

CITY OF MUTARE INVESTMENT PROSPECTUS

VISION

A city of excellent municipal service delivery and prime investment destination by 2030.

MISSION

To provide quality services to all residents and other stakeholders of Mutare in a transparent manner and at competitive costs

CORE VALUES

- Transparency
- Accountability
- Integrity
- Team Work
- Responsibility
- Equality
- Inclusive

BACKGROUND

Mutare is Zimbabwe's third largest city after Harare and Bulawayo. The name Mutare is a derivative of the local Shona word *Utare* which in the local Manyika dialect refers to iron or gold. During the pre-colonial period, the name was given to a river running adjacent to the Tsame River. It is believed this river had deposits of iron resulting in it being named Utare by the local Mutasa clan. The Penhalonga Valley between these two rivers was thus associated with gold and iron deposits and this milieu resulted in the naming of the area to Utare and subsequently Mutare. More recently, Mutare is popularly referred to as *Kumakomoyo* – a reference to the city's mountainous terrain which gives it a unique distinction from the rest the country.

Apart from its unique geography, Mutare has a diverse array of cultures, language, tradition and history, all of which make it an ideal place to live, work and set up business and vacation.

LOCATION & POPULATION

Mutare is located on the eastern side of Zimbabwe and is the capital of the Manicaland province. It borders with Mozambique linking to the port of Beira, and thus is Zimbabwe's gateway to the sea.

According to the 2012 Census, the city's population reached over 188 000. With an estimated growth rate of 1%, Mutare's population is nearing 200 000. The growth of the city in terms of population is directly linked to the growth of the city's human capital base, which is essential for building and transforming its local economy.

COMMERCIAL DEVELOPMENT & BUSINESS SUPPORT

The business economy comprises of both the formal and the informal sectors spanning across:

- Tourism & Hospitality
- Industries
- Agriculture
- Commercial Services (*including banks and financial services*)
- Construction
- Information Technology Services
- Government & Institutional Activities
- Fruit & Vegetable Vendor Enterprises & Small Businesses

INFRASTRUCTURE & SERVICES

Network & Connectivity

The city is serviced by world-class communication facilities such as the internet and modern telephone and broadband services. Liquid Telecom, ZOL, Africom, Tel-One & Dandemutande

are among some of the leading internet service providers, while Econet, Telecel and NetOne provide the same as well as telephone network services.

Water Supply

Mutare has undoubtedly best quality water in the country. Raw water security of supply guaranteed from the Pungwe River, Odzani and Smallbridge dams. Water consumption within the city is estimated to be approximately 46 mega litres per day, all of it currently being drawn from the Pungwe River. The Odzani and Smallbridge dams are on standby. Water from the treatment works is delivered through 450mm, 600mm and 700mm diameter pipe lines and is adequate to meet daily water demand. The city is producing 92 mega litres per day though the non revenue water is standing at 50% of production.

The city is extending its water provision services to the Dangamvura residential area through the construction of a 250mm water pipeline from the Christmas Pass Reservoir. The project is 90% complete and the current works are construction of tunnels on road and rail crossings.

Security & Civil Protection

The city also boasts of being home to some of the most strategic bases for the Zimbabwe Republic Police (ZRP) and the Zimbabwe National Army (ZNA). Fire and ambulance services are available and have capacity to adequately cater for the city's emergency needs.

Primary Health Care

The city's primary health care service is made up of two broad functional divisions which are environmental and clinical health care. Under clinical health care, the city runs facilities such as clinics, a hospital (Mutare Infectious Diseases Hospital (MIDH)), a pharmacy and a New Start Centre. The national government also has district and provincial hospitals, and all these facilities work in conjunction with health facilities provided by the private sector in servicing the city and the province at large.

Education

Mutare has over 30 primary and secondary schools run by the Council, the government and the private sector. There are also state and privately-owned universities and colleges available for post-secondary education. The distribution of state-owned and privately-owned schools ensures that education in Mutare is inclusive and accessible to individuals of different socio-

economic statuses. There is still gaps for the establishment of more educational facilities in response to the rising population growth.

WHY INVEST IN MUTARE

Mutare is determined to achieve its vision to become a prime investment destination by 2030. This means the city is geared up to take full advantage of its unique characteristics to attract investor traffic and thus develop the city for the good of its residents and the country at large. The unique characteristics include, but are not limited to:

- High quality and reliable water supply
- Climate suitable for agriculture in tea, coffee, fruits, potatoes, flowers, etc.
- Availability of timber
- Proximity to the Beira Corridor
- Mountainous and scenic views attractive to tourists
- Decent hotel and lodging services
- Low crime rates

In support of these unique selling points, the city has also put in place, through its various policies, incentives to promote business activity and ease the processes for start-ups and licensing. These incentives include:

- Short processing time for residential & commercial building plan approvals
- Short processing time for temporary & permanent shop licenses
- Multiple payment options for rates payments (ECOCASH, POS, RTGS, Cash, Visa)
- Easily accessible application forms on Mutare City website

Some investment incentives are designed for projects of a specific type and magnitude. These are:

- Tax Holidays
- Investment Allowances
- Import Duty Exemptions
- Export Processing Zone Status

These incentives form part of an *Investment Policy Document* that the city is working on adopting.

INVESTMENT OPPORTUNITIES

SAKUBVA URBAN REGENERATION PROJECT

This project is aimed at the regeneration of the Sakubva residential area and the Sakubva business centre through construction of new high-rise flats construction of modernised flea and produce markets and shopping malls. The project received a National Project Status and was commissioned by President Emmerson Mnangagwa in 2019. There are a number of notable private players who are coming on board into the project (Plan Infrastructure Development, NSSA amongst others) and there is still room for more interested players to join. Players will be able to make returns through commercialisation of the newly constructed residential, business spaces and the produce markets.

LAND DEVELOPMENT

The city aims to develop its land through establishing new high and low density housing schemes that meet the relevant construction standards on several sites. Apart from the Sakubva Urban Regeneration Project, other earmarked areas are the Beira Corridor and the Fernhill where there are over 700 stands collectively that are ready for development.

The city now has increased opportunities for land development for residential, industrial and commercial purposes due to the new masterplan for excess land (15 000 ha) that recently attained ministerial approval. In other words, land space is no longer a constraint for development.

RENEWABLE ENERGY

In the spirit to adopt the smart city concept and moving in tandem with international trends, Mutare aims to explore the renewable energy sector by creating opportunities for partnering with the private sector on renewable power production. Mutare has a reliable water source,

which is suitable for the production of hydro power. If successful, the generation of hydro power will satisfy the existing demand for power and further capacitate the national grid. This is an available investment opportunity that is projected to be lucrative to the investors and the city and to keep the city's electricity needs met.

In the same light, solar power generation is another gap available for investment. The city aims to, in the future, use clean energy in most of its services such as provision of traffic and street lights. Other forms of renewable energy generation are also welcomed by the city as investment opportunities.

TOURISM & RECREATIONAL FACILITIES

Mutare is a geographically gifted city, generously endowed with mountains, scenic views and breath-taking nature. Vumba and Nyanga (which are outside the city), and the Christmas Pass are tourist hotspots and the city aims to further explore the potential that these and surrounding areas have. However, there remains an untapped market regarding leisure facilities in the area, as there is not a variety of entertainment opportunities within the city. There are investment opportunities to develop:

- Cable Car/Train across the Christmas Pass
- Selected parks and gardens around the city
- New hotels and lodges
- Children's recreational centres
- Outdoor movie drive-ins

With the additional land space available, there are increased opportunities to establish these and other recreational facilities.

FERNHILL SPECIAL ECONOMIC ZONE

In 2018, Mutare attained a special economic zone status through the Fernhill Economic Zone. The SEZ aims to service 53 assorted institutional and commercial stands with water, sewer systems, roads and public lighting for potential investments.

The nucleus of the SEZ will be the Gemmology Centre which intends to feed into the diamond cutting and polishing value chain. The centre will be divided into 4 sections namely:

- The School of Gemmology
- Diamond Manufacturing & Lapidary
- Jewellery Blacksmith
- Manufacturing & Ancillary Services

Within the SEZ is also the Kentucky Farm and Brick Moulding sites, land areas of 80 ha and 60 ha respectively available for investment.

SOLID WASTE MANAGEMENT

The city aims to modernise and increase the efficiency of its solid waste management. There are available opportunities to partner with financiers and private organisations in the construction of a new landfill site in Gimboki farm situated 20k west of the city centre.

WATER SUPPLY MANAGEMENT

The city is geared to improving service delivery. One of the potential projects is smart water metering, which will efficiently document water users and track payments, thereby improving revenue collection.

In addition, the city aims to set up a water bottling plant so as to fully take advantage of the available high quality water and sell locally and across the country.

The existing water reticulation plants need support to fully supply water and satisfy the existing demand. There is therefore an investment opportunity to partner the city in the construction of a new plant.

REHABILITATION & CONSTRUCTION OF ROAD INFRASTRUCTURE

There are investment opportunities to partner with the city to rehabilitate and periodically maintain roads, storm drains and install new road signage.

CONCLUSION

Mutare is a growing city with a huge drive for development and economic success. As such, it is designing its business environment to be friendly and accommodative to new investors and projects for the good of its residents and all other stakeholders. It has a ready market with diverse business opportunities, a skilled working-age population and a strong ambition for development. Therefore, investing in Mutare is a prudent business decision.