

Lastly, the chapter analysed the institutional framework governing FDI in both countries.

Chapter three assessed the institutions that handle FDI in Tanzania and Zambia. The assessment was attained by looking at the relationship between the FDI and the legal framework of the host nation. The study concentrated on the weakness found on the institutions guiding FDI and other institution that support the role of the core institution in assuring efficiency and maximum exploration of FDI. Moreover, the study also looked at various sectors accommodating FDI by looking at the weaknesses found and how those weaknesses affect the host nations.

Chapter four examined different constraints facing FDI in Tanzania and Zambia. The constraints which were analysed are the ones that act as the stumbling block for the investors to start investing and the one causing the FDI not to advance further once the operation commence in both countries.

FDI is an important tool in the economic development of the nation. Contribution of FDI through financial resources, technology and innovative techniques raise the overall productivity of diverse sectors of economy. If properly navigated, FDI truly acts as a catalyst for development of sectors such as agriculture, manufacturing, service, SME and many more.³⁷¹

Both countries have fast growing economies for the last decade and have witnessed a large amount of FDI poured in various sectors. Both Governments have formulated policies aimed at attracting more funds considering the domestic and

³⁷¹Moghe D *Critical study of Foreign Direct Investment in Indian Retail with special reference to Multi Brand Retail Sector* (2013) 1

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<http://www.ministryoflands.gov.zm/> accessed on 17 August 2013

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http://english.peopledaily.com.cn/200612/10/eng20061210_330638.html accessed
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