



THE UNITED REPUBLIC OF TANZANIA

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**THE EXPORT PROCESSING ZONES ACT  
CHAPTER 373 OF THE LAWS  
[PRINCIPAL LEGISLATION]**

**REVISED EDITION OF 2012**

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THE UNITED REPUBLIC OF TANZANIA  
THE EXPORT PROCESSING ZONES ACT

CHAPTER 373 OF THE LAWS  
[PRINCIPAL LEGISLATION]

REVISED EDITION OF 2012

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Dar es Salaam,  
21<sup>st</sup> June, 2013

FREDERICK M. WEREMA,  
*Attorney General*

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CHAPTER 373

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THE EXPORT PROCESSING ZONES ACT  
[PRINCIPAL LEGISLATION]

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CHAPTER 373

THE EXPORT PROCESSING ZONES ACT

**An Act to make provisions for establishment, development and management of the Export Processing Zones; for the creation of international competitiveness for export growth and to provide for related matters**

[1<sup>st</sup> July, 2002]  
[G.N. No. 316 of 2002]

Acts Nos.  
11 of 2002,  
3 of 2006  
2 of 2011

PART I  
PRELIMINARY PROVISIONS

Short title  
and  
application

1.-(1) This Act may be cited as the Export Processing Zones Act.  
(2) [Omitted].  
(3) This Act shall apply to Mainland Tanzania.

Interpretation  
Acts Nos.  
3 of 2006  
S.2  
11 of 2002  
G.N. No.  
90 of 1969

2. In this Act, unless the context requires otherwise –  
"Act" means the Export Processing Zones Act ;  
"Authority" means the Export Processing Zones Authority established under section 12 of this Act;  
"Board" means the Board established under section 14(1) of the Act;  
"Commissioner-General" means the Commissioner-General of the Tanzania Revenue Authority as defined under the Tanzania Revenue Authority Act;

Cap.399

"customs territory" means the area in the United Republic of Tanzania which is not within an area declared to be an Export Processing Zone;

- "Export Processing Zone" means an area of land which has been so established or so declared in accordance with section 3(1) of the Act;
- "foreign market" means any market other than those located in the customs territory;
- "investor" means a company incorporated in the United Republic which makes application for, and is licensed by the Authority to manufacture and export industrial products from the Export Processing Zones to foreign markets and includes a person who provides infrastructure necessary for development of an area established or declared to be the Export Processing Zone;
- "joint venture" means an association whether incorporated or unincorporated, between a foreign investor and a local co-operative or parastatal organisation, a foreign investor and a local private investor, a domestic private investor and a local parastatal and co-operative organisation, a foreign investor and another foreign investor, for purposes of making an investment jointly in an Export Processing Zone;
- "licence" means an official permit granted by the Authority upon application by an investor to conduct business transactions within an Export Processing Zone;
- "manufacture" means any operation or process to change the form of any material for value of use and includes assembling, processing, packaging and re-packaging;
- "Minister" means the Minister responsible for industries;
- "single factory" means an industrial estate which may be granted an Export Processing Zone status but which is not located in an Export Processing Zone estate;
- "tax relief period" means the period specified in the licence during which an investor may not be required to pay tax and duties in relation to any business transaction carried by him.

PART II  
ESTABLISHMENT OR DECLARATION OF EXPORT PROCESSING  
ZONES

Establishment  
or declaration  
of EPZ  
Act No.  
3 of 2006  
S.2

3.-(1) The Minister may, upon the advice of the Board and in consultation with relevant authorities and on the recommendation of the Authority, by notice published in the *Gazette* –

- (a) establish or declare any area of land to be an Export Processing Zone; and
- (b) determine the location, extent, and physical characteristics or boundaries of an Export Processing Zone contemplated in paragraph (a).

(2) Where the Minister has consulted relevant authorities pursuant to subsection (1) and the latter have, within a period of thirty days, not responded or given reason why any such area of land should not be established or declared to be the Export Processing Zone, it shall be presumed that such authorities have consented to the establishment or declaration of Export Processing Zone in the area of land in question.

(3) The Export Processing Zone established or declared as such may consist of a developed, partly developed or underdeveloped area of land or may comprise of a single factory unit or group of factory units.

Objects and  
purposes of  
establishment  
of Export  
Processing  
Zone

4. The objects and purposes for which an Export Processing Zone may be established or declared are –

- (a) to attract and promote investment for export-led industrialisation with a view to diversifying and facilitating Tanzania's exports and promoting international competitiveness;
- (b) to create and expand foreign exchange earnings;
- (c) to create and increase employment and the development of skilled labour;
- (d) to attract and encourage transfer of new technology;
- (e) to foster linkages of the local economy with the international market and



- (f) to promote processing of local raw materials for export.

PART III  
LICENSING

Restriction on entering into, residing in, etc., the Export Processing Zones Act No. 3 of 2006 s. 2

5.-(1) No person shall –

- (a) unless he is the holder of a licence granted by the Authority–

- (i) conduct any business or undertake a retail trade in an Export Processing Zone in respect of any goods manufactured in, or imported into, such Export Processing Zone; or
- (ii) remove any goods manufactured in an Export Processing Zone for any purpose other than conveyance to another Export Processing Zone or for export into a foreign market or for purposes of processing such goods only; or
- (iii) use any goods manufactured in an Export Processing Zone for consumption in such Export Processing Zone or in any other Export Processing Zone; or

- (b) unless authorised in writing by the Authority –

- (i) subject to the provisions of subsection (2), enter into an Export Processing Zone; or
- (ii) reside in an Export Processing Zone.

(2) The provisions of paragraph (b)(i) shall not apply to or in respect of –

- (i) members of the Police Force; or
- (ii) members of the public service; including customs officers or officers of the local government authorities; or
- (iii) any person employed by an investor or an institution or company charged or authorised by law to supply any public utility, acting in the course of their respective duties and functions.

(3) The Authority may, by notice in writing addressed to the Investor, or any person who is in an Export Processing Zone

- (a) impose conditions relating to the regulation, restriction or prohibition of entry of goods or categories of goods, into an Export Processing Zone;
- (b) order such investor or person in an Export Processing Zone to, within a period of time prescribed in the notice, which shall not be less than fourteen days –
  - (i) remove from the Export Processing Zone any article, item or thing; or
  - (ii) discontinue any activity or operation in such Export Processing Zone, as the Authority may specify in such notice.

(4) An addressee who receives a Notice in accordance with the preceding subsection may, within seven days after receipt of such notice, make written representations to the Authority relating to any condition imposed by, or order contained in, such notice.

(5) Any person who contravenes the provision of subsection (1) or fails to comply with a notice issued pursuant to subsection (4) commits an offence and is liable on conviction –

- (a) if such a person is a natural person, to a fine not exceeding fifteen million shillings or to imprisonment for a term not exceeding four years or to both;
- (b) if such a person is not a natural person, to a fine not exceeding fifty million shillings.

Authority to  
issue licence  
Act No.  
3 of 2006  
S. 2

6.-(1) The Authority shall be responsible for the issuance of a licence to any person who wishes to carry on business or activity in an Export Processing Zone.

Act No. 25 of  
1972  
Cap. 46

(2) The licence issued pursuant to subsection (1) shall operate as if it were a licence issued by competent authorities under the repealed Business Licensing Act and the National Industries (Licensing and Registration) Act.

Cap. 208  
Cap. 46

(3) For the purposes of this section, the Authority shall consult the relevant authorities responsible for administration of the Business Activities Registration Act and the National Industries (Licensing and Registration) Act with a view to have a co-ordinated record of persons or company carrying on business in Tanzania.

Cancellation  
and  
suspension  
of a licence  
Act No.  
3 of 2006  
S.2

7.-(1) The Authority may, after issuing a thirty days written notice to the holder of the licence, cancel or suspend a licence if it is satisfied that the holder --

- (a) without reasonable cause stated in writing, fails to establish the business or activity for which a licence was granted, within the time stipulated in a licence or any period which may be prescribed by the Authority; or
- (b) suspends its activities in an Export Processing Zone for a period of more than six months without the prior consent of, or notification to, the Authority;
- (c) without reasonable cause stated in writing, fails to comply with the terms of a licence or the provisions of this Part or any regulation or, upon request of extension of time made to the Authority and accepted by the licensee, fails to continue with the business for such period of time as may be prescribed in a licence or by the Authority in a notice to the holder of a licence.

(2) The Authority shall cancel the licence issued to the investor for carrying on a business or activity in an Export Processing Zone where such a licence holder has --

- (a) failed to pay tax or evaded payment of tax in respect of any transaction eligible for taxation; or
- (b) failed to comply with any of the provisions of this Act or of any regulation made under this Act or the condition subject to which such certificate was issued; or
- (c) assigned to another person a licence without obtaining the prior approval of the Authority; or

(d) obtained such licence on the basis of fraud or deliberate submission of false or misleading information or statements.

(3) The holder of a licence may, within twenty-one days after receipt of the notice in terms of subsection (1), make written representations to the Authority, and the Authority shall take into consideration of such representation when deliberating on whether or not to cancel or suspend a licence.

No variation  
of a licence  
Act No.  
3 of 2006  
S.2

**8.-(1)** The Authority shall not vary a licence and conditions attached to it, except where the holder has requested the Authority in writing to do so and such variation is necessary for purposes of causing the holder to better carry out the business or activity for which such a licence was issued.

(2) Where variation of a licence relates to extension of the tax relief period, such variation shall not extend the tax relief period originally granted to an investor.

Appeal against  
a decision of  
the Authority  
Act No.  
3 of 2006  
S.2

**9.-(1)** Any person who is aggrieved by a decision of the Authority to reject an application for a licence, cancel or suspend a licence may appeal to the Minister who may confirm, vary or set aside the decision of the Authority.

(2) A person who is dissatisfied with the decision of the Minister made in pursuant to subsection (1) may, within thirty days from the date on which the decision of the Minister was made, appeal to the High Court.

Prohibition of  
other activities  
Act No.  
3 of 2006  
S.2

**10.-(1)** No person shall, during the tax relief period, carry on any trade or business other than the trade or business in relation to which a licence was granted.

(2) Without prejudice to subsection (1), no person shall carry on the business of retail sales of articles produced or assembled in an Export Processing Zone except as may be determined and authorised by the Authority.

Authority to  
determine  
certain goods  
or articles to

**11.-(1)** The Authority shall determine the rightful products to be processed, produced or the type of services to be supplied in the Export Processing Zones.

be processed  
in Export  
Processing  
Zones  
Act No.  
3 of 2006 S.2

(2) No goods or articles specified or referred to in this subsection shall, subject to the provisions of subsection (3), be manufactured, processed, produced or supplied and no such goods or articles shall be brought into, or be allowed to remain in an Export Processing Zone –

- (a) firearms or ammunition, or other war materials as provided in the Arms and Ammunitions Act;
- (b) dangerous explosives and other hazardous substances;
- (c) drugs and narcotics.

**PART IV  
EXPORT PROCESSING ZONES AUTHORITY**

Establishment  
of the  
Authority  
Act No.  
3 of 2006  
S.4

**12.-(1)** There is hereby established an autonomous Government agency to be known as the Export Processing Zones Authority.

- (2) The Authority shall be a body corporate and shall –
- (a) have perpetual succession and a common seal;
  - (b) in its corporate name be capable of suing and be sued;
  - (c) subject to this Act, be capable of purchasing or otherwise acquiring, and or, alienating movable and immovable property.

Objectives and  
functions of  
the Authority  
Acts Nos.  
3 of 2006  
S.4  
2 of 2011  
S.5

**13.-(1)** The Authority shall initiate, develop and manage the operations of the publicly owned export processing zones and for that purpose shall carry out duties and perform the functions as stipulated under this section.

- (2) For purposes of initiating, developing and managing operations of the Export Processing Zones, the Authority shall –
- (a) in consultation with the Minister responsible for lands and Minister responsible for local government authorities, acquire land in its name and lease or issue derivative rights to investors or erect thereon industrial and commercial buildings and lease such

- buildings to investors for undertaking thereon the Export Processing Zones licenced businesses;
- (b) provide basic infrastructure for purposes of operations in the Export Processing Zones;
  - (c) provide within the Export Processing Zones utilities and a system of sewerage, drainage and removal of refuse and waste for the benefit of export processing zones investor and other users;
  - (d) prepare national and international programmes for appropriate promotion of the Export Processing Zones;
  - (e) ensure the provision of security and surveillance, property and equipment maintenance and availability of restaurants and food services;
  - (f) provide commercial information for the benefit of investors in the Export Processing Zones; and
  - (g) provide any other public utility as may be necessary for the betterment of operators and investors with the Export Processing Zones or consumers of products or services from the Export Processing Zones.

(3) In discharging the duties and performing the functions referred to in subsection (2), the Authority shall have powers to subcontract any person to execute any duty or perform any function provided for under subsection (2), and in particular, may license or enter into joint venture with private investors to develop Export Processing Zones' infrastructure.

(4) The Authority may charge rent, dues and impose fees and charges for services rendered or facilities provided in the Export Processing Zones.

(5) The Authority may, in discharging the powers and duties conferred by this Act, provide such other services, perform such other duties and functions and exercise such powers as may be necessary to attain the spirit of this Act.

Establishment  
of the Export  
Processing  
Zones

**14.-(1)** There is established for the Authority a Board to be known as the Export Processing Zones Authority Board.

Authority's  
Board  
Acts Nos.  
3 of 2006  
S.4  
2 of 2011  
S.6

(2) The Board shall consist of the following members-

- (a) the Minister responsible for industries who shall be the Chairman;
- (b) the Attorney-General;
- (c) the Permanent Secretary of the Ministry responsible for finance;
- (d) the Permanent Secretary of the Ministry responsible for water;
- (e) the Permanent Secretary of the Ministry responsible for energy;
- (f) the Permanent Secretary of the Ministry responsible for local government authorities;
- (g) the Executive Secretary of the Planning Commission;
- (h) the Commissioner General of the Tanzania Revenue Authority;
- (i) the Commissioner for Lands;
- (j) the Chairman of the Tanzania Private Sector Foundation; and
- (k) the President of the Tanzania Chamber of Commerce, Industry and Agriculture.

(3) The Board may co-opt any other person to attend meetings of the Board.

(4) The Board may, from time to time, establish such committees as it may deem expedient to discharge such duties and perform such functions as it may direct.

Functions and  
powers of the  
Board  
Acts Nos.  
3 of 2006  
S.4  
2 of 2011  
S.7

15.-(1) The Board shall be responsible for the performance of the functions and management of the affairs of the Authority.

(2) For the proper discharge of the functions of the Authority, the Board shall subject to any directions on matters of general policy which the Minister may give in that behalf, have the responsibility and power –

- (a) to develop Export Processing Zones' policies and to give general policy directions in relations to the development and operations of the Export Processing Zones;
- (b) to approve plans and programmes related to the establishment and development of Export Processing Zones;
- (c) to advise the Minister pursuant to section 3 of this Act;
- (d) to determine priority sectors to be promoted in a particular Export Processing Zones;
- (e) to approve specific financing requirements for the development of the Export Processing Zones;
- (f) to approve the budgets of the Authority;
- (g) to approve structure and manning levels of the Authority; and
- (h) to approve operational policies and staff remunerations.

(3) The Board shall have powers to regulate its own procedures.

(3) The Chairman shall preside at all meetings of the Board that he is present.

(4) Where the Chairman is absent, the members present shall elect one of their members to be the Chairman of that meeting.

(5) The decision of the Board shall be by majority votes of the members present and voting, in the event of



an equality of votes, the Chairman of the meeting shall have a casting vote.

Director  
General and  
other  
employees

**17.-(1)** The Board shall, after consultation with the Minister, appoint a Director General of the Authority on such terms and conditions as the Board may determine.

Acts Nos.  
3 of 2006  
S.4  
2 of 2011  
S.4

(2) The Director General shall be the Chief Executive Officer of the Authority and shall be directly responsible to the Board for the day to day administration of the affairs of the Authority.

(3) The Director General shall be the Secretary of the Board and may participate in its deliberations, but shall not be entitled to vote on any resolution or other matters before the Board.

(4) The Board may appoint or employ senior officers of the Authority on such terms and conditions as the Board may approve.

Sources of  
funds  
Act No.  
3 of 2006  
S.4

**18.-(1)** The sources of funds for the Authority shall include -

- (a) sums of money as may be appropriated by the Parliament for that purpose;
- (b) returns on investments in the Export Processing Zones' infrastructure and industrial shed;
- (c) borrowing;
- (d) such donations, grants or bequeathed as the Authority may receive from person or organisation associated with its duties in the Export Processing Zones as provided for in this Act;
- (e) Proceeds from the rent and other services charges derived from the activities in the Export Processing Zones; and;
- (f) any other moneys received by or made

available to the Authority for the purposes of performing its functions under this Act.

Use of the  
authority funds  
Act No.  
3 of 2006  
S.4

for –

**19.- (1)** The funds of the Authority shall be used

- (a) initiating, developing and managing Export Processing Zones infrastructure in accordance with the provisions of this Act;
- (b) providing utilities in the Export Processing Zones;
- (c) rehabilitating and maintaining Export Processing Zones' infrastructure; and
- (d) discharging liabilities arising out of implementation of this Act.

(2) Notwithstanding the provisions of subsection (1), the Authority shall retain all the moneys accrued for its continuous use in carrying out its functions.

Management  
and auditing of  
the funds of  
the Authority  
Act No.  
3 of 2006  
S.4  
Cap. 348

**20.- (1)** The funds of the Authority shall be managed in accordance with the provisions of the Public Finance Act.

(2) The funds of the Authority shall be audited by the Controller and Auditor General or an Auditor appointed by him to act on his behalf.

(3) The Authority shall prepare an annual report on the implementation of the Export Processing Zones operations and submit the same to the Minister, who shall lay the report before the National Assembly.

PART V  
INVESTMENT INCENTIVES

Incentives  
granted for  
investments in  
the Export  
Processing  
Zones  
Acts Nos.  
3 of 2006  
S.6  
2 of 2011  
S.4  
Cap. 332  
Cap. 4  
S.8(k)

21.-(1) An investor in the Export Processing Zones shall be entitled to the following incentives –

- (a) subject to compliance with applicable conditions and procedures, accessing the Export credit guarantee scheme;
- (b) remission of customs duty, value added tax and any other tax charged on raw materials and goods of capital nature related to the production in the Export Processing Zones;
- (c) exemption from any payment of corporate tax for an initial period of ten years and thereafter a corporate tax shall be charged at the rate specified in the Income Tax Act;
- (d) exemption from payment of withholding tax on dividends and interest for the first ten years;
- (e) exemption from payment of all taxes and levies imposed by local government authorities for products produced in the Export Processing Zones for a period of ten years;
- (f) exemption from pre-shipment or destination inspection requirements;
- (g) on-site customs inspection of goods in the Export Processing Zones;
- (h) provisions of business visa at the point of entry to key technical, management and training staff for a maximum of two months, thereafter the requirements to obtain a residence permit, according to the Immigration Act, shall apply;
- (i) remission of customs duty, value added tax and any other tax payable in respect of importation of one administrative vehicle.

Cap. 54

- ambulances, fire fighting equipment vehicles and up to two buses for employees transportation to and from the Export Processing Zones;
- (j) treatment of goods destined into Export Processing Zones as transit cargo;
  - (k) exemption from value added tax on utility and wharfage charges;
  - (l) entitlement to an initial immigrant quota of up to five persons during the start up period and thereafter any application for an extra person shall be submitted to the Authority which shall, in consultation with the Immigration Department and Commissioner for Labour, authorise any additional persons deemed necessary taking into consideration the availability of qualified Tanzanians, complexity of the technology employed by the investor and agreements reached with the investor;
  - (m) access to competitive, modern and reliable services available within the Export Processing Zones; and;
  - (n) unconditional transferability through any authorised dealer bank in freely convertible currency of –
    - (i) net profit or dividends attributable to the investment;
    - (ii) payments in respect of loan servicing where foreign loan has been obtained;
    - (iii) royalties, fees and charges in respect of any technology transfer agreement;
    - (iv) the remittance of proceeds (net of all taxes and other obligations) in the event of sale or liquidation of the business enterprises or any interest

attributable to the investment; and;

- (v) payments of emoluments and other benefits to foreign personnel employed in Tanzania in connection with the business enterprise.

(2) The provision of paragraph (e) of subsection (1) shall not apply in relation to the goods manufactured and sold or otherwise off-loaded in the customs territory.

(3) The Authority may, subject to such conditions relating to the grant of investment incentives, recommend to the Board, variation, addition, alteration or general amendments to the types of investment incentives to be granted to the persons who are doing business in the Export Processing Zones.

(4) where the Board is satisfied that the variation, addition, alteration or general amendments to the types of investment incentives be made, it shall submit proposals to the Minister responsible for finance who shall proceed to make the variation, addition, alteration or general amendments as may be necessary.

Restriction on  
exportation of  
goods into  
customs  
territory  
by Export  
Processing  
Zones  
investment  
Acts Nos.  
3 of 2006  
S.7  
2 of 2011  
S.4

**22.-(1)** Goods which are subject to the exemption from taxes within an Export Processing Zones shall not be taken out of the zone except-

- (a) as export outside the customs territory;
- (b) as exports into the customs territory subject to-
  - (i) necessary permits being obtained from the customs authority;
  - (ii) payment of all applicable import duties, levies and other charges;
  - (iii) compliance with all customs procedures; and;
  - (iv) the per centum of such exports not exceeding twenty per centum of the total annual production of the investors within the establishment

(2) The Board may, depending on the nature of the industry or goods and market circumstances, authorise an investor to sell in the customs territory the amount exceeding that prescribed under subsection (1).

(3) All goods off-loaded for sale into the customs territory shall be liable to all applicable duties and taxes.

Work Permits  
for technical  
staff  
Act No.  
3 of 2006  
S.5

23.-(1) The Government shall provide work permits for management and technical staff for skills that are not locally available, the number of which shall be determined by the Authority after consultation with the Ministry responsible for Labour.

(2) Subject to the provisions of subsection (1), the Authority shall make recommendations to the Government with a view to exempt from payment of training levy, an investor who has trained local employees, the quantum of which shall be fifty percent of the said training levy.

Authority may  
enter into  
contractual  
agreement  
Act No.  
3 of 2006  
S.5

24.-(1) The Authority may enter into a contractual agreement not inconsistent with this Act, with an investor on the grant of such investment incentives and the conduct of business within the Export Processing Zones.

(2) The contractual agreement entered into pursuant to subsection (1) may contain provisions binding on the United Republic in relation to a special licence or business transactions that may be conducted under a special licence –

- (a) which guarantee special provisions for the payment of taxes, fees and other fiscal import;
- (b) relating to the circumstances or the manner in which the Authority may exercise any discretion conferred on it by this Act or regulations made under this Act;
- (c) relating to environmental matters, including matters which are project specific and not covered by any regulations of general

application, provisions intended to define the scope and, as may be appropriate in any particular case, limit the extent of the obligations or liabilities of the holder of a special licence.

(3) Where this Act or regulations confer on the Minister or the Authority a discretion to do anything, the Minister or, as the case may be, the Authority, shall exercise such discretion subject to and in accordance with relevant stipulations contained in the contractual agreement entered into pursuant to the provisions of this section.

(4) The Authority shall refer the proposed contractual agreement to the Minister for purposes of obtaining approval in relation to the business transactions or project which the investor proposes to enter into.

#### PART VI

#### APPLICATION AND DISAPPLICATION OF OTHER LAWS

Disapplication  
Act No.  
3 of 2006  
S.5

**25. [Disapplication of the Tanzania Investment Act.]**

Exemption  
of the Stamp  
Duty Act  
Cap 189  
Act No. 3  
of 2006  
S.5

**26.** No instrument executed in or outside an Export Processing Zone which relates to the transfer, hypothecation or lease of any movable or immovable property and no any act to be performed or done in such an Export Processing Zone, or any document, certificate, instrument, report or record relating to any activity, action, operation, enterprise, project, undertaking or venture including –

- (a) a mortgage bond;
- (b) customs and excise documents;
- (c) a hire purchase agreement or financial lease;
- (d) an agreement of partnership;

- (e) power of attorney;
- (f) a deed of transfer;
- (g) bills of exchange; or
- (h) promissory notes.

Cap.189 shall be subject to any duty imposed under the Stamp Duty Act.

Application of Urban Planning Act No. 3 of 2006 Ss 2 & 5

**27.** For the purposes of the Urban Planning Act and the rules relating to buildings in the Export Processing Zones, a reference to a local government authority in any provision of those laws with regards to planning consent and building permit, shall be construed as a reference to the Authority.

Application of labour laws Act No. 3 of 2006 Ss 2 & 5

**28.** The existing labour laws applicable in the United Republic shall apply *mutatis mutandis* in the Export Processing Zones.

#### PART VII

#### ACQUISITION, COMPENSATION AND DISPUTES SETTLEMENT

Acquisition and compensation Acts Cap. 2 Cap 118

**29.**-(1) No interest in or right over any property within the Export Processing Zones may be acquired by the Government except in accordance with the Constitution of the United Republic and the Land Acquisition Act.

Act No. 3 of 2006 Ss 2 & 5

(2) Where any property is acquired in accordance with subsection (1), the Government shall, subject to the provisions of section 25, pay the owner of such property just and prompt compensation in a freely convertible currency.

Settlement of disputes Act No. 3 of 2006 Ss 2 & 5

**30.**-(1) If a person to whom the Export Processing Zone licence is to be issued pursuant to this Act so elects, a licence concerned may provide that any dispute between the holder of such licence and the Authority in respect of –

- (a) any issue relating to the amount of, or any other matter in connection with any



- compensation payable in case of acquisition as provided under section 23; or
- (b) the validity or continued validity of such licence; or
  - (c) any other dispute arising under this Act, shall be settled by arbitration –
    - (i) in accordance with the rules and procedures for arbitration of the International Centre for Settlement of Investment Disputes; or
    - (ii) within the framework of any bilateral or multilateral agreement on investment protection to which the Government of the United Republic and the country in which the investor is a national are signatories; or
    - (iii) in accordance with the rules and procedures for arbitration of the International Chamber of Commerce; or
    - (iv) in accordance with any other international machinery for the settlement of investment disputes by the parties.

(2) A licence referred to in subsection (1) which makes provision for arbitration shall constitute the consent of the holder of a licence and the Government to submit to arbitration.

(3) Any award in any arbitration contemplated in this section shall be final and binding on the Government and the holder of the licence, and shall be enforceable, in the case of a foreign award, in accordance with the Convention on The Recognition and Enforcement of Foreign Arbitral Awards.

Non-limitation  
for settlement  
of disputes  
Act No.  
3 of 2006  
Ss2&5

**31.** Nothing in section 24 shall be construed –

- (a) in the case where a licence referred to in subsection (1) of section 24 does not make provision for the settlement of disputes, as restricting or limiting the right of a holder of such licence to any other remedy available; or
- (b) in the case where a licence referred to in subsection (1) of section 24 does make provision for settlement of disputes, as precluding a holder of such licence or the Authority from entering into an agreement providing that any particular dispute specified or contemplated in such agreement shall not be settled otherwise than as provided in such licence.

Minister may  
make  
Regulations  
Act No.  
3 of 2006  
Ss2&5

**32.** The Minister may, in consultation with the Authority, make regulations generally for the better carrying out of the purposes of this Act.

PART VIII  
OFFENCES

Offences  
relating to  
licences and  
foreign  
currency  
Act No.  
3 of 2006  
S.5

**33.** Any person who –

- (a) in or in connection with an application for granting of a licence; or
- (b) for purposes of obtaining or retaining any foreign currency, makes any false statement which he or she knows to be false or have reason to believe not to be true, or knowingly furnishes any false information,

commits an offence and is liable on conviction to a fine not exceeding fifteen million shillings or to imprisonment for a term not exceeding four years or to both.

Offence for  
transshipment  
of products  
etc.  
Act No.

**34.-(1)** No person shall trans-ship any products to any other country purporting that such products were produced or manufactured in an Export Processing Zone for purposes of gaining any advantage accorded to

Offence for  
transshipment  
of products  
etc.  
Act No.  
3 of 2006  
S.5

**34.**-(1) No person shall trans-ship any products to any other country purporting that such products were produced or manufactured in an Export Processing Zone for purposes of gaining any advantage accorded to Tanzania in terms of a trade quota under any bilateral, multilateral or regional agreement or protocol.

(2) A person who contravenes subsection (1) commits an offence and shall be liable on conviction to –

- (a) if such a person is a natural person, to a fine not exceeding twenty million shillings or to imprisonment for a term not exceeding five years or to both;
- (b) if such a person is not a natural person, to a fine not exceeding one billion shillings, closure and forfeiture of his enterprise or business.

Offences for  
manufacture,  
processing,  
etc. of  
prohibited  
goods or  
articles  
Act No.  
3 of 2006  
S.5

**35.**-(1) Any person who commits an offence against subsection (1) of section 11 shall be liable on conviction to a fine not exceeding fifty million shillings or to imprisonment for a term not exceeding fifteen years.

(2) The trial Court may, in addition to a sentence imposed pursuant to subsection (1), order forfeiture to the Government of the goods or articles with respect to which an offence was committed.