SUPPORTING SUSTAINABLE AND INCLUSIVE DEVELOPMENT IN ZANZIBAR
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Introduction

The United Nations (UN) has been instrumental in Tanzania’s development trajectory for several decades, establishing its presence in Zanzibar in 2004. Guided by the principles of leaving no one behind and promoting human rights, the UN aims for inclusive sustainable economic transformation and growth. This encompasses a focus on the blue economy, a greener development path, the elimination of multidimensional poverty, and enhanced resilience. Working closely with the Revolutionary Government of Zanzibar, grassroots communities, development partners, civil society, and other stakeholders, the UN is committed to supporting Zanzibar to achieve its development plans and accelerate progress on the Sustainable Development Goals (SDGs).

Overall Context

Governance:

- Zanzibar has its own government with a legislative assembly known as the House of Representatives, the executive headed by the President of Zanzibar and Chairman of the Revolutionary Council, as well as its own judicial system.

Geography:

- Consists of two large islands, Unguja and Pemba and approximately 50 small islets.
- Zanzibar has five regions¹ and 11 districts.

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¹ Regions in Zanzibar: Kaskazini Unguja, Kusini Unguja, Mjini Magharibi, Kaskazini Pemba, Kusini Pemba.
Youthful, Expanding Urban Populations with Persisting High Dependency²

Total population **1.9 million** and expected to reach **4.6 million by 2050**.

Increasing urbanization with growth rates in urban population higher (4.3%) than rural population 3.2%. The region of Mjini Magharibi alone has the largest number of people (47.3% of population).

Young population **70% below 35 years; 42.5% below 15 years; 15 -35 (35%)**

High total fertility rate **4.7%** and high dependency ratio **83%**.

A Recovering Economy³

Between 1990 and 2020, Zanzibar experienced consistent economic growth, averaging 7.1%. Coupled with declining inflation rates, which reached 3.4% in 2020, these factors enabled Zanzibar to achieve the status of a low middle-income country in 2019.

In 2020, the economic growth rate plummeted to 1.3%, primarily due to the adverse impacts of the COVID-19 pandemic. However, with the resurgence of tourism and an influx of investments, the GDP rebounded to 5.1% in 2022 and further surged to 6.2% by Q1 of 2023.

Zanzibar’s GDP by sector:⁴

GDP Percentage Shares by Sector, 2021

![GDP pie chart]

- **Tourism**: 50%
- **Manufacturing**: 22.8%
- **Agriculture, Forestry & Fishing**: 18.3%
- **Taxes**: 9%

Additional Information:

- Cloves, Tourism, and Seaweed provide the highest foreign exchange earnings.
- 70% of food is imported and thus food availability is highly determined by external factors.

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² Administrative Units Populations Distribution Report, Tanzania Zanzibar (2022) and Tanzania Demographic and Health Survey and Malaria Indicator Survey (2022).
³ Tanzania Economic Update March (2022).
Declining Poverty Rates, But Many Still Affected\textsuperscript{5-6}

While poverty rates have declined, they remain significant with 25.7% living beneath the basic needs threshold and 9.3% below the food poverty line. In 2019, 36.6% were classified as multidimensionally poor.

Poverty is mostly rural based and, on Pemba Island, Micheweni district has the highest proportion (48%) of poor people, lowest food security score and the lowest electricity connection (15.7%).

Income inequality is high (0.31) and has been consistently so for the last decade with more pronounced inequalities among the urban populations.

The unemployment rate (19.7%) is increasing, especially among youth (28%) and particularly among young women (41%).

The agriculture sector employs most of the working population (52.2%), most of whom are living in poverty, while the service sector employs 47.4% of the working population.

Multidimensional poverty among children fell from 53% to 34% between 2010-2020. Still, in 2020, 47% of Zanzibari children experienced some sort of poverty, be it monetary, non-monetary, or a combination of both.

As an island Zanzibar grapples with persistent development hurdles. These stem from its small size, demographic composition, undiversified economy with heavy reliance on tourism, resource constraints, distant market access, predisposition to natural disasters, vulnerability to external shocks, exposure to external disturbances, heavy reliance on global trade, and environmental vulnerabilities, notably climate change, biodiversity loss and pollution.

\textsuperscript{5} Zanzibar Poverty Assessment (2022).
\textsuperscript{6} The State of Zanzibar’s Children (2022).
\textsuperscript{7} Youth are defined as individuals aged between 15 and 35 years old.
\textsuperscript{8} Integrated Labor Survey (2020/21).
\textsuperscript{9} Zanzibar Statistical Abstract (2022).
Development Vision 2050 is shaped by 4 pillars:\n
- Economic Transformation
- Human Capital and Social Services
- Infrastructure Linkages
- Governance and Resilience

Each pillar has benchmarks that are aligned with the SDGs and the African Union (AU) Agenda 2063: The Africa We Want. Drawing insights from the implementation of Zanzibar Vision 2020, the goal is to achieve upper middle-income status by 2050 through sustainable and inclusive human development.

ZADEP (2021-26)\textsuperscript{10} is centered around the overarching theme of ‘Blue Economy for Inclusive Growth and Sustainable Development’ and has five priority areas:

- Exploring the blue economy
- Boosting economic diversification
- Enabling environment/infrastructure
- Human capital and social development
- Governance and resilience

Within the Zanzibar Development Vision 2050 and the subsequent ZADEP (2021-26), there is a clear emphasis on diversifying Zanzibar’s economy. The aim is to transform it from subsistence-based agriculture and tourism-driven services towards more value-added services and industrialization.

\textsuperscript{10} Zanzibar Development Plan (2021-2026).
\textsuperscript{11} Zanzibar Development Vision 2050.
Overview of UN’s support to Zanzibar

The UN’s interventions in Zanzibar are an integral component of its broader support to Tanzania, as articulated in the United Nations Sustainable Development Cooperation Framework (UNSDCF) 2022-27. There are 23 UN agencies, funds and programmes implementing a variety of activities in Zanzibar, out of which 12 maintain physical presence on the island. These collective efforts are coordinated by the UN Resident Coordinator’s Office in Zanzibar which works closely with the agencies, the Government, partners and communities to ensure a coherent and synergistic approach to addressing development challenges, optimizing resources, and delivering impactful results.

The UN’s work in Zanzibar is aligned to the development ambitions set out in ZADEP and is in tandem with the overarching 2030 Agenda for Sustainable Development and the Sustainable Development Goals. This can be categorized under the four strategic pillars, namely People, Prosperity, Planet and Enabling Environment.

**UN Tanzania Budget Breakdown for Zanzibar in USD (2022-2027)**

<table>
<thead>
<tr>
<th>Strategic Priority</th>
<th>Total Funding Required</th>
<th>Available Funding (Projected to be available)</th>
<th>Funding to be mobilized</th>
</tr>
</thead>
<tbody>
<tr>
<td>People</td>
<td>$98.99M</td>
<td>$33.02M</td>
<td>$65.97M</td>
</tr>
<tr>
<td>Prosperity</td>
<td>$36.84M</td>
<td>$19.64M</td>
<td>$17.2M</td>
</tr>
<tr>
<td>Planet</td>
<td>$27.4M</td>
<td>$11.28M</td>
<td>$16.1M</td>
</tr>
<tr>
<td>Enabling environment</td>
<td>$72.98M</td>
<td>$20.35M</td>
<td>$52.62M</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>$237.21M</strong></td>
<td><strong>$84.29M</strong></td>
<td><strong>$151.89M</strong></td>
</tr>
</tbody>
</table>

Under this outcome, the UN is actively engaged in enhancing the well-being of Zanzibaris, focusing on fostering a healthy, educated population that is well-positioned to support the country’s journey to Middle-Income Country (MIC) status. By 2027, the objective is for Zanzibaris, particularly the most vulnerable, to have heightened access to comprehensive services. This includes quality gender-transformative, inclusive and integrated basic education, health services (emphasizing RMNCAH, AIDS, TB, malaria, and diseases prone to epidemics), nutrition, WASH, and protection services.

**Participating UN Agencies**

FAO, ILO, IOM, UNAIDS, UNDP, UNESCO, UNFPA, UN-Habitat, UNHCR, UNICEF, UNIDO, UNOPS, UN Women, WFP, WHO

**Link to ZADEP Pillar**

Human Capital and Social Services Pillar – education, health, social protection, water sanitation and hygiene services.

**Key Interventions**

Working with the Government, health facilities, medical professionals, schools, communities and other stakeholders to:

- Develop legal and policy frameworks with an emphasis on the most vulnerable groups in areas like education, health, nutrition, and protection.

- Mobilize resources for the above-mentioned services and enhance Government capacity for efficient and transparent management of resources.

- Improve service provision prioritizing Universal Health Coverage and capacity-building in health, social welfare, and education sectors.

- Promote investments in digitalization to enhance data quality, accessibility, and governance, while also refining multisectoral approaches to data collection, analysis, and utilization.

- Address harmful social norms to mitigate issues such as child marriage, gender bias, and barriers to comprehensive education.
PROSPERITY

The UN is committed to fostering prosperity in Zanzibar by improving production, productivity, and income levels. The focus is on facilitating the creation of quality formal sector employment opportunities and spurring structural economic transformation to achieve higher growth rates. The vision for 2027 is centred on individuals engaged in Micro, Small and Medium Enterprises (MSMEs) and small-scale agriculture, especially the most vulnerable, attaining enhanced and sustainable productivity. This is coupled with facilitating more equitable access to vital productive resources.

**Participating UN Agencies**

DESA, FAO, IFAD, ILO, ITC, UNCDF, UNCTAD, UNDP, UNEP, UNESCO, UNFPA, UNIDO, UNOPS, UN Women, WFP, WHO

**Link to ZADEP Pillar**


**Key Interventions**

Enhancing the capabilities of Government, MSME’s, smallholder farmers, and the private sector to:

- Formulate and refine transformative policies, strategies, plans, and regulatory frameworks tailored to the needs of MSMEs and smallholder farmers.
- Produce and utilize data relevant to agriculture and MSMEs.
- Deliver high-quality programs, infrastructure, products, and services that cater to MSMEs and smallholder farmers.
- Embrace methods that elevate and sustain the production, productivity, and marketability of agricultural goods.
- Strategically expand SME businesses, integrate them into formal sectors, and actively involve them in national, regional, and global commerce.
- Rehabilitation of the agro-processing centre under Micro, Small and Medium Industrial Development Agency (SMIDA) which is now used by SMEs for training and food production.
PLANET

The UN is supporting a sustainable development path in Zanzibar, emphasizing a greener approach that incorporates enhanced access to clean energy and technology. The aim is to ensure sustainable management of natural resources and, in collaboration with partners, mitigate the impacts of climate change and diminish disaster risks. The overall aim is that by 2027 Zanzibaris, particularly the most vulnerable, are actively involved in and benefiting from an inclusive, gender-responsive approach to managing natural resources, building climate change resilience, reducing disaster risks, and amplifying the use of efficient renewable energy sources.

Participating UN Agencies

DESA, FAO, IFAD, ILO, IOM, UNCDF, UNDP, UNEP, UNHCR, UNICEF, UNIDO, UN WOMEN, WFP, WHO

Link to ZADEP Pillar

Governance and resilience; Environment and Climate Change; Safety security and Disaster Management

Key Interventions

Supporting the Government and communities to:

• Develop and oversee policies, regulations, and strategies addressing natural resources, climate resilience, disaster risk, and renewable energy access.

• Generate and utilize comprehensive data to enhance inclusive, gender-responsive management and reporting in the above-mentioned areas.

• Strengthen capacities for inclusive, gender-responsive sustainable resource management and promote renewable energy access for all.

• Ensure efficient resource management, climate resilience, and renewable energy utilization, especially for women, PWDs, youth, and other vulnerable groups.

• Design incentives and infrastructure to foster innovation, partnerships, and public investments in natural resources, climate resilience, and renewable energy.

Total Required Resources: USD 27.4 Million
ENABLING ENVIRONMENT

This outcome focuses on broader issues of inclusive governance, enhanced data accessibility, development strategies, financial planning, access to justice and information, sustaining peace, and the widespread mainstreaming of gender equality and human rights. By 2027, the ambition is for Zanzibaris, particularly the most vulnerable, to actively engage with and reap tangible benefits from government institutions and frameworks. These institutions are envisioned to champion peace and justice, embody gender-responsiveness, inclusivity, accountability, and representation, and align with international human rights norms and standards.

Participating UN Agencies

DESA, FAO, IFAD, ILO, IOM, UNCDF, UNDP, UNEP, UNHCR, UNICEF, UNIDO, UN WOMEN, WFP, WHO

Link to ZADEP Pillar

Good Governance pillar - Governing Institutions and Public Services.

Key Interventions

Support key governance institutions (MDAs, LGAs, EMBs, and legislative bodies) to:

• Effectively manage democratic processes, ensuring transparent, gender-responsive, inclusive, and accountable public services.

• Promote and safeguard access to information at all levels, enhancing knowledge, representation, and engagement, especially for vulnerable groups, within democratic, social, and developmental discourse.

• Generate, manage, and utilize fully disaggregated data to inform decision-making processes.

• Advance gender-responsive and inclusive resource mobilization, transparent budgeting, innovative financing, and encourage women’s active participation in all levels of decision-making.

• Strengthen systems and services to protect human rights, social protection, rule of law, and peace for all, particularly the most vulnerable, in line with international and regional obligations.
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