

Opportunities for Investment in Zimbabwe



Stewart NYAKOTYO
Ambassador of the Republic of Zimbabwe to Japan

Stewart Nyakoty assumed duty in Japan in January 2023. He is a career diplomat and lawyer with experience spanning 28 years. Before coming to Japan, he was the Director and Legal Adviser in the Ministry of Foreign Affairs and International Trade at Headquarters in Harare. Prior to his appointment as Legal Adviser, he had served as Deputy Ambassador / Minister-Counsellor at the Embassy of Zimbabwe to Brazil. His first deployment abroad was as a Counsellor at the Embassy of Zimbabwe in Belgium and Permanent Mission to EU.

Open for Business

The Republic of Zimbabwe, a country located in Southern Africa, stands out as an enticing investment hub, thanks to its abundant resources and skilled workforce. With a diversified economy, the country offers a wide range of opportunities for the interconnected growth in the various sectors, including tourism, mining, agriculture, education, transportation, infrastructure development, manufacturing and information and communication technology.

Under the leadership of the President His Excellency Dr. E.D. Mnangagwa, Zimbabwe has declared itself “Open for Business”, signaling a welcoming environment for genuine and capable investors from around the world. This mantra paved the way for fruitful business ventures within Zimbabwe and collaborations with international partners, which has resulted in significant FDI inflows.

Since 2017, the government has wasted no time in implementing a series of reforms under a New Dispensation, which has reshaped the country’s narrative and economic trajectory. The reforms were carried out through a comprehensive two-year Transitional Stabilization Programme (TSP) spanning from 2018 to 2020. Additionally, two successive five year economic blueprints, namely the National Development Strategy (NDS1 and NDS2), were introduced to guide the country’s development efforts from 2021-2025 and 2026 to 2030 respectively.

The reform agenda has encompassed several key areas, including engagement and re-engagement with the international community, fiscal and monetary reforms, legislative reforms, corporate governance, zero tolerance for corruption and investment reforms. These

measures were implemented to foster transparency, accountability and efficiency across various sectors of the economy, paving the way for sustainable growth and development.

To improve the ease of doing business, the government formed the Zimbabwe Investment and Development Agency (ZIDA) in 2020, a one-stop-shop to promote and facilitate both domestic and foreign investment in Zimbabwe. Incentives to attract FDI include tax breaks for new investment by foreign and domestic companies, and making capital expenditure on new factories, machinery, and improvements fully tax deductible.

Agricultural Sector

Agriculture is the mainstay of the economy and it provides vertical and horizontal linkages to other economic sectors. It is also a source of the much-needed agro-based raw materials. The sector contributes 15% to GDP, 30% to export earnings and supplies 60% of industrial raw materials. Opportunities for investment exist in contract farming, farm mechanization programmes, irrigation rehabilitation and development, meat processing, fruit juice making, cotton lint processing, timber, tobacco farming and processing, horticulture and flower production, and agro-processing/ value addition in all these sub-sectors.

Mining Sector

Zimbabwe has an endowment of over 40 different minerals, including gold, platinum, diamonds, lithium, chrome, coal, nickel and granite, most of which have

not yet been exploited to the full potential. Zimbabwe has the second largest known deposits of platinum in the world after South Africa and its coal deposits are estimated at 26 billion tonnes. The country has the largest known reserves of lithium and coal-bed methane gas in Sub-Saharan Africa and has been buoyed by the recent confirmation of oil deposits, with a potential output of 1.2 billion barrels and helium gas reserves, both discovered in the Zambezi valley.

The mining sector is strategic to Zimbabwe's national economy and is the centerpiece to economic turnaround and sustainable development. It remains a significant pillar of growth and recovery of Zimbabwe's economy and a major contributor to GDP, infrastructure development and directly employs over 45,000 people.

Opportunities for investment exist in prospecting and establishment of new mines, resuscitating closed mines, refining and beneficiation of the minerals, support services such as supplies of mining equipment and consumables.

Manufacturing Sector

Zimbabwe has a diversified manufacturing industry base with subsectors in clothing and textiles, leather and leather products, food processing, furniture, pharmaceuticals, paper and plastics, chemicals, metals and electrical and the motor industry, among others. The sector has been affected by the lack of long-term financing and obsolete technology. Investment opportunities exist in resuscitation of existing industries, as well as opening new facilities. There are great opportunities in cotton ginning, spinning, weaving, clothing and knitted products; tobacco processing; saw milling, production of furniture and newsprint.

Tourism Sector

The country is regarded as one of the best travel destinations in the world with abundant wildlife and a perfect climate. Places of interest include the Victoria Falls (one of the Seven Wonders of the World and a UNESCO World Heritage site), Hwange National Park, Gonarezhou National Park, Eastern Highlands, Great Zimbabwe monuments and Kariba. Investment opportunities exist in the development of tourism infrastructure in various resort towns such as construction of new hotels and international convention centers, conference facilities, hunting safaris and tour operations, gaming and production of animal documentaries.

Infrastructure Sector

The provision of good infrastructure is a prerequisite for achieving economic growth and development and also for enabling other sectors of the economy to thrive. Zimbabwe welcomes individual investors or Public Private Partnerships (PPPs). Investment potential exist in the expansion and modernization of the existing, as well as the construction of new infrastructure such as modern highways and associated tollgates linking key cities, power generation, dam construction, water and sewer reticulation, budget hotel chains in the tourism industry, rehabilitation of airports and installation of requisite equipment, rehabilitation of the railway network, signaling and telecommunication system, urban water, agricultural infrastructure including irrigation schemes, industrial parks and factory shells, housing and office buildings, power generation through Independent Power Producers (IPPs) and PPP.

Specific investment opportunities exist in various projects including, Gokwe North Thermal Power Station, Gwayi Thermal Power Station, Western Area Power Plant, Lupane Coal Bed Methane, Mini Hydro Power Stations, Transmission and Distribution Networks and Solar Energy.

Security of Investments

Government is committed to providing security to all investments and this is rooted in the country's constitution. Security of investments is guaranteed by legislation, but more importantly, Zimbabwe has signed up to a number of investment protection agreements such as the International Convention on Settlement of Disputes (ICSID), New York Convention on the Settlement of Disputes, United Nations Convention on International Trade Law and several Bilateral Investment Treaties (BITs).

The investment opportunities offered by Zimbabwe are numerous and the time to invest in the country is now!

お問い合わせ

JOI事業企画部

E-mail: bd@joi.or.jp

駐日ジンバブエ共和国大使館

E-mail : zimtokyo@chive.ocn.ne.jp

Zimbabwe Investment and Development
Agency (ZIDA)

Email : info@zidainvest.com

URL : https://zidainvest.com