



REPUBLIC OF ZAMBIA  
MINISTRY OF TOURISM AND ARTS

PROMOTING INVESTMENTS  
FOR THE DEVELOPMENT OF THE  
TOURISM SECTOR IN ZAMBIA

**ANCHOR HOTEL PROJECTS**  
Greater Livingstone  
Kafue National Park  
South Luangwa National Park



## PREAMBLE

The Government of the Republic of Zambia has identified tourism as one of the priority growth sectors of the national economy, because it has the potential to be a major contributor to socio-economic development. Tourism is an important source of jobs, prosperity and competitiveness, has been singled out as one of the priority areas for investment due to its numerous forward and backward linkages to various sectors of the economy.

Government's vision for the tourism sector is to make Zambia an exciting and growing destination that realizes its full potential and rewards tourists with unique, authentic and treasured experiences, and be amongst the top five tourist destinations of choice in Africa by 2030. One of the strategies to achieve these goals is to increase the number of brand hotels in the country, as a priority action to enhance the brand visibility and competitiveness of the Zambian tourism product on the regional and international markets.

Tourism in Zambia is mainly nature-based and its key attractions are wildlife safaris and the Victoria Falls locally known as Mosi-o-Tunya, one of the seven wonders of the natural world and a UNESCO World Heritage Site. Zambia has a vast wildlife estate consisting of 20 National Parks and 36 Game Management Areas (GMAs) which cover 31.4% of the country's national territory.

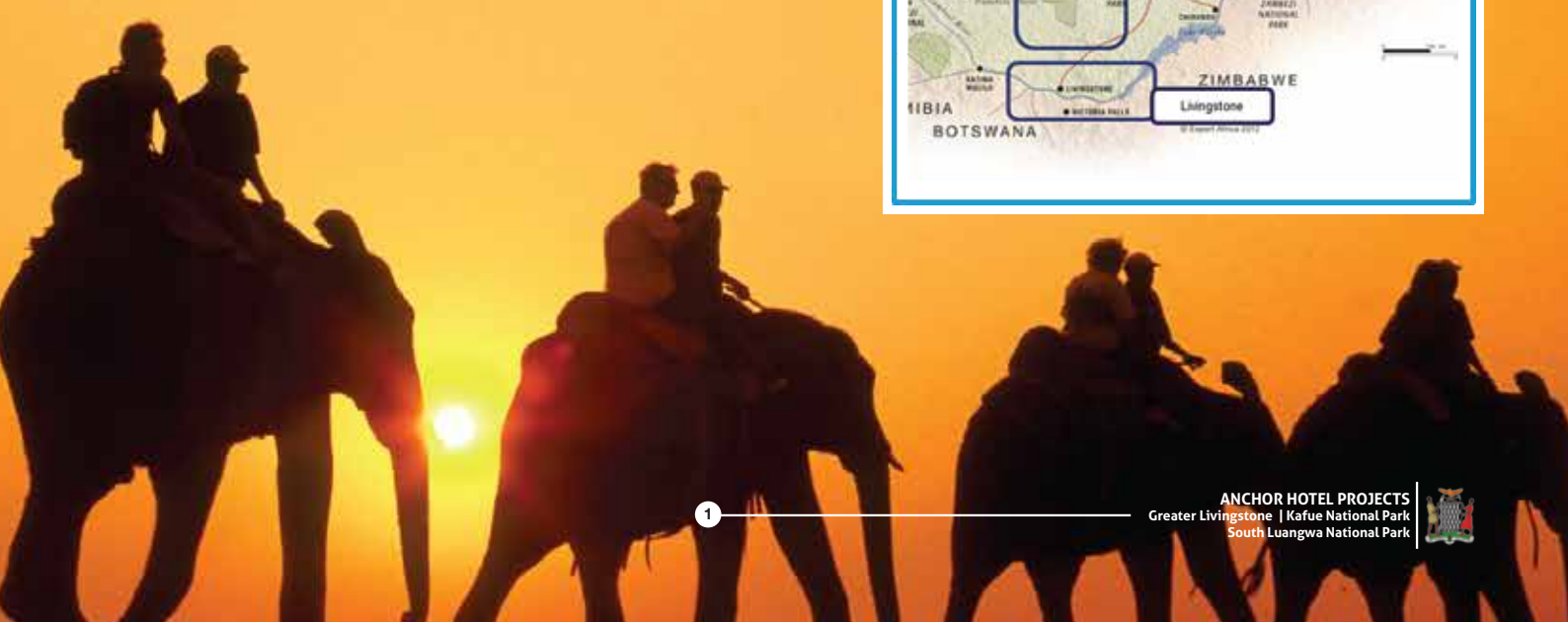
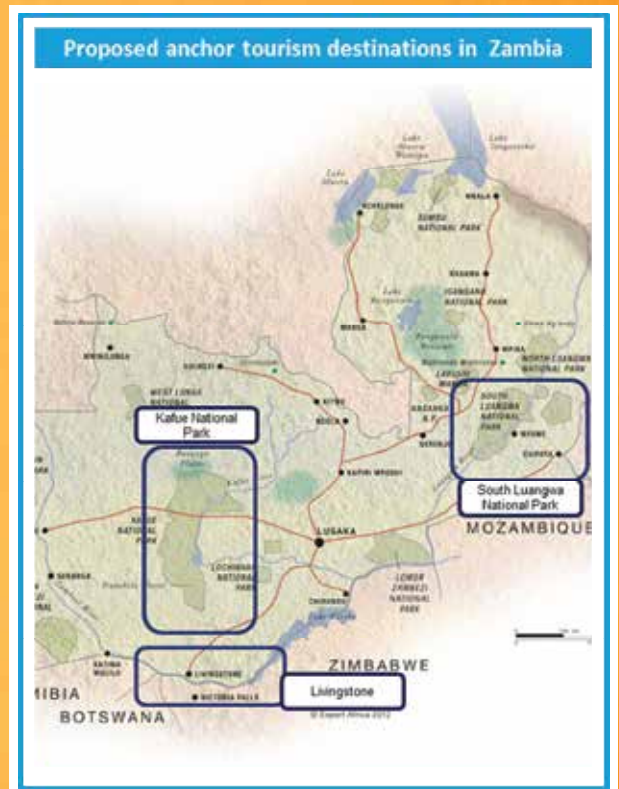
The country is endowed with vast untouched wilderness areas such as the Rift Valley of the Luangwa river, the Zambezi river system and its escarpments; mountain highlands such as the Nyika and Mafinga; vast wetlands such as the Bangweulu, Kafue and Zambezi flood plains and magnificent waterfalls in the northern part of the country.

The country has over 7000 natural and cultural heritage sites which include archaeological, historical, geo-morphological, geological and anthropological sites. Add to that a warm and welcoming people; a rich and diverse cultural heritage and a stable and peaceful political environment and you have a great potential waiting to be developed.

Government intends to increase the bed capacity on offer in Livingstone, Kafue and South Luangwa National Parks, respectively, by attracting globally recognised hotel chains and is therefore seeking upscale international investments in hotels, targeting the luxury brands (4 & 5 star markets). This will result in the creation of critical mass for the destination and increase exposure of Zambia as a tourism product to international visitors.

A tourism market study commissioned in January 2014 identified four sites for hotel development, as anchor projects for targeted investment promotion. It is envisaged that these projects will transform the tourism sector into a viable and sustainable industry that will contribute to Zambia's GDP, job creation and poverty reduction. The sites were selected drawing upon Zambia's comparative advantage and global market drivers.

All the four profiled sites are on government land, and three are in national parks (wildlife protected areas). Favourable land tenure is being offered for these anchor hotel projects. Government intends to interest renowned hotel brands that offer both leisure and MICE tourism products to invest in the Zambian Tourism industry.



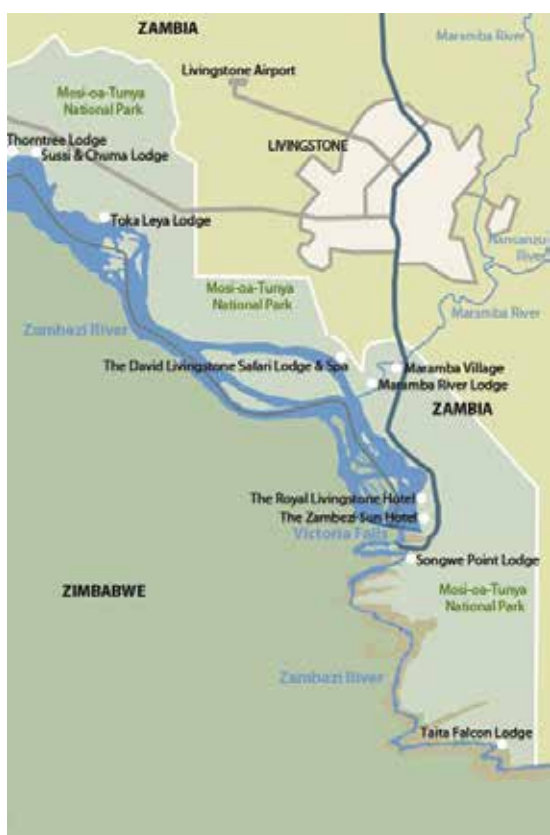
# LIVINGSTONE SITES



Two sites are available for investment in the Southern Province of Zambia and located in the city of Livingstone, home of the Mighty Victoria Falls, locally known as the “Mosi-Oa-Tunya: the smoke that thunders”. Livingstone is one of the main tourist destinations in Zambia and is relatively well established. The city has a population of just over 100,000 residents, and is located on the southern edge of Zambia bordering Zimbabwe. Livingstone is Zambia’s tourism capital and has the highest concentration of tourism products in Zambia, which range from hard adventure to game/wildlife, culture/heritage, nature/scenic beauty and inland water activities.

The city’s infrastructure was recently upgraded ahead of the co-hosting of the 20th session of the UNWTO general assembly in 2013, including the Harry Mwaanga Nkhumbula International Airport, where two international terminals were constructed for arrivals and departures respectively. Livingstone is also in close proximity to Botswana, Namibia and Angola presenting opportunities for cross border/multi country itineraries. With a good road network and international airport, Livingstone offers all year-round access for tourists.

The city’s main economic activity is tourism. Skilled, semi-skilled and un-skilled labour is readily available. Catering to both leisure and business (MICE) tourists, Livingstone has a variety of accommodation establishments, including hotels, safari lodges, campsites, guesthouses, backpackers, bed and breakfasts and self catering establishments.



Mosi-Oa-Tunya National Park (MoTNP), derived from the local name Mosi-Oa-Tunya, meaning ‘the smoke that thunders’ is the second smallest national park located in the urban setting in Southern part of Zambia. It is located in Livingstone, the tourist capital of Zambia and is home to the magnificent Victoria Falls, one of the seven natural wonders of the world! The Victoria Falls, which spans some 1.2km wide and has a mean maximum water flow of 540 million litres falling off a height of 108 metres per minute, normally reached in March or April, is a World Heritage. The Mosi-Oa-Tunya National Park was established under the Victoria Falls Executive Reserve Preservation Ordinance in 1934 to foster tourism development.



## Site Description

This is a Riverine site on the banks of the Zambezi River, with a healthy natural habitat accommodating animals including Baboons and Elephants. The vegetation on this site comprise of Riverine vegetation, mixed woodlands and thickets and Mopane woodlands. The most frequently seen mammals in the Park associated with the Riverine habitat include Water-buck, Hippopotamus, Elephant, Bushbuck, Buffalo, Baboons and Vervet monkeys. At least 23.7 square kilometer of the park is fenced and set aside as a Zoological Park. Animals found in the zoological park include Giraffes, White Rhino, Elephants, Buffalos, Impalas, Puku and Warthogs.

The Giraffe species found in Mosi-Oa-Tunya National Park have special significance because this is the only area in Zambia apart from Sioma Ngwezi National Park where they occur. This site is located on variant composition of vegetation mainly influenced by the Kalahari woodland ecosystem with a flat terrain dominated by a combination of Riverine forest and Palm Savanna making the area very good for day and night game viewing activities conducted by use of 4 x 4 safari vehicles or by boat, walking safaris, sunset boat cruises, boating, canoeing, fishing, camping and picnic, sundowners, bush dinners, breast fast on the islands and other adventure activities within the adjoining areas, including the Victoria Falls.

## Product Concept

It is proposed to be a principally medium to up market family focused, 4-5 star hotel with about 250 beds incorporating a theme park such as a water park, which will offer additional services such as children's clubs as well as age- appropriate experience adventure activities.

**Size** 2.48 Hectares

## Accessibility

The site accessible by both tared and all weather gravel road. It is situated 8.5km from the central business district of Livingstone and 10.8km from Harry Mwaanga Nkumbula International Airport (HMNIA). Road infrastructure within and around the city is good and the main roads are generally tarred. Roads within the National Park and those that are off the 'main roads' are all-weather gravel roads.

## Location

The site is located at 17.89001 S and 025.84468 E degree decimals along the bank of the Zambezi River overlooking the flow of the River from the Southern direction. This site is located approximately 60 minute's flight by aeroplane from Lusaka, the Capital city of Zambia or aeroplanes from outside the country into Harry Mwaanga Nkumbula International Airport and is less than 7 km from the Airport and 5 km from Livingstone town. Road access is through the central circuit by an approximately 450 km tarred road from Lusaka to Livingstone. The Park is open to visitors throughout the year.

## Length of Concession

35 years with option of renewal of another 35 years.

## Construction period and Specific Incentives

36 months construction period is provided upon which the developer shall be exempted from paying bed night fees, park entry fees, vehicle fees and other user charges as a special incentive package for investment. No fixed fees in the first year, 50% fixed lease fees shall be paid in the second and third year of construction period after which full fixed fees shall apply. Actual bed levies shall be paid in the first to third year of operation, while 20%, 25%, 30%, 35% minimum guaranteed bed levies shall apply in fourth, fifth, sixth and seventh year respectively.



## SITE NO. 2: CONVENTION CENTRE ON SHOWGROUNDS



### Site Description

The site is numbered under the Ministry of Lands and zoned for tourism development. The Site is approximately 16 hectares with 12.7 hectares available for development. The other remaining 3.3 hectares has been developed into an Art Gallery and Cultural Village for local traditional exhibits which are complementary to the proposed development. It is bordered by a fully upgraded bituminous road which is linked to the main road.

The site already has three phase power within and a main water line serving it and is adjacent to the sewerage network, providing easy connection to these facilities. It is also adjacent to the Mosi-Oa-tunya National Park and within 3 kilometers to the Mighty Victoria Falls. The site is laden with indigenous tree vegetation which can create a superb development blend.

### Product Concept

An ultra-modern multi-purpose conference facility to house a 3,000 seater convention centre with auxiliary meeting rooms, banquet halls, 5 star hotel, 3 star hotel, shopping arcades, restaurants and entertainment centre with the capacity to host mega events.

### Size

12.7 Hectares

### Accessibility

The site is easily accessible by road

### Location

The site is located off Sichango Road, 700 meters from Mosi-Oa-tunya Road, and within 2 - 3km from the City Centre and approximately 7.2km from the Harry Mwaanga Nkumbula International Airport. . The site is located approximately 1km from the Zambezi River, 10km from the Victoria Falls and is adjacent to a number of hotel facilities.





On the edges of the site is Lake Itezhi-tezhi, the largest earth dam in the world, along with many species of animals including elephant, eland, buffalo, hippopotamus, hartebeest, waterbuck, zebra, roan antelope, sable antelope, wildebeest, kudu, and several other medium and pygmy antelopes concentrate. Among the carnivores found in the area are lion, leopard, cheetah, hyena, jackal and wild dog, making the area very good for day and night game viewing activities conducted by use of 4 x 4 safari vehicles or by boat, walking safaris, sunset boat cruises, bird watching on the Lake Itezhi-tezhi, canoeing, fishing, camping and picnic, sundowners, bush dinners, breakfast on the islands and rocky outcrops with breathtaking views.

There are other tourist attractions that complement the tourist experience such as traditional ceremonies, traditional fishing along the Nanzhila plains and heritage and cultural sites including the Longola Hot Springs. The Park has the greatest diversity of animal species among the protected areas in the Eastern, Central and Southern Africa. About 80% of all mammalian species naturally occurring in Zambia are well represented here albeit in small densities. Lodging facilities in the Park range from low budget to up market campsites, bush camps, and safari lodges.

## Product Concept

It is proposed to be a principally medium to up market family focused 4-5 star hotel with between 100-120 beds, offering exceptional additional services and products that incorporate appropriate adventure experience to tourists

## Size

10 Hectares

## Accessibility

The site is approximately 45 minutes flight by chartered aircrafts from Lusaka, the capital city of Zambia. Access by air is facilitated by the presence of four airstrips in the Park and three airstrips located on the periphery of the park. Road access is through the central circuit by an approximately 350 km tarred road from Lusaka to Itezhi-tezhi on the Lusaka-Mongu Road via Mumbwa District, and Mumbwa-Itezhi-tezhi road into the Southern part of the park.

The site can also be accessed through the southern circuit by road from Livingstone Victoria Falls through Kalomo town and via Dundumwezi Gate and either through the spectacular Nanzhila Plains or central spine on the southern boundary to Ngoma airstrip. There is a network of gravel roads within the park, which are used for management and game viewing purposes.

## Location

This site is located on the shores of Lake Itezhi-tezhi, 20 km from Ngoma Airstrip, contiguous to Ngoma Forest which is home to approximately 2,000 resident elephants, within the heart of the Southern Kafue National Park. The Park is open to visitors from June to November when temperatures are favourable. However some lodges remain open throughout the year and use of four wheel drive vehicles is highly recommended.

## Length of Concession

35 years with option of renewal of another 35 years.

### Construction period (in months) and Specific Incentives

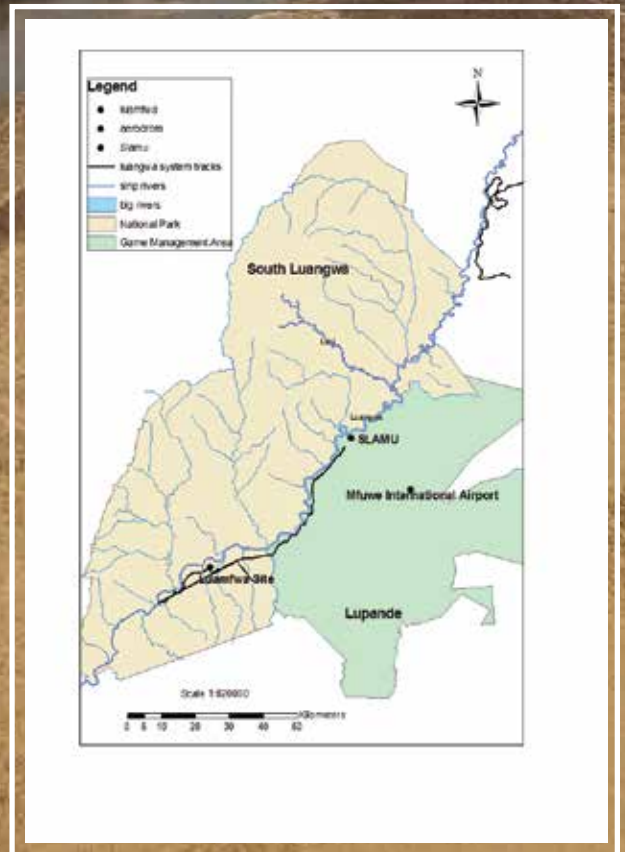
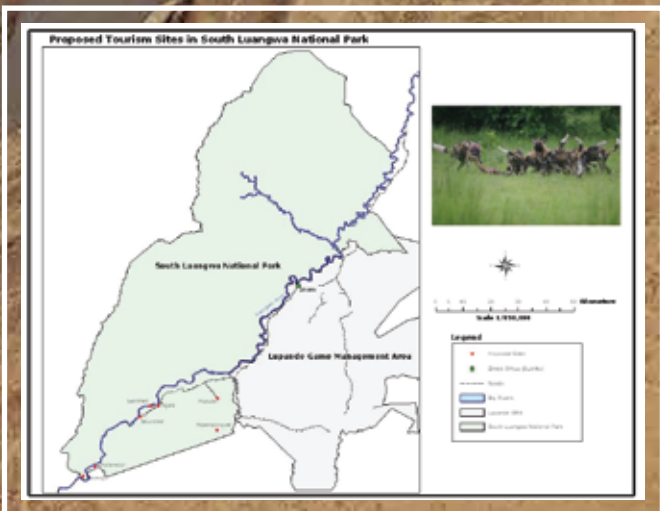
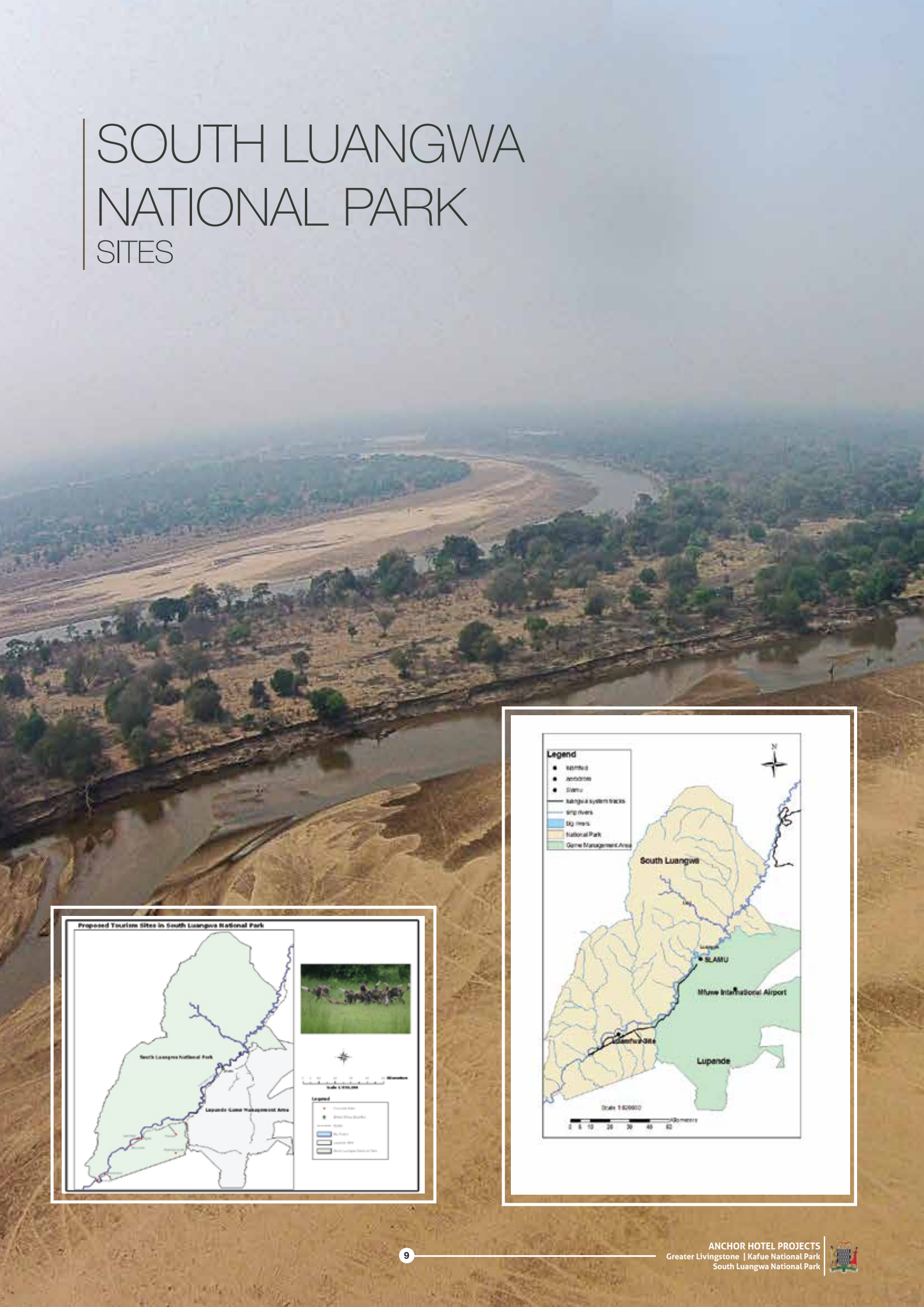
36 months construction period is provided upon which the developer shall be exempted from paying bed night fees, park entry fees, vehicle fees and other user charges as a special incentive package for investment. No fixed fees in first year, 50% fixed lease fees shall be paid in the second year and third year of construction period after which full fixed fees shall apply. Actual bed levies shall be paid in the first to third year of operation, while 20%, 25%, 30%, 35% minimum guaranteed bed levies shall apply in fourth, fifth, sixth and seventh year respectively.







# SOUTH LUANGWA NATIONAL PARK SITES



The South Luangwa National Park, the second largest of the 20 National Parks in Zambia is located in the Luangwa Valley in Eastern Zambia. It has one of the largest concentrations of wildlife and among the most popular tourist destinations in Africa. A unique feature about the Luangwa valley is its game viewing walks and drives which vary from one (1) to eight (8) days with bush camps along the way. The South Luangwa National Park with an area size of 9,050 km<sup>2</sup> has probably the largest variety of animals and bird life in Africa. Its river lagoons host large populations of hippopotamus and the plains are roamed by exceptionally abundant large mammals, the largest in the region, including elephant, giraffe, buffalo, zebra and numerous varieties of antelope.

All these species, combined with the Thorn croft's Giraffe, a sub species found only in the Luangwa Valley, offers an exceptionally unique game viewing opportunity and experience to tourists. On the western part of the park lies the beautifully sculptured Muchinga Escarpment with its sheer jagged wall on its scarp zone which provides a very spectacular view and memorable scenic beauty. Visitors interested in flora and fauna will be delighted at the numerous and exotic species of flowering trees and blooms, which grow above and below the heads and hooves of Zambia's wildlife. The Park is open to visitors from June to November, though some lodges remain open through-out the year.





**SITE NO. 4:  
HOTEL SITE IN  
SOUTH LUANGWA  
NATIONAL PARK**

### **Site Description**

The site is in an area where many species of animals including elephant, hippopotamus, waterbucks, kudu, lion, leopard, spotted hyena, wild dog and several other Plains game concentrate, making the area very exceptional for day and night game viewing, apart from bush dinners, sundowners and walking safaris.

### **Accessibility**

Access to the site is by road from Chipata to Mfuwe and by air through Mfuwe International Airport, an hour's flight from Lusaka. Luamfwa Site is 99 km by road from Mfuwe International Airport, following a 45 minutes flight from Lusaka, Capital city of Zambia. The site can be accessed by 585 km tarred from Lusaka to Chipata and an additional 121km from Chipata to Mfuwe, and about 74 km from Mfuwe to Luamfwa Site.

### **Product Concept**

It is proposed to be a mid to upmarket family focused hotel that offers walking safaris and a potential for diversity of activities, accommodating up to 120 beds in the 4-5 star category unique services incorporating appropriate memorable visitor experience.

**Size:** 6 – 10 hectares

### **Location**

The site is located in the southern part of the South Luangwa National Park, on the edges of the Luamfwa Lagoon, one of the ox-bow lakes on the Luangwa River.

### **Length of Concession**

35 years with option of renewal of another 35 years

#### Construction period (in months) and Specific Incentives

36 months construction period is provided upon which the developer shall be exempted from paying bed night fees, park entry fees, vehicle fees and other user charges as a special incentive package for investment. No fixed fees in first year, 50% fixed lease fees shall be paid in the second year and third year of construction period after which full fixed fees shall apply. Actual bed levies shall be paid in the first to third year of operation, while 20%, 25%, 30%, 35% minimum guaranteed bed levies shall apply in fourth, fifth, sixth and seventh year respectively.







# TOURISM SECTOR INCENTIVES

*The Ministry of Tourism and Arts through the Zambia Development Agency Act No. 11 of 2006 offers a wide range of incentives in the form of tax incentives, non-fiscal incentives, exemptions & concessions for companies. The Act provides for investment thresholds that investors have to meet to qualify for fiscal and non-fiscal incentives.*

## FISCAL INCENTIVES

- Zero percent tax rate on dividends for 5 years from year of first declaration of dividends.
- Zero percent tax on profits for 5 years from first year of operation. From year 6 to 8, only 50 percent of profits are taxable and years 9 & 10, only 75 percent of profits are taxable.
- Duty exemption on imported and qualifying capital goods, machinery including trucks and specialized motor vehicles for five years.

## NON FISCAL INCENTIVES

- Facilitation for land acquisition by investors.
- Facilitation to provide services such as power, water and other amenities required for projects.
- Facilitation for acquisition of immigration permits including work permits for expatriates.
- Facilitation for acquisition of other licenses required to operate a business.
- Investors who invest in Zambia enjoy the following guarantees:
- Repatriation of profits & dividends.
- Protection against nationalization.
- Investors can enter into Investment Promotion & Protection Agreement with the Government of the Republic of Zambia.

## GENERAL INCENTIVES

<https://www.zra.org.zm/commonView.htm?>



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