

COSTS OF DIFFERENT FACTORS OF  
PRODUCTION

IN ZANZIBAR

MARCH, 2000

## TABLE OF CONTENT

	<u>Page</u>
1. Cost of Electricity	2
2. Cost of Water and Fuel	2
3. Fees for Work and Resident Permits	2
4. Salaries of Skilled and Unskilled Labour	3
5. Rental Cost of Shed, Residential Building and Truck	3
6. Seaport Fees	3
7. Lending Rates of Commercial Banks	4
8. Telecommunication Charges	4
9. Procedures for the Registration of Foreign Companies	4
10. Application and Licence Fees	5
11. TAXATION	6
12. Standard AirFreight Rates From Zanzibar	6
13. Zanzibar Aviation Services	7
14. Weather Conditions	8 - 9

1. COST OF ELECTRICITY:

A	<u>Domestic Use:</u>	<u>KWH</u>	<u>T.SH/UNIT</u>
		0 - 100	25
		101 - 300	50
		301 - 500	50
		1 > 500	72
B	<u>Commercial Use:</u>	0 - 100	60
		101 > 500	72
		> 500	90
C	<u>Small Industries:</u>	0 - 100	60
		101 - 1000	72
		>1000	97
D	<u>Medium Industries</u>	0 > 5000	60
		> 5000	117
E	<u>Large Industries:</u>	All	60
F	<u>Street Light:</u>	All	60

2. COST OF WATER AND FUEL:

For all kinds of industries, the cost of water is Tsh 1000.00 per cubic metre.

Diesel costs 450/- (US \$ 0.53) per litre. Petrol (gasoline) Costs 570/= (US \$ 0.72) per litre.

3. FEES FOR WORK AND RESIDENT PERMSITS:A. Work Permit (Fees per years):

*	First application	:	T.Shs. 75,000.00
*	Renewal	:	T.Shs. 50,000.00

The rates are applicable to all categories of workers.

B. Resident Permit (Fees per year):

*	Directors and the expatriates	US\$ 1,620.00 and 620.00 respectively for the first year.
---	-------------------------------	--

\* The resident permit is to be renewed after one year. The renewal charge for the second year is free of cost.

\* The renewal fee after the second year is US \$ 800.00 and 300 per annum. respectively

**SALARIES OF SKILLED AND UNSKILLED LABOURS:**

- A. Unskilled labour (Minimum Rate):  
Lump sum (basic salary T.Shs 30,000/- to 35,000/= plus allowances) per month
- B. Skilled Labour (Minimum Rate):  
Lump sum (basic salary plus allowances) : Tshs 38,000/= to 40,000/- per month.
- C. Skilled Labour (Professionals and Other Qualified Staff):  
\* Pay package negotiable.

**5. RENT COST OF SHED, RESIDENTIAL BUILDING AND TRUCK**

- A. Rental cost of shed:  
\* US\$ 27.00 per square metre per annum.
- B. Rental cost of residential building (approximately 1200 sq ft):  
\* US\$ 400.00 - US \$ 500.00 per month.
- C. Rental cost of truck for transport of containers from the sea port to the EPZ.  
\* a) for 20 ft size of container : Tsh 27,000.00 per hour  
\* b) for 40 ft size of container : Tsh 54,000.00 per hour  
\* c) a truck for internal transport : Tsh 6,000.00 per hour
- D. Lease rent of land and Sheds at EPZ complex:  
\* Land : US\$ 5.00 per square metre per annum.  
(This rate is standard but negotiable)  
Shed : US\$ 27.00 per square metre per annum.
- E. Cost of construction of sheds, warehouses and residential premises.  
\* US\$ 150.00 per sq. m. for sheds, warehouses and US \$ 185 per sq.m for residences.

**6. FEES OF SEA PORT:**

- A. Landing Charges:
- |    |   |                  |
|----|---|------------------|
| a) | 20 ft size of container (for foreign ship)                            | = US\$ 116.00    |
| b) | 40 ft size of container (for foreign ship)                            | = US\$ 174.00    |
| c) | 20 ft size of container (for domestic ship)                           | = US\$ 25,000.00 |
| d) | 40 ft size of container (for domestic ship)                           | = US\$ 78,000.00 |
| e) | 20 ft size of full loaded container from<br>Zanzibar to Dar es Salaam | = Tsh 28,000.00  |
| f) | 40 ft size of full loaded container from<br>Zanzibar to Dar es Salaam | = Tsh 56,000.00  |
| g) | 20 ft size of empty container from<br>Zanzibar to Dar es Salaam       | = Tsh 140,000.00 |

- h) 40 ft size of empty container from Zanzibar to Dar es Salaam Tsh 280,000.00  
 i) Bill of lading charge = Tsh 2,000.00

7. LENDING RATES OF COMMERCIAL BANKS IN ZANZIBAR:

	LOCAL A/C	FOREIGN A/C
1. Peoples Bank of Zanzibar	= 24%	7%
2. NBC (1997) Ltd.	= 24%	7%

8. TELECOMMUNICATION CHARGES (US\$ 1.0 = TSHS. 800.00)

A. TELEPHONE:

Line connection charges	T.Shs. 44,000/=
Telephone set	T.Shs 31,000/=
Deposit	T.Shs 50,000/-

CALL CHARGES:

To Europe, America etc.	T.Shs. 2,604/-	per minute
Regional calls	T.Shs. 640/- to 1,115/-	per 3 minutes
Other parts of Africa	T.Shs. 1,914/-	per minute
Local Calls	T.Shs. 200/= to 350/=	per 3 minutes

B. FAX:

Connection	-----	T.Shs. 35,507/-
------------	-------	-----------------

C. TELEX:

Connection	-----	T.Shs. 50,752/
------------	-------	----------------

D. Cellular phones charges (by ZANTTEL) US \$ 0.24 per minute.

9. REGISTRATION OF FOREIGN COMPANIES IN ZANZIBAR PROCEDURES.

1. Letter of introduction to the Registrar from ZAFREZA of ZIPA.
2. Submission of 6 copies each of memorandum and articles of association.

For opening a subsidiary company, the copies in (2) above must be accompanied with a copy of certificate of incorporation of the parent company all these documents should be certified by the Registrar of companies of the country of origin.

**FEEES**

1. Stamp duty on articles of association - T.Sh 5,000/=
2. Stamp duty on memorandum of association - T.Sh 5,000/=
3. Filing fees of articles and memorandum - T.Sh 250/=
4. Filing fees of company's annual report - T.Sh 5,000/=  
(Each company is required to submit annual report of its performance to the Registrar).
5. Registration fees depend on equity of the company:

<u>Equity</u>		<u>Fees</u>
T.Sh 1.0 million	-	T.Sh 2,800/=
T.Sh 2.0 million	-	T.Sh 4,800/-

For equity greater than T.Sh. 2.0 million:  
Registration fees = T.Shs {4,800 + 1% of (Equity - 2.0 mill)}

**NB:** US\$ 1.00 = T.Sh 800/=

10. **APPLICATION AND LICENCE FEES (FOR PROJECTS IN EPZ SCHEME):**

A. APPLICATION FEE:

US\$ 200.00

B. LICENCE FEES:

**I. Domestic:**

<u>From</u> (In Tsh)	<u>To</u> (In Tsh)	<u>Fees</u> (In Tsh)
1,000,000	20,000,000	Tsh 100,000
20,000,001	50,000,000	Tsh 150,000
50,000,001	100,000,000	Tsh 200,000
100,000,001	100,000,000 and above	Tsh 300,000

1. **Foreign:**

2.

<u>From</u> (In US\$)	<u>To</u> (In US\$)	<u>Fees</u> (In US\$)
100,000	300,000	1,000
300,001	500,000	1,500
500,001	1,000,000	2,000
1,000,001	and above	2,500

## II. TAXATION

Corporate tax is charged at the rate of 35% of net profit. Personal income tax (P.A.Y.E) has separate rates based on individual Income Tax is charged on income exceeding TSh 30,000/= per month.

## III. STANDARD AIR FREIGHT RATES FROM ZANZIBAR

### TO LONDON

Minimum charge US \$ 42.00

< 45kg \_\_\_\_\_ US \$ 5.09/kg

> 45kg \_\_\_\_\_ US \$ 3.81/kg

### TO PARIS

Minimum charge US \$ 42.00

< 45kg \_\_\_\_\_ US \$ 4.85/kg

> 45kg \_\_\_\_\_ US \$ 3.64/kg

> 250kg \_\_\_\_\_ US \$ 2.90/kg

### TO HONG - KONG

Minimum charge US \$ 43.00

< 45kg \_\_\_\_\_ US \$ 9.10/kg

> 45kg \_\_\_\_\_ US \$ 6.83/kg

### TO FRANKFURT

Minimum charge US \$ 42.00

< 45kg \_\_\_\_\_ US \$ 4.80/kg

> 45kg \_\_\_\_\_ US \$ 3.60/kg

> 250kg \_\_\_\_\_ US \$ 2.90/kg

### TO MILLAN

Minimum charge US \$ 42.00

< 45kg \_\_\_\_\_ US \$ 4.82/kg

> 45kg \_\_\_\_\_ US \$ 3.63/kg

### TO BOMBAY

Minimum charge US \$ 36.00

< 45kg \_\_\_\_\_ US \$ 4.03/kg

> 45kg \_\_\_\_\_ US \$ 3.02/kg

### TO NEW YORK CITY

Minimum charge US \$ 41.00

< 45kg \_\_\_\_\_ US \$ 9.91/kg

> 45kg \_\_\_\_\_ US \$ 7.63/kg

> 100kg \_\_\_\_\_ US \$ 6.00/kg

> 300kg \_\_\_\_\_ US \$ 5.30/kg

> 500kg \_\_\_\_\_ US \$ 5.01/kg

### TO SAN FRANCISCO

Minimum charge US \$ 41.00

< 45kg \_\_\_\_\_ US \$ 11.54/kg

> 45kg \_\_\_\_\_ US \$ 8.85/kg

> 100kg \_\_\_\_\_ US \$ 7.12/kg

> 300kg \_\_\_\_\_ US \$ 6.30/kg

> 500kg \_\_\_\_\_ US \$ 5.95/kg

**NB** i) AIRWAY BILL FEE \_\_\_\_\_ US \$ 5.00

ii) HANDLING CHARGES:

Minimum charge \_\_\_\_\_ US \$ 3.00

< 500kg \_\_\_\_\_ US \$ 0.026/kg

> 500kg \_\_\_\_\_ US \$ 0.020/kg

# ZANZIBAR AVIATION SERVICES & TRAVEL TRADE LIMITED

P.O. BOX 1981, ZANZIBAR, TANZANIA

TEL: TRAFFIC 233979 HEAD OFFICE: TEL/FAX: 231336 TELEX 57384 ZAT - TX

ARRIVAL & DEPARTURE FLIGHTS MOVEMENTS SUMMARY - EFFECTIVE MARCH 2000

DAYS:	FLT NO:	ROUTING:	STA	STD	A/C:
MONDAY	KQ 490/1	NBO/MBA/ZNZ/MBA/NBO	1005	1110	B737
	PF412	DAR/ZNZ/JRO	1330	1350	ATR 42
	TC 714	DAR/ZNZ/NBO	1330	1410	B 737
	PF 413	JRO/ZNZ/DAR	1635	1655	ATR 42
	TC 715	NBO/ZNZ/DAR	1710	1750	B 737
TUESDAY	KQ 490/1	NBO/MBA/ZNZ/NBO	1005	1105	B 737
	PF 422	DAR/ZNZ/JRO	1250	1310	ATR 42
	TC 620	DAR/ZNZ/MBA	1405	1430	F 27
	PF 423	JRO/ZNZ/DAR	1610	1630	ATR 42
	TC 621	MBA/ZNZ/DAR	1705	1730	F 27
WEDNESDAY	PF 432	DAR/ZNZ/JRO/MWZ	1030	1050	ATR 42
	TC 235	JRO/ZNZ/DAR	1120	1155	F 27
	KQ 490/1	NBO/MBA/ANA/MBA/NBO	1005	1110	B 737
	PF 433	MWZ/JRO/ZNZ/DAR	1655	1715	ATR 42
	TC 738	JNB/ZNZ/DAR	2055	2130	B 737
THURSDAY	PF 412	DAR/ZNZ/JRO	1330	1350	ATR 42
	KQ 490/1	NBO/MBA/ZNZ/MBA/NBO	1005	1105	B 737
	TC 640	DAR/ZNZ/MBA	1620	1700	B 737
	PF 413	JRO/ZNZ/DAR	1635	1655	ATR 42
	TC 641	MBA/ZNZ/DAR	1845	1905	B 737
FRIDAY	TC 754	DAR/ZNZ/ADE/MCT/DXB	1125	1205	B 737
	PF 450	DAR/ZNZ/JRO	1250	1310	ATR 42
	KQ 490/1	NBO/MBA/ZNZ/MBA/NBO	1005	1105	B 737
	ZN	ZNZ/PMA/ZNZ	0800	0830	ATR 42
	PF 451	JRO/ZNZ/DAR	1555	1615	ATR 42
SATURDAY	PF 462	DAR/ZNZ/JRO	1230	1250	ATR 42
	GF 711/2	MCT/ZNZ/DAR/MCT/AUH	1405	1520	B 767
	KQ 492/3	NBO/MBA/ZNZ/MBA/NBO	1005	1105	B 737
	PF 463	JRO/ZNZ/DAR	1545	1605	ATR 42
	TC 263	JRO/ZNZ/DAR	1915	1940	F 27
SUNDAY	PF 410	DAR/ZNZ/JRO/MWZ	0920	0940	ATR 42
	KQ 492/3	NBO/MBA/ZNZ/MBA/NBO	1005	1105	B 737
	TC 670	DAR/NZN/DAR	1515	1545	F 27
	PF 411	JRO/ZNZ/DAR	1545	1545	F 50
	TC 671	MBA/ZNZ/DAR	1825	1855	ATR 42

N.B. CHARGES FOR TC FLIGHTS WILL BE RELEASED ON DAILY BASIS AS F27 IS GROUNDED

NOTE: SCHEDULE SUBJECT TO CHANGES WITHOUT NOTICE

### WIND DIRECTION AND SPEEDS OVER ZANZIBAR

South - East Monsoon winds April to October at an average speed of between 5 - 15 knots. North - East Monsoon winds December to February at an average speed of between 6-10 knots. Between March and November winds are mainly variable. The most windy months of the year are June, July, August and September during which speed may rise to as high as 20 knots in the afternoon.

When there is a tropical cyclone in the vicinity of our area (mainly during December to April) wind speed of up to 35 knots may be experienced.

NOTE:

Knots means nautical mile per hour.

1 Knot = 1.86 km/hr.

### THE READING OF MEAN ANNUAL RAINFALL (mm) OVER ZANZIBAR

		JAN	FEB	MAR	APR	MAY	JUN
	MEAN	78	66	138	386	249	62
	Highest	616	293	317	871	751	230
	Lowest	10	0	29	47	99	0
Maximum 24 hrs fall		320	71	98	234	115	103
		JUL	AUG	SEP	OCT	NOV	DEC
	MEAN	45	43	51	88	220	158
	Highest	194	116	219	450	577	342
	Lowest	0	4	6	14	28	38
Maximum 24 hrs fall		74	90	156	126	119	188

### THE READING OF MEAN RELATIVE HUMIDITY (%) OVER ZANZIBAR

	JAN	FEB	MAR	APR	MAY	JUN
0300 GMT	91	91	92	91	91	90
0600 GMT	78	77	81	87	86	83
1200 GMT	64	62	68	73	70	63
	JUL	AUG	SEP	OCT	NOV	DEC
0300 GMT	90	89	92	92	93	92
0600 GMT	83	83	81	76	78	79
1200 GMT	62	58	56	61	68	67

READING MEAN TEMPERATURES (°C) OVER ZANZIBAR

		JAN	FEB	MAR	APR	MAY	JUN
	Maximum	31.6	32.6	31.9	30.2	29.5	29.0
Extreme Highest		36.6	35.6	37.4	35.4	31.8	31.5
	Minimum	22.6	22.4	22.6	22.9	22.3	21.1
Extreme Lowest		16.6	16.3	15.6	15.4	14.0	14.0
		JUL	AUG	SEP	OCT	NOV	DEC
	Maximum	28.6	29.0	30.0	30.6	30.7	31.4
Extreme Highest		31.1	31.8	32.5	34.6	34.5	36.4
	Minimum	20.2	19.3	18.9	19.8	20.9	22.1
Extreme Lowest		12.2	10.4	12.0	11.9	13.4	14.4