



Foreigner Land Ownership in Zanzibar

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General Restrictions

In Zanzibar, all land is public property vested in the President for the benefit of Zanzibaris, as provided under the Land Tenure Act and related legislations. Consequently, foreigners, including citizens from mainland Tanzania, cannot own land outright.

Ownership of land is a privilege reserved exclusively for Zanzibaris. Foreign individuals or entities seeking to engage with land must navigate alternative structures, primarily centered around long-term leases, condominium ownership, or investment facilitation.

Who is a Foreigner?

Under Zanzibari law, a "foreigner" includes non-Zanzibari Tanzanian citizens and all other non-citizens, especially for purposes such as land ownership and certain special rights.

Right to Use

Despite restrictions on outright ownership, Zanzibar has developed a **structured legal framework** enabling foreigners to participate in the real estate market through:

- **Long-Term Leases:**
Foreigners may acquire leases typically **up to 99 years**, granted by the **Commission of Lands**. These leases allow extensive rights of use, development, and commercial exploitation.
- **Condominium Ownership:**
Under Zanzibar's **Condominium Act**, foreigners can purchase **individual condominium units**, which are legally distinct from the land beneath them. Title is registered, and ownership is protected under property law.
- **Investment through ZIPA-Approved Entities:**
Foreigners can form or invest in companies licensed by the **Zanzibar Investment Promotion Authority (ZIPA)**. ZIPA-certified projects are eligible for additional investment protections and incentives.



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Foreigner Rights Over Property

When acquiring condominium units, foreign investors enjoy certain rights and protections:

- **Registered Title:**
The buyer receives a registered ownership title specific to the condominium unit.
- **Condominium Corporation Membership:**
Owners automatically become members of the **Condominium Association/Corporation**, entitling them to a say in the management and maintenance of common areas.
- **Transferability:**
Owners may **sell, lease, mortgage, or transfer** their units, subject to applicable Zanzibar laws and the governing condominium declaration.
- **Protection of Ownership:**
Ownership of condominium units is protected under Zanzibari law; however, the **underlying land remains government-owned.**
- **Investment Incentives (ZIPA Projects):**
Investments through ZIPA enjoy key benefits including:
 - **Repatriation of profits** and capital.
 - **Non-discrimination clauses**, offering protection similar to domestic investors.
 - **Tax incentives** and possible duty exemptions depending on the project.

Challenges

Title Verification

- **Primary Concern:**
Verifying the legitimacy of property titles is crucial. Investors must ensure:
 - Existence of a valid **Right of Occupancy** or **Condominium Title**.
 - Freedom from liens, encumbrances, and ownership disputes.
- **Real-World Example:**
In **Stone Town**, overlapping land claims have historically led to legal disputes requiring court intervention. Cases highlight the need for **professional legal due diligence** before acquisition.

Infrastructure Gaps

- **Current State:**
While top locations like Stone Town and prime tourist hubs are well-developed, **secondary areas** often face:
 - Poor road access
 - Inconsistent electricity and water supply
 - Limited internet connectivity



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- **Case Example:**
Parts of the **East Coast** initially faced challenges due to **poor road infrastructure**, affecting project timelines and property values.
In response, developments like **Fumba Town** have invested heavily in **private infrastructure projects** to enhance accessibility and attract buyers.

Conclusion

Zanzibar's real estate market offers **substantial potential** for foreign investors, provided they operate **within the legal frameworks** allowing for condominium ownership, leaseholds, and ZIPA-approved investments.

Opportunities exist across residential, commercial, and hospitality sectors, driven by tourism, sustainable development trends, and increasing urbanization.

Due diligence, legal compliance, professional advisory, and infrastructure assessments remain critical pillars for securing and optimizing investments in Zanzibar.

Disclaimer:

This document is intended for informational purposes only and does not constitute legal or investment advice. Investors are strongly advised to seek independent legal and financial counsel before making any real estate investments in Zanzibar. The legal framework and market conditions are subject to change, and updated consultations are recommended.



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