.

COUNTRY: Uganda.
INCENTIVE CATEGORY: Regulation.

INCENTIVE: Trade boycott.
ACTIVITY: Imports from Israel and South Africa are prohibited.

COUNTRY: Uganda.
INCENTIVE CATEGORY: Regulation.

INCENTIVE: Restricted business activities.
ACTIVITY: Trade in approximately thirty-four categories of goods are restricted to citizens of Uganda. Additionally, non-citizens may not trade in certain areas of Uganda. Certain goods may not be manufactured by non-citizens.

COUNTRY: Uganda.
INCENTIVE CATEGORY: Taxation.

INCENTIVE: Excise duties and taxes.
ACTIVITY: Excise taxes are applied to various goods including tobacco, alcoholic beverages, matches, soap products, paints, lacquers, enamels, and varnishes.

COUNTRY: Uganda.
INCENTIVE CATEGORY: Taxation.

INCENTIVE: Foreign trade zone.
ACTIVITY: There are no foreign free trade zones nor duty free import zones.

COUNTRY: Uganda.
INCENTIVE CATEGORY: Taxation.

INCENTIVE: Sales tax.
ACTIVITY: Sales taxes are applied to most goods. The normal rate is 10% but can be as high as 30% for certain goods.

COUNTRY: Uganda.
INCENTIVE CATEGORY: Taxation.

INCENTIVE: Tax reduction/exemption.
ACTIVITY: Certain investments are eligible for duty and sales tax exemptions for importation of plant, machinery, or construction material not available in Uganda. Exemptions from corporation taxes, selective income levies, and withholding taxes are available until 50% of the foreign investment is realized, with some limitations.

COUNTRY: Zambia.
INCENTIVE CATEGORY: Exchange Control.

INCENTIVE: Exchange controls.
ACTIVITY: The Bank of Zambia controls all foreign exchange transactions. Foreign exchange is distributed on a percentage basis to the various sectors of the economy with agriculture receiving the largest share.

COUNTRY: Zambia.
INCENTIVE CATEGORY: Ownership & Control.

INCENTIVE: Nationalization/expropriation.
ACTIVITY: Any enterprise which utilizes investment provided outside Zambia or which employs within Zambia a significant amount of foreign capital has immunity from nationalization unless the highest consideration of public interest so require.

COUNTRY: Zambia.
INCENTIVE CATEGORY: Ownership & Control.

INCENTIVE: Ownership.
ACTIVITY: Foreign investment may in principle be made in any sector and area of the country for an unlimited time and with 100% foreign equity. In practice, each investment proposal is considered on its merits and is negotiable.

COUNTRY: Zambia.
INCENTIVE CATEGORY: Preferred Investments.

INCENTIVE: Priority investments.
ACTIVITY: Industries accorded priority status and special foreign investment incentive benefits must satisfy two of the following three criteria: a) maximum utilization of domestic raw material; b) location in rural areas; c) improvement of local industrial skills or fostering the development of domestic technology. Preferential treatment is also accorded to industries which export a substantial proportion of its products.

COUNTRY: Zambia.
INCENTIVE CATEGORY: Protection.

INCENTIVE: Import licenses.
ACTIVITY: Import licenses will be denied for imports for which there are domestically available substitute goods.

COUNTRY: Zambia.
INCENTIVE CATEGORY: Protection.

INCENTIVE: Trade preference.
ACTIVITY: Preferences mandated by current membership rules will be extended to fellow members of the Preferential Trade Area for Eastern and Southern States.

COUNTRY: Zambia.
INCENTIVE CATEGORY: Regulation.

INCENTIVE: Import licenses.
ACTIVITY: The import licensing system gives first priority to imports used for production of essential goods for local consumption.

COUNTRY: Zambia.
INCENTIVE CATEGORY: Regulation.

INCENTIVE: Import licenses.
ACTIVITY: Industries accorded priority status are eligible for preferential treatment in the granting and processing of import licenses.

COUNTRY: Zambia.
INCENTIVE CATEGORY: Regulation.

INCENTIVE: State trading.
ACTIVITY: The state plays a major role in all sectors of the economy.

COUNTRY: Zambia.
INCENTIVE CATEGORY: Regulation.

INCENTIVE: Restricted business activities.
ACTIVITY: All retail and wholesale licenses are issued only to citizens except for trade in certain goods.

COUNTRY: Zambia.
INCENTIVE CATEGORY: Taxation.

INCENTIVE: Customs duties and taxes.
ACTIVITY: The tariff structure is based on the essentiality of a given good with the more essential goods bearing the lowest tariff (approximately 5%) and luxury goods bearing the highest tariffs (50% to 100%).

COUNTRY: Zambia.
INCENTIVE CATEGORY: Taxation.

INCENTIVE: Sales tax.
ACTIVITY: Imported goods are subject to a 15% sales tax levy.

COUNTRY: Zambia.
INCENTIVE CATEGORY: Taxation.

INCENTIVE: Tax reduction/exemption.
ACTIVITY: Industries accorded priority status are eligible for rebates on customs duties and relief from sales tax payable on capital equipment, raw materials and other intermediate goods where specified conditions are met.

COUNTRY: Zimbabwe.
INCENTIVE CATEGORY: Exchange Control.

INCENTIVE: Exchange controls.
ACTIVITY: The Reserve Bank administers exchange control and is empowered to approve certain foreign exchange transactions.

COUNTRY: Zimbabwe.
INCENTIVE CATEGORY: Finance.

INCENTIVE: Access to local credit.
ACTIVITY: Companies with more than 15% foreign ownership must receive authorization from the Reserve Bank for local borrowing and the amount they may borrow is limited.

COUNTRY: Zimbabwe.
INCENTIVE CATEGORY: Ownership & Control.

INCENTIVE: Joint ventures preferred.
ACTIVITY: There is no requirement for local participation in investments; however, proposals which incorporate a minimum of 20% local equity participation receive favorable consideration. Moreover, the government has an interest in participating in investments affecting strategic facilities or basic infrastructural development.

COUNTRY: Zimbabwe.
INCENTIVE CATEGORY: Ownership & Control.

INCENTIVE: Profit/capital repatriation.
ACTIVITY: An initial foreign capital investment may be fully repatriated, less any income transferred, after two years. Repatriation of earnings is usually limited to 50% of aftertax profits.

COUNTRY: Zimbabwe.
INCENTIVE CATEGORY: Ownership & Control.

INCENTIVE: Treaty arrangements.
ACTIVITY: Uganda has no bilateral investment treaties or agreements. Discussions between the U.S. and Zimbabwe concerning a possible OPIC agreement are on-going.

COUNTRY: Zimbabwe.
INCENTIVE CATEGORY: Preferred Investments.

INCENTIVE: Priority investments.
ACTIVITY: Favorable consideration will be given to investments which create jobs in rural areas, bring in new technology, are joint ventures, inject new capital into existing ventures to expand and/or improve capacity, add value to local raw materials, introduce labor intensive technology, are import substituting and increase exports.

COUNTRY: Zimbabwe.
INCENTIVE CATEGORY: Protection.

INCENTIVE: Anti-dumping duties.
ACTIVITY: Additional duty is imposed on imported goods which would compete unfairly in price with locally produced goods.

COUNTRY: Zimbabwe.
INCENTIVE CATEGORY: Protection.

INCENTIVE: Infant industry protection.
ACTIVITY: The government may give assurance in advance to sound and economically beneficial new investment proposals that tariff assistance will be given where appropriate.

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COUNTRY: Zimbabwe.
INCENTIVE CATEGORY: Protection.

INCENTIVE: Tariff barriers.
ACTIVITY: The customs tariff affords a degree of protection to existing manufacturers and allows the importation of raw materials and capital equipment for manufacturers either free or at low rates of duty. Competing imports are assessed a higher duty.

COUNTRY: Zimbabwe.
INCENTIVE CATEGORY: Protection.

INCENTIVE: Trade preference.
ACTIVITY: Preferences mandated by current membership rules will be extended to fellow members of the Preferential Trade Area for Eastern and Southern States.

COUNTRY: Zimbabwe.
INCENTIVE CATEGORY: Regulation.

INCENTIVE: Import licenses.
ACTIVITY: With a few exceptions, all imports are subject to licensing requirements. Import licenses are issued only against a certificate of foreign exchange allocation.

COUNTRY: Zimbabwe.
INCENTIVE CATEGORY: Taxation.

INCENTIVE: Company taxes.
ACTIVITY: The corporation tax rate is 50%.

COUNTRY: Zimbabwe.
INCENTIVE CATEGORY: Taxation.

INCENTIVE: Customs duties and taxes.
ACTIVITY: With the exception of fuel, capital goods for government and parastatals, and surgical and medical equipment, a 20% surcharge is levied on all imported goods.

COUNTRY: Zimbabwe.
INCENTIVE CATEGORY: Taxation.

INCENTIVE: Excise duties and taxes.
ACTIVITY: Excise duties are levied on spirits, beer, cigarettes
and tobacco, and new cars.

COUNTRY: Zimbabwe.
INCENTIVE CATEGORY: Taxation.

INCENTIVE: Sales tax.
ACTIVITY: A sales tax is levied at the retail stage. The rate
for most goods is 12.5% with a higher rate fo
non-essentials and luxury goods. Certain basic
commodities are exempt.

COUNTRY: Zimbabwe.
INCENTIVE CATEGORY: Taxation.

INCENTIVE: Tax reduction/exemption.
ACTIVITY: Tax incentives are available for new investments and
include accelerated depreciation, increased deduction
allowances, and duty rebates.

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