

REVISITED ZANZIBAR DEVELOPMENT VISION 2020

WORKING DOCUMENT

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STATEMENT BY THE PRESIDENT OF ZANZIBAR AND THE CHAIRMAN OF THE REVOLUTIONARY COUNCIL HIS EXCELLENCY DR. ALI MOHAMED SHEIN



Ten years after the dawn of the millennium, large changes have swept both the world and Zanzibar. While developed countries suffered from the global financial crisis, many developing countries are catching up. As well as strong progress and poverty reduction in China and India, there has been unprecedented economic growth in Sub-Saharan Africa.

The Revolutionary Government of Zanzibar has consistently aspired and committed to improve the welfare of its people mainly through increasing incomes, improving social services and practicing good governance. Zanzibar is also working with its neighbours in the East African Community and with the rest of the world to take its place in the global marketplace.

In 2000 the government adopted Vision 2020: a picture of what the country could look like in 2020. By showing how Zanzibar could become a middle-income country, the Vision aimed to motivate, inspire and galvanise the population to work together to achieve this dream.

Ten years later, a comprehensive review has been done to update on the progress that has been made since inauguration of the vision. Economic growth has remained strong despite headwinds from a stagnant world economy due to the global financial crisis; although the growth has remained lower than the vision target of 9-10 per cent. Some areas have seen swift progress including infrastructures especially the main roads network in Zanzibar urban and rural. Accessibility to health services has improved substantially; more people can easily access government primary health care units. In education, there are more primary schools, secondary school and Universities and increased number of students, both males and females. However, in other sectors, such as agriculture and unemployment, much more work must be done in order to meet the vision

goals.

The review report makes important recommendations for the remaining implementation period. We should make a smart, with selective and strategic investments in human resources, high quality health care, and basic and advanced infrastructure for transportation, electricity, water and communication. We need to make more concerted efforts to conserve the natural environment. We also need to invest in institutional reforms, especially in the public service through result-based strategies. Through effective institutions, enabling policies and laws, and monitoring of indicators, we can ensure we meet our targets.

Again, the ZDV 2020 is still relevant and the various Zanzibar policies, strategies and programmes developed since 2000 have been very helpful in taking the country several steps towards meeting the objectives of the Vision 2020. It is now crucial that we work together to build a strong economy, a peaceful environment and a future we can be proud of. It is only together, with all sections of society participating, that we will meet our goals and make Zanzibar a middle-income country by 2020.

Thank you,



Dr. Ali Mohamed Shein
PRESIDENT OF ZANZIBAR AND
THE CHAIRMAN OF THE REVOLUTIONARY COUNCIL

REVISITED¹ ZANZIBAR DEVELOPMENT VISION 2020

TRANSFORMING ZANZIBAR BY THE YEAR 2020.....

.....through an unprecedented socio-economic transformation and development to achieve middle income status; characterized by increasing levels of industrialization, competitiveness, quality livelihoods and good governance and rule of law; and having in place an educated and pro-learning society with distinct culture and values.

PREAMBLE

A vision is a DREAM. People/countries who have a vision control their destiny and lifestyles; people/countries without a vision have their destiny and lifestyles controlled by others. The Vision must therefore be inspiring enough to galvanize an organization, or as in this case, Zanzibar for unison in her concerted effort towards achieving her ZDV 2020 aspirations. For that purpose, the ZDV 2020 must be broadly shared, and relevant to all of her stakeholders. Within limits of feasibility, a vision ought to paint a mental picture substantially different from the status quo in order to capture the imagination of the larger population and attract them to participating in its pursuit. A vision must create a sense of urgency for united actions; otherwise it will run out of steam within a short time after commencement of implementation.

The Vision reflects a shared purpose of all the people of Zanzibar and constitutes a bond that holds Zanzibaris as a people determined to build a better future. The Vision is protected by law to ensure continuity in the journey towards a middle income country.

If you can see the Invisible you can achieve the impossible. Hence the Vision has to be ambitious.

¹ This revisited ZDV 2020 has been prepared formulated on the basis of a participatory review of the vision 2020 that was launched in 2000. The basic framework, principles and objectives of the original version of the ZDV 2020 have remained intact as the revision is mainly based on achievements, remaining gaps and new challenges that Zanzibar has to address during the remaining ten-year lifespan of the Vision.

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LIST OF ABBREVIATIONS

AIDS	Acquired Immune Deficiency Syndrome
CAADP	Comprehensive Africa Agriculture Development Programme
COMESA	Common Market for Eastern and Southern Africa
CSOs	Civil Society Organizations
EAC	East Africa Community
EMA	Environmental Management Act
GDP	Gross Domestic Product
GNU	Government of National Unity
HIV	Human Immune Virus
HBS	Household Budget Survey
IT	Information Technology
LGAs	Local Government Authorities
LMICs	Low Middle Income Countries
MCH	Maternal and Child Health
MDG	Millennium Development Goal
MKUZA	Mkakati wa Kukuza Uchumi na Kupunguza Umasikini Zanzibar
MSEs	Micro and Small-Scale Enterprises
NGOs	Non Governmental Organisations
OCGS	Office of Chief Government Statistician
PC	Performance Contracting
PMC	Performance Monitoring Committee
PPP	Public Private Partnership
R&D	Research and Development
RGoZ	Revolutionary Government of Zanzibar
SADC	Southern Africa Development Community
SAP	Structural Adjustment Program

SMEs	Small and Medium-sized Enterprises
TRA	Tanzania Revenue Authority
WSSD	World Social Summit for Development
ZDV	Zanzibar Development Vision
ZPRP	Zanzibar Poverty Reduction Plan

1.0 INTRODUCTION AND BACKGROUND

1.1 Background

1.1.1 *The Location of Zanzibar and its Demographic Factors*

Location, Area and Climate

Zanzibar consists of two main islands of Unguja and Pemba and a number of other small islets. The islands are located in the Indian Ocean about 40 kms off the Mainland coast of Tanzania between longitude 39 degree 17 inches and 39 degree 50 inches East of Greenwich and latitude 4 degree 80 inches and 6 degree 89 inches South of Equator .

The two main islands are 50 kilometres apart separated by the deep Pemba channel. They have a total area of 2,654 square kilometres. Unguja has an area of 1,666 square kilometres while Pemba has a land area of 988 square kilometres. The climate is tropical and humid with an average maximum temperature of about 30 degree Centigrade recorded during hot seasons and an average minimum temperature of 21 degree Centigrade recorded during the cool season.

Population Size and growth

Zanzibar has a small but rapidly growing population. According to 2002 Population and Housing Census of Tanzania the total population of Zanzibar was 981,754 compared to 640,578 in 1988, 476,111 in 1978, 354,360 in 1967 and 295,600 in 1957.

In other words, the growth rate rose from 1.8 percent in the intercensal period of 1957 to 1967, 2.9 percent between 1978 and 1988 and 3.1 percent in 1988 to 2002. Unguja recorded more growth rate of 3.6 percent as against 2.2 percent in Pemba. Based on the current growth rate, the estimated population in year 2008 is 1,140,366, 2012 will be 1,284,435 and in 2020 will be 1,581,007.

Population: Density and Distribution.

The average population density for Zanzibar stood at 400 people per square kilometres in 2002, compared to 260 in 1988 and 210 in 1978. With an estimated population of 1,284,435 in year 2012, the density will be 551 people per square kilometres. This population density is very high for the socioeconomic development of Zanzibar indicating that there is high population pressure. According to the 2002 Population and Housing Census, about 60 percent of the population of Zanzibar lives in Unguja and 40 percent lives in Pemba. According to the HBS 09/10 about 42 percent of the population lives in urban areas while 57.8 percent lives in rural areas.

Zanzibar has been striving to fight poverty since early years of its revolution in 1960s. Since then, Zanzibar has identified disease, ignorance and poverty as the main impediments to its development and welfare improvement. To remove these impediments, various policies were put in place. These policies had varied intensity on poverty focus (e.g. the Structural Adjustment Program (SAP) of the early 1980s sparingly focused on reducing poverty). Recently however, poverty focus has been reinvigorated in Zanzibar, like many other developing countries, following commitments of the World Social Summit for Development (WSSD), held in Copenhagen (Denmark) in 1995. The commitments of the summit include:-

- Poor countries to develop a strategy/programme focused on poverty eradication,
- Poor countries to establish a focal point within government structure to coordinate poverty eradication efforts, and,
- Rich countries to support poor countries to implement their poverty eradication strategies and programmes.

In 2000 the government adopted the Vision 2020 which broadly articulates the aspirations of Zanzibar that are to be achieved by the year 2020. The Zanzibar Development vision 2020 was inaugurated in January 2000, after a two-year participatory process of its formulation, a process that was meant to instill commitment, build National consensus and National ownership'

The Zanzibar Development Vision was prepared focusing on the identification of long term development objectives for the isles keeping in mind its unique island environment. The Vision was formulated at the dawn of 21st century when economic, social and all other international relation issues were beginning to be influenced by the high pace of Scientific and Technological change.

It was a time when economic and scientific forecast indicated that the world shall become a small village run on the basis of competition for the enhancement of economic and business efficiency. Under such a scenario, small developing countries of the like of Zanzibar needed to be more vigilant and efficient if they were to benefit from the long band wagon of global development.

On the basis of this realization and following those international commitments, Zanzibar being part of the United Republic of Tanzania designed a number of policies and strategies in supporting the objectives of eradicating poverty and attaining sustainable human development., the Revolutionary Government of Zanzibar decided to design the Vision 2020 as a vehicle of good hope to carry the island along this global competitive development path. The Development Vision document was crafted through the participation of various key stakeholders that represented gender, experts and politicians, the private sector, NGOs and religious organizations.

1.1.2 Operationalization of the ZDV 2020

The Vision was to be prepared in three volumes. While the first volume contains general analysis, the second was to spell out macro and sectoral policies and strategies, whereas the third was to lay down implementation programmes and strategies. The last two volumes have never been prepared. Three special committees were planned, one each for supervision, implementation and evaluation so as to make the Vision framework open for review after every five year period.

The Vision 2020 document recognizes the need for evaluation work to assess progress every five years. However, ever since the adoption of the Vision 2020 in 2000, there has never been any explicit implementation framework for it.

Instead the government has been using medium term national strategies as the instruments of guiding the implementation of the necessary actions for attaining the Vision and the Millennium Development Goals both of which fits well with the enduring dream of a prosperous and fair society in Zanzibar.

Vision implementation

Zanzibar Vision 2020 is a long term socio-economic development goal followed by the operational middle term plan known as Zanzibar Poverty Reduction Plan (ZPRP) in 2002. While the vision 2020 overall objective is to eradicate abject poverty, the ZPRP was a step towards addressing the concerns of the vision. The ZPRP interventions aimed at generating higher economic growth and improved delivery of services.

By design, the ZPRP was a 'priority' sector and thematic focused strategy to provide more emphasis on selected few priority sectors and enhance the reduction of poverty. ZPRP was largely driven by the desire of the country to fighting the non-income poverty, where education, health, agriculture, tourism, infrastructure, water, HIV and good governance were given priority. After its successful implementation in three years (2002– 2005), ZPRP was replaced by the outcome oriented and MDG-based poverty reduction strategy known as Zanzibar Strategy for Growth and Reduction of Poverty (widely known in its Swahili acronym as MKUZA). MKUZA was adopted to retain and scale up achievements as well as addressing challenges and weaknesses of ZPRP, particularly ZPRP's inadequate focus on multidimensional nature of poverty, accelerating growth and sectoral linkages.

1.1.3 Review of the ZDV 2020

Last year, ten years after its official adoption as the Zanzibar's long term development vision framework, the RGOZ decided to review the Vision. The rationale for undertaking the review was threefold.

- First, by providing an overview of the relative progress that has been made in achieving each of the goals outlined in the vision, the review will provide policymakers with a better sense of where efforts and resources are required most urgently over the medium term.

- Second, the review trace the current outcomes to strategies, policies and programmes that have been put in place to achieve the Vision and shall briefly evaluate, as objectively as possible, the relevance and effectiveness of these existing approaches. The rationale here is that policy makers need to look back and review the efficacy of past approaches in order to identify better, more effective ways of achieving the goals outlined in the vision.
- Lastly, it is a fact that fundamental changes have occurred since vision 2020 was formulated and launched in 2000. Externally, the forces of globalization have intensified; regional integration, particularly the East African Community has grown and deepened and climate change is impacting on the economies of the world, including Zanzibar. Domestically, Zanzibar has continued to promote peace and stability especially after the formation of the Government of National Unity (GNU) last year; this would enable Zanzibar to focus more on economic and social development and provide an environment conducive to faster development. All these factors may require a review of objectives, targets, and milestones set by the Vision 2020.

The scope of the review included examining the Vision's relevance in changing times; validity of assumptions made in 2000; revisiting objectives, goals and targets, policies, strategies and programmes; and explaining the sources of deviation of outcomes from initial expectations.

Overall, the review concluded that the ZDV 2020 is still relevant and the various Zanzibar policies, strategies and programmes developed since 2000 have been very helpful in taking the country several steps towards meeting the objectives of the Vision 2020. According to the review, there are still milestones to be reached as shown by the identified gaps between what has been achieved and the intended targets for 2020. The review strongly recommended that in the next 10 years there should be more coherently coordinated approach between

different sector and stakeholders under a better streamlined institutional arrangement for implementing the ZDV 2020 as well as for its monitoring and evaluation.

While the findings of the review did not call for the overhaul of the ZDV 2020, it saw the need to fill in identified gaps, address new challenges and rejuvenate and jump start the enthusiasm and strategic efforts towards implementing the Vision that would enable Zanzibar achieve the aspirations and objectives of the Vision by 2020. It is for these reasons that this revised ZDV 2020 has been prepared.

Review Process

Apart from literature review, a participatory process was used during the review process. The consultative approach had allowed the reviewing team to meet and talk to people from all sectors of society – entrepreneurs, businessmen, ordinary people, especially the youth - and had listened to what they aspire for the future.

The review team then translated all the aspirations into a revised vision and presented it to a national workshop, which brought together all key stakeholders in Zanzibar. The national workshop discussed the revised vision and adopted. It was unanimously agreed that if well implemented, the revised vision can transform Zanzibar and move the country forward.

Zanzibar has most of the hardware (policies, strategies, reforms, peace and stability) to implement the Vision and achieve its goals. What is needed is additional hardware in the form of local government reforms and appropriate software in the form of human capital/skills, financial resources and technology.

The rationale and need for revising the Vision 2020

Apart from specific findings from the review, the rationale and need for a revised Vision has been precipitated by internal and external factors. External factors include the recent global trends marked by rapid advances in technology, growth

of regional and World trade and competition. Such trends led to global policy shifts towards further economic liberalization.

The continuing process of globalization is underpinned by the liberalization of trade and financial services, internalization of production and marketing and free flows of factors of production.

Rapid technological advances have been at the base of the globalization process. New and emerging technologies are increasingly becoming more pervasive. In particular, advances in global information technology and networks are narrowing distances between nations thereby easing the globalization of financial services and linkage of different processes in the production and marketing chains worldwide. Such transformation in the global economic system has necessitated the review of country long term development plans, policies and strategies.

Overall the review has revealed the following;

- Though there has been relatively high economic growth, it has been below the vision trajectory growth
- Sources of growth have been narrow and in most cases escaped the real poor in the rural and peri- urban, failing to generate adequate and decent jobs.
- There has been progress in poverty reduction but marginally particularly in the rural and agricultural dependant households.
- The impact of vagaries of weather on agricultural production coupled with persistent rise on global fuel prices have influenced rise in inflation and cost of production, adversely affecting country's competitiveness.
- While Zanzibar has promising opportunities resulting from its rich natural resources, strategic geographical location and its active participation in the regional and global economic cooperation, these opportunities have not been fully and effectively utilized.

In addition, findings from the review process have identified emerging issues emanating from performance in the clusters of building strong and competitive economy; high quality livelihoods, as well as good governance and the rule of law. The identified issues emanate from comparison of Zanzibar with Low Middle Income Countries. These issues are summarized below.

Achievements in building a Strong and competitive Economy

The table below summarizes achievements made since 2000 in building a strong and competitive economy for the purpose of increasing growth and reducing poverty.

Table 1: Strong and Competitive Economy Compared With Middle Income Countries Index

Variable	Where We Were (2009 OR 2010)	Benchmark-LMIC (2009)	Gap
Attain a high and sustainable economic growth averaging 9-10 percent per annum. The expected growth between the year 2000 to 2005 should be between 5-6 percent at 1985 price rising to between 7-8 percent by the 2010 and attain the level of between 9-10 percent by 2020.	6.7 percent in 2010 and an average of 6.3 percent over the last ten years (2000-2010)	6.8	0.1
Agriculture growth rate	4.4 percent	5.5	1.1
Agriculture's share of GDP	30.8 percent		
Industry's growth rate	3.4	9.2	5.8
Industry share of GDP	13.1		
Manufacturing growth rate	2.4	12.3	9.9
Share of manufacturing in total GDP	4.1		
Growth of tourism sector	5.0	NA	
Service growth rate	8.8	8.2	0.6
Service sector's share of GDP	44.0		
Export growth rate	1.5	13.5	12
Import growth rate	29.3	10.2	19.1
GFKF growth rate		8.3	
FDI growth rate		-4.6	

Variable	Where We Were (2009 OR 2010)	Benchmark-LMIC (2009)	Gap
Domestic saving		7.6	
ODA growth rate		2.0	
Revenue growth rate		8.8	
Manufacture(% of Industry GDP)		17.8	
Services(% of GDP)	49.3	48.6	0.7
Export(% of GDP)		30.5	
Import of goods and services (% of GDP)	33.4	37.4	4
GFKF(% of GDP)	45.4	26.6	18.8
FDI(% of GDP)		4.5	
Gross Domestic Savings (% of GDP)		21.6	
Net ODA(% of GNI)		4.5	
Revenue(% of GDP)		20.7	
Employment in agric(% of total)	37.3 (ILFS 2006)	41.2	3.9
Employment in industry(%of total)	10.5	20.5	10
Electric power (KWH per Capita)		402.7 KWH per capita	
Population growth rate	3.1	2.2	0.9
Rural population (% of total)		62.3	
Communication sub sector	22.2	NA	
Hotels and Restaurant		NA	
Real estate and business services	4.8	NA	
Education growth rate	5.6	NA	
Trade and repair	4.0	NA	
Growth rate of Health	7.9	NA	
Growth rate of Public administration	3.5	NA	

Source: RGoZ, "Review of Implementation of ZDV 2020 Report", August 2011

Zanzibar has 10 years to 2020 when it is expected to be a middle income country. When Zanzibar is compared with model LMICs today², some similarities and gaps have been observed. Zanzibar's GDP growth compares reasonably with many of the LMICs. The major difference, however, lies in the structure of the economies and the main source of growth. The GDP composition in Zanzibar is dominated by services (mainly tourism, import-dominated trade, and transport and communication) and low productivity/subsistence agriculture. The manufacturing sector is still small and not linked to other productive sectors of the economy, particularly agriculture

The service sector, currently contributing about 44 percent to GDP is not very different from the LMICs. What is strikingly different is the contribution of industry and manufacturing; Zanzibar is far behind the LMICs. The LMICs also have higher levels of electricity consumption at 460 kWh per capita, more than four times what is consumed in Zanzibar, which was 106 kWh per capita in 2009 (computed from data in OCGS, Socio-economic Survey 2009). Not only is electricity consumption relatively low but its availability is also very unreliable in Zanzibar, given that most of the power generation in Mainland Tanzania is hydro, which is often affected by drought and there is no production of electricity in Zanzibar. This situation provides some clues on what should be done so as to encourage the growth of industry and manufacturing of agricultural produce, thus creating more jobs and income through value addition. Unreliable electricity supply adds to cost of production and this has hampered the competitiveness of the country's goods and services. Another important difference worth noting is the difference in population growth rate, whereby the model LMICs' rate was 1.2 percent lower than Zanzibar's' some 16 years before they graduated to middle income status.

² The comparison should be made very carefully because of lack of data. There is hardly any 2010 data for LMICs discussed here and for Zanzibar the comparison had to rely for both 2009 and 2010 because of missing data for 2010. The intention was to use the latest data available.

Emerging Issues in this cluster to be addressed in the Next 10 Years to Year 2020

- Selectively investing in strategic growth drivers in each growth sector so as to optimize benefits from such interventions, picking those with the highest multiplier effect. Among the new focused interventions programmes to be embraced is the “value-chain approach” whereby through commodity and service specialization the government in conjunction with private sector can selectively intervene and engage in promoting and facilitating infrastructure and services for mending weak links in the commodity value chain. This will mean hastening existing programmes for special economic zones.
- The need to rethink the role of government in owning and managing strategic economic interests in both productive and service sectors.
- Government taking a lead in promoting locally produced goods and services as a means of demonstrating the importance of supporting local industries.
- Use the population’s reproductive capacity as a resource for economic development: Evidence from middle income countries reveal an interesting pattern of relationship between fertility rate, population growth, economic growth and per capita income of citizens.
- Economic empowerment through local private companies: The need to purposefully promoting the growth and empowerment of indigenous private companies so that they can actively participate in economic activities on their own or in partnership with foreign investors. Past mistakes in emphasizing on import substitution industries, should be avoided or carefully implemented in few industries that link with other domestic industries and resources.

- Taking advantage of Zanzibar's geographical location so as to reap dividends from servicing land-locked countries and other countries within EAC, SADC and COMESA region. This will require a multi-billion investment programme to upgrade existing air and sea ports and build new ones, marine transport systems.

Achievements in improving high Quality livelihoods

The table below summarizes the achievements made in this area since 2000.

Table 2: Quality of Livelihoods in Zanzibar Compared With Middle Income Countries Index

Variable	Where We Were (2010)	Benchmark- LMC (2009)	Gap	Remarks
Abject Poverty	44.41 percent of population	10 percent	About 35 percent	There is no data for most of the LMICs used for comparison
Food self-sufficiency	N/A	100 percent		Information is lacking but Zanzibar has a long way to go; about 50 percent of its food requirements are imported. All of selected LMICs exceed 100 percent
Life expectancy at birth	63 years (Tanzania population projection 2007)	69 years	6 years	In 2000 the ZDV life expectancy target was set at 65 years
Universal Primary Education (gross enrolment rate)	112.1percent	107 percent	Surpassed LMICs' by 5percent	This target could easily be reached before 2020
Female Primary	N/A	87 percent		Primary school education is not terminal and hence

Variable	Where We Were (2010)	Benchmark- LMC (2009)	Gap	Remarks
completion ³ rate				it is not possible to compute Completion Rate. In future, Retention or Dropout Rate should be computed.
Male Primary completion Rate	N/A	90 percent		Primary school education is not terminal ⁴ and hence it is not possible to compute Completion Rate. In future, Retention or Dropout Rate should be computed.
Literacy Rate	82.3 percent (2010)	80 percent	Exceeded	In future the Ministry of Education and Vocational training and OCGS should compute this rate more often (estimate it annually)
Infant mortality rate	54 per 1000 live births (DHS 2010)	42 per 1000 live births	11 per 1000 live births	In the next ten years this target could be reached and surpassed
Under-five Mortality Rate	73 per 1000 live births in (DHS 2010)	57 per 1000 live births	22 per 1000 live births	In the next ten years this target could be reached and surpassed
Maternal mortality rate	278 per 100,000 (2010)	260 per 100,000 live births	18 per 100,000 births	Should be reached and surpassed
Access to safe water for whole of	86.3 ⁵ ; (94.4 percent for urban and	86 percent of the population		While major infrastructural improvements have been

³ New policy requires all Primary school children to join secondary schools

⁴ Students who complete grade 7 or who would complete grade 6 under the new policy automatically to join secondary school

⁵ The figure of 86.3 percent is on service coverage, in terms of infrastructure for water supply rather than service provision in terms of water supply delivered. Recent information from the project on customer identification survey indicate that in terms of actual water service provision, 75 percent of urban households get water within a distance of 150 metres, while 59% of rural households access water within the distance of 250 metres.

Variable	Where We Were (2010)	Benchmark- LMC (2009)	Gap	Remarks
Zanzibar	85.9 percent for rural areas)			made in the provision of water, data for actual availability of water is not available. Quantitative data to measure progress on availability of water is needed
Improved Sanitation facilities	15 percent ⁶	50 percent of the population		It is an estimate by the Municipal Council.
Gender equality	Rated 4	Rated 6	2	Tanzania rate as proxy.
Environment (Carbon dioxide emission) in 1 metric tonnes per capita.	0.1	4.6	Tanzania rate as proxy.	No information for Zanzibar but we use the Tanzania rate as proxy for Zanzibar ⁷

The review of ZDV 2020 observed the following progress and main challenges in improving livelihoods:

- **Poverty:** Poverty in Zanzibar as a whole and in both urban and rural areas is still a major problem that requires relentless efforts to be reduced or eliminated by 2020. The decline in the basic needs poverty over the period 2004/05-2009/10 is small and this holds for each of the strata and for the Zanzibar as a whole. Apparently, food poverty for the rural areas actually increased from 15.93 percent in 2004/05 to 16.76 percent in 2009.
- **Food Security:** Zanzibar has yet to attain food security in terms of food self-sufficiency, food accessibility and nutrition. The island still depends

⁶ This is for the population in Zanzibar Stone town only

⁷ Zanzibar's carbon dioxide emission is likely to be lower due to lack of industries

on food imports as domestic production is based on subsistence farming that heavily relies on rainfall.

- **Education:** The high success in expanding intakes in primary and secondary schools, as well as universities, has created a secondary problem of quality assurance. In terms of achieving Universal Primary education gross enrolment, Zanzibar has surpassed the performance of the sampled LMICs by 5 percent; average primary gross enrolment for Zanzibar is 112.1 percent compared to 107 percent for sampled LMICs. Also Zanzibar is slightly ahead of sampled LMICs on literacy rate: 83.5 percent⁸ for Zanzibar and 80 percent for sampled LMICs.
- **Health:** Efforts to improve health care quality has been impeded by inadequate health providers and diagnostic equipment and facilities. Hence the progress in reducing maternal and infant mortality has been slower than expected. Nevertheless the gap between Zanzibar and sampled LMICs is now only 11 per 1000 live births (43 per live births for sampled LMICs and 54 per 1000 live births for Zanzibar). Zanzibar also lags behind on under five and maternal mortality rates. The gap for under-five mortality is 22 per 1000 live births and that for maternal mortality rate is 19 per 100,000 live births.
- **Water and sanitation:** Significant progress made in the water service coverage and to a lesser extent in the provision of water since the inception of ZDV 2020. These achievements are more pronounced in urban than in rural areas. Small improvement has been made in sanitation in urban areas and rather insignificant progress in the rural areas. In terms of water service coverage, Zanzibar lags behind by about 15 percent; the gap is much wider on sanitation, estimated at 35 percent of the population not using improved sanitation facilities.

⁸ This rate for Zanzibar is for 2005; no information on literacy rate for Zanzibar is available after that

- **Population dynamics**

Zanzibar's population is growing at 3.1 per cent per annum, one of the highest population growth rates in the World. Its population structure is dominated by children and the youth and having a high dependency ratio. The implications of this structure is high costs of social services, particularly education, low household savings and hence low investments in direct productive sectors, leave alone costs of feeding such a young population.

Hence the overall development and per capita improvements in Zanzibar would also require attainment of demographic transition, mainly through provision of better reproductive health services. This would call for efforts to reduce population growth and improve the quality of the population, in terms of life expectancy, reduced mortality rates and investing in human capital through better health and education services. Raising the minimum level of education of the girl child and increasing economic opportunities are among the long lasting solutions to slowing down population growth, besides family planning education and other birth control measures. Longer stay in schooling delayed entry into family life but also raises self awareness and confidence to make reproductive health decisions. The growth of population will have implications on many facets of planning and economic management besides food security.

Gender Equality: The concept of gender is not well known to most of the people in Zanzibar. People do not know what entails gender issues – and yet these are the people we expect to be implementing gender related policies.

The policy on protection and development of Women, has clearly articulated the need for gender mainstreaming with a strong focus on women advancement. The Zanzibar Constitution has defined the guiding principles, goals, objectives and strategies for gender mainstreaming in government activities.

While some achievements have been registered with respect to Gender parity at primary and basic education levels and the gap in enrolment has been narrowed down, and whereas in some cases boy's enrolment falls behind that of girls, data from some sectors show mixed results on gender equity. In education girls education is being given priority and the number of women in decision making positions is on the increase. However, the achievement in this area is still small. This problem is serious in rural areas, where families are abandoned and/or neglected by men, thus making their life extremely difficult. Some married women are abandoned for many years with fewer economic opportunities.

The Vision calls for further measures to promote gender equality. The measures should be clearly stated in the Vision's implementing strategy and its related implementation plan

- **Environment:** Like many parts of the world, Zanzibar is facing a serious environmental challenge resulting from climate change, which is becoming even more catastrophic. The most affected sectors are agriculture, health, construction, transport, and water, industry and tourism; yet these are the most critical sectors for Zanzibar's roadmap towards attaining a Middle Income level.

Emerging Issues in this cluster to be addressed in the Next 10 Years to Year 2020

Further reforms are needed to improving the country's education and health system to respond to, and address challenges of the 21st century human capital and serving transformational efforts from a rural and agricultural based economy, to a semi-industrialized economy, whose revenues are generated from a well managed natural resource base and well governed society.

Achievements in good governance and the rule of law

Most of Zanzibar's governance indicators are comparable to those prevailing in low middle income countries. Two very critical areas that Zanzibar will have to address is that of improving government effectiveness in facilitating the private sector as an engine of growth and implementing local government reforms that

take into account the geographical smallness of the island. There appears to be a lack of understanding on how important they are for most civil servants entrusted to provide strategic facilitation to the private sector and local governments. That should partly explain that despite putting the necessary institutional and legal frameworks at the central level Zanzibar still lags behind in some of the important indicators for facilitating business. There is an urgent need to intervene in ensuring that Zanzibar has the type of leadership cadre sharpened to take the island to a middle income status in the next 10 years.

Emerging Issues to be addressed in the Next 10 Years to Year 2020

- Filling the gaps in governance and leadership: Experience from the last 10 years reveal that the Zanzibar has developed well articulated policies, strategies and plans/programmes as well as new institutions, new laws and regulations for practically all the sectors. Governance systems though incomplete, have been reformed and restructured in a bid to trigger more action oriented approach. There is a general consensus that time has come to reform the way leaders and public servants at all levels, such that they operate using result-based management approach.
- Use of ICT to enhance e-government as a means to improve the conditions for doing business in Zanzibar.
- Implement major reforms like Zanzibar Public Service Reform, Zanzibar Local Government Reform, Zanzibar Legal Sector Reform, etc
- Enhance tracking of governance indicators

Zanzibar versus a Model LMIC: The Main Differences

The feasibility of moving towards the LMIC status within the coming 10 years is assessed by considering the feasibility of undertaking the following:

- Zanzibar needs to pursue policies that sustainably increase the share of manufacturing and allows that of agriculture to decline without losing focus on attaining food security. This will allow Zanzibar to redeploy the labour released from agriculture, while benefitting from low food prices to keep the cost of labour low. But for this to happen there will be need for investment that creates an enabling environment for manufacturing

activities, particularly by medium enterprises. Given Tanzania's involvement in two and possibly three regional economic blocks (EAC, SADC), Zanzibar needs to explore the feasibility of providing core economic infrastructure like electricity, ports and harbours and water transport ahead of demand and at affordable prices in order to supplement its other natural endowments and attract investment targeting these regional markets.

- Sustainably increasing the share of exports in the GDP should be based on agricultural production. To be broad based, there is need to aim to export goods and services that have high employment impact. In this regard, there will need to enable SMEs to engage in non-agricultural activities by lowering their costs, particularly for energy, market access, and labour and targeting EAC and SADC markets to which Tanzania has tariff free access as a launching pad.
- A shrinking level of ODA is bound to come from donor action even before domestic revenues grow enough to fully compensate for the reduction. Zanzibar therefore needs to make its strategic choices very carefully, and focus investment in high priority, growth enhancing projects. For example, Zanzibar would rather invest in power generation capacity requirements to bring it ahead of demand, or in Export Processing Zones.

Our long term development philosophy - the Vision 2020 is the vehicle that will take Zanzibar on that course. For this vehicle to run smoothly, it has to be owned by the people through their democratic and representative institution. This is the rationale for having the Zanzibar Vision 2020.

1.2 The Overall Development Vision 2020 Goal

The overall revised Vision 2020's objective is to transform Zanzibar into a middle income country and enable it to eradicate absolute poverty in the society through building a strong and competitive economy; achieve high quality livelihoods for citizens and improve good governance and the rule of law without compromising Zanzibar's rich culture.

The gist of Zanzibar development Vision 2020 is that by 2020 Zanzibar should have gone through an unprecedented economic transformation and development to achieve middle income status; characterized by increasing levels of industrialization, competitiveness, quality livelihoods, rule of law; and having in place an educated and pro-learning society. Specifically, the Zanzibar Development Vision (ZDV) 2020 outlines Zanzibar's social, economic and political aspirations with an underlying drive to reaching the middle income country (MIC) status, with a per capita income of USD 995 (a threshold for entry into LMIC) by 2015 and 3,000 (in nominal terms) by year 2020.

All these attributes are important for poverty reduction, which is the single greatest burden for the people. Indeed, it is not merely the lack of income that determines poverty; it is also the lack of accessibility to the basic needs of the people. Poverty eradication in both urban and rural areas means increasing the ability of the people to get the necessities, namely; food, better shelter/housing, adequate and decent clothing, improving democracy and social security. Other things remaining constant, poverty eradication could be synonymous to empower people to successfully manage their lives and have a say on the course of their development.

The revisited Vision 2020 will be operationalized through two five-year Zanzibar Strategy for Growth and Reduction of Poverty (MKUZA) and their respective five-year implementation plans.

1.3 Challenges

The initial main challenge to transforming Zanzibar into a Middle Income country is the eradication of absolute poverty so that the people of Zanzibar can participate effectively in the mainstream of social, economic and political life; survive and lead a decent life, free from environmental destruction. There is a need to empower and create opportunities for the people to eradicate absolute poverty through developing their full potential, increasing production and household income; improving living conditions through better access to basic physical and social services; and establishing a social security system and other

safety nets which protect the poor, disabled, the elderly and other vulnerable groups.

More specific challenges are:

- Balancing economic growth and protecting socio-cultural values of the people of Zanzibar
- Achieving sustainable utilization of natural resources for socio-economic development
- Building a strong domestic Private sector capable of transforming the productive sectors of Zanzibar
- Establishing a prosperous society with an economy that is fully competitive, dynamic, robust and resilient
- Sustainable utilization of natural resources for socio-economic development
- Ensuring an economically just society, in which there is a fair and equitable distribution of the wealth of the nation
- Developing a mature democratic society
- Shortage of skills in priority areas like manufacturing and value addition in general
- Mobilization and rationalization of resource allocation.

The eradication of absolute poverty requires, *inter alia*, sound macro-economic policies aimed at creating employment opportunities; education and training that will promote sustainable livelihoods through freely chosen productive employment and work; and basic social services, including health facilities. People living in poverty should be empowered through freely chosen participation in all aspects of political, economic and social life. Other principal elements of poverty eradication strategy include policies targeted at reducing inequalities, increasing opportunities, and improving and providing access to resources, employment and income; promoting rural development and measures to improve economic, social and environmental conditions in rural areas of Zanzibar. There is a need to provide social protection for those who cannot support themselves; recognizing the needs and skills of women, developing human resources, improving infrastructure, including communication

facilities, and making it more accessible and promoting domestic policies for meeting the basic needs of all people of Zanzibar.

These absolute poverty eradication policies and strategies are needed to mobilize efforts, stimulate creativity and ingenuity and coordinate initiatives for a sustained engagement of the employment, income and human development challenges. The underlying principles guiding the formulation of appropriate policy responses include: enhanced role of the market in allocating resources, private sector led development, enhancing government's competence and role in providing leadership through public policy for stability, continuity and predictability of the environment in which socioeconomic decisions are taking place.

The realization of the Vision's overall long-term objective is predicated on achieving the following:

- Attaining high and self-sustaining economic growth.
- Transforming the economy from a predominantly rural-based subsistence agricultural to a diversified and semi-industrialized economy with a modern rural sector.
- Promoting sustainable tourism that emphasizes high class tourist industry
- Having a well developed and effectively utilized human resource and attain full employment by the final year of the Vision.
- Improving the standard of education to meet the challenges of the twenty first century.
- Enhance the involvement of private sector and people's participation in the productive socio-economic activities in the nation.
- Provide access to opportunities to women by alleviating the drudgery of labour.
- Create equal opportunities for orphans, the disabled, the sick and other disadvantaged groups.
- Provide guidance on the customs and traditions of Zanzibar so that they can cope with the tide of changes during the development process and to

ensure that Zanzibar's customs and traditions are passed on to all future generations.

- Create an enabling environment, through good governance and the rule of law, for ensuring sustenance of peace, political stability and religious tolerance; and
- Enhance the quality of and accessibility to economic infrastructure to cope with the demands of growth and productivity increase in the economy.

1.4 The Overall Development Objective and Targets

1.4.1 The Overall Development Objective

The overall development objective of ZDV 2020 during the remaining 10 years is to transform Zanzibar into a middle income country; characterized by high levels of industrialization, competitiveness, quality livelihoods and good governance and rule of law by the year 2020, first by eradicating abject poverty and then attaining sustainable human development, without compromising the Islands' rich culture and values. . It is envisaged that Zanzibar of 2020 should be society that reflects the following six attributes:

- *Eradicate abject poverty or at least reduce abject poverty to 10 percent, which is what LMIC have achieved on average.*
- *Developing a strong, diversified, resilient and competitive agriculture, industry, tourism and other productive socioeconomic sectors to cope up with the challenges of the changing market and technological conditions in the world economy.*
- *Attaining a nation whose way of life reflects the highest level of ingenuity, self-confidence and self-esteem; culture, resource base and aspirations.*
- *Achieving peace, political stability, good governance, integrity, national unity and social cohesion.*
- *Modernized production and delivery systems of goods and services to meet the basic needs in the society and attain international competitiveness in the leading sectors.*
- *Attain higher degree of foreign direct investment that will inject sound capital, create full employment [by 2020] and attain positive balance of trade in the export market.*

1.4.2 Targets

By the year 2020 Zanzibar should have made the following achievements in Macroeconomic stability; sustainable broad based growth and poverty reduction; high Quality livelihoods and; Good Governance and the Rule of Law. The targets for each of these are summarized below. These are derived targets, in the sense that they emanate from the overall development objective and should be achieved if Zanzibar has to attain the Vision's overall objective.

(a) Targets for Macroeconomic Stability

- *Inflation rate reduced from 8.9 % in 2009 and maintained to 5 % by 2020*
- *Gross Domestic savings as a percentage of GDP of 21.6 percent (LMIC benchmark)*
- *Budget deficit reduced from 9.2% of GDP in 2007/08 to 8% of GDP by 2020*
- *Increase domestic revenue collection as percentage of GDP from 17 % in 2010/11 to 22 % in 2020 (based on the current TRA cost of revenue collection) or Revenue growth rate of 8.8 percent annually or 20.7 as a percentage of GDP*
- *Unemployment rate of 4 percent down from 4.4 percent*
- *Population growth rate reduced from 3.1 percent to 2.5 percent by 2020*

(b) Targets for achieving sustainable broad based growth and poverty reduction

- *Sustainable GDP growth of 8-10 percent annually for 10 years*
- *Agricultural GDP growth of 6 percent per annum for 10 years (As per CAADP target)*
- *Manufacturing GDP growth of 12 percent annually*
- *Service sector GDP growth of 8.2 percent annually or 48.6 percent of GDP*
- *Growth of the tourism sector increased from 6.8% to 12%*
- *Employment in Agriculture 41.2 percent (of total employment)*
- *Employment in Industry 20.5 percent (of total)*
- *Export growth rate of 13.5 percent annually or 30.5 percent of GDP*
- *Gross Factor Capital Formation 26.6 percent of GDP*
- *Import growth rate of 10.2 percent*

According to ZDV 2020, Zanzibar envisages to attain high quality livelihoods for its entire population. In particular it wants to attain high quality of life comparable to at least one that is attained by Low Middle income Countries (LMICs). To achieve this level of quality livelihoods, Zanzibar would have to achieve the following:

(c) Targets for achieving high Quality livelihoods

- *Raising life expectancy to 69 years,*
- *Increasing school gross enrolment rate in primary education to 107 percent,*
- *Reducing infant mortality rate to 42 per 1000 live births*
- *Maternal mortality rate of 58 per 100,000 live births*
- *Reducing HIV prevalence to 0.2*
- *Accessing safe water and improved sanitation facilities by 86 percent of the population and*
- *Attaining food self sufficiency.*
- *Reducing environmental degradation and at least sustain the current 0.1 CO₂ emission*

(d) Targets for Good Governance and the Rule of Law

- *Attain desirable moral and cultural uprightness*
- *Ensure strong adherence to and respect of the rule of law*
- *Absence of corruption and other vices*

The achievements of targets outlined under (a)-(d) above should be able to transform the economy of Zanzibar and secure the establishment of a competitive economy that:

- Is able to sustain itself over the longer term;
- Is dynamic, robust and resilient.
- Is diversified and balanced economy with a mature and widely based industrial sector,
- Has developed

- ✓ a modern and mature agriculture sector
- ✓ an efficient and productive and an equally mature services sector;
- Is an economy that is
 - ✓ quick on its feet,
 - ✓ able to quickly adapt to changing patterns of supply, demand and competition;
 - ✓ technologically proficient, fully able to adapt, innovate and invent,
 - ✓ increasingly technology intensive, moving in the direction of higher and higher levels of technology;
 - ✓ building strong and cohesive industrial linkages throughout the system;
 - ✓ driven by brain-power, skills and diligence in possession of a wealth of information, with the knowledge of what to do and how to do it;
 - ✓ an entrepreneurial economy that is self - reliant, outward - looking and enterprising;
 - ✓ sustained by an exemplary work ethic, quality consciousness and the quest for excellence;
 - ✓ characterized by low inflation and a low cost of living;
 - ✓ subjected to the full discipline and rigour of market forces and competition;
 - ✓ Promoting a fair distribution with regard to the control, management and ownership of the modern economy and anchored in full partnership in socio-economic progress.

2.0 VISION 2020 MEDIUM-TERM STRATEGIES AND PLANS

2.1 Medium-Term Strategies

The Zanzibar Development Vision 2020 is a long term development framework which charts out what Zanzibar aspires to be by the year 2020. The vision, outlines in broad terms, the economic, social and political aspirations of Zanzibar to guide future policies, strategies and plans. To achieve the Visions' aspirations, the RGoZ will overtime continue to employ medium term national strategies as instruments for guiding the implementation of the necessary actions for attaining the Vision. In particular the Government will employ the Zanzibar Strategy for Growth and Reduction of Poverty (ZSGRP II or MKUZA II in Kiswahili) as its main strategy for implementing the ZDV 2020. In addition to the ZSGRP, implementation of ZDV 2020 will also employ three other frameworks, namely, the Zanzibar Growth Strategy, the Zanzibar Exports strategy and the Public Sector Reform Programme, over and above sectoral strategies, all of which are informed by the Vision.

2.2 Medium-Term Plans

In addition, Five-Year implementation plans for operationalizing the ZSGRP will be needed. The need to formulate the Five-Year Implementation Plan emanates from the need to speed up realization of broad development goals as stipulated in Vision 2020 and in MKUZA II as its implementing strategy. In the absence of detailed, coherent guiding plans:

- Long and medium-term priorities and opportunities are sometimes sacrificed in favour of short-term operational needs;
- Misalignment and in some cases failure to articulate manageable number of top operational priorities lead to thin spread of resources to wide range of activities hence dampening implementation effectiveness;

- Identification of projects may be done in isolation rather than in comprehensive, complementary and well articulated sequential implementation for completeness and harnessing synergies and;
- Monitoring and Evaluation can fail to check consistency, coherence of outcomes and impact.

This calls for the need to develop more strategic and more coordinated implementation plans to effectively and efficiently spearhead achievement of economic development and welfare of the people of Zanzibar.

During the remaining lifespan of the Vision there should be two five-year implementation plans, just as there should be two five- year ZSGRPs.

2.2.1 Strategic Directions

The strategic geographic location of Zanzibar confers comparative advantage on the island, but to exploit this advantage in trade requires the island to possess some strategic product and services with which to engage in trade. In this context, there is need to promote investments in the development of tradable goods and services, by whose virtue the island's location would truly confer comparative advantage in such strategic products, non-traditional exports whose potentials are yet to be exploited, water transportation services for which it can build and maintain comparative and competitive advantages.

An apparent lack of linkages between Trade and Tourism as the growth drivers on one hand, and the supporting sectors, particularly agriculture and manufacturing, on the other should be bridged. To establish the required markets for value added agricultural output, efforts to be directed towards development of productivity in agriculture in order to establish quick supply responses to market demands as these markets begin to warm up to Zanzibar's niche products.

Hence the proposed drivers are trade in non-traditional exports such as seaweed and spices, organic horticultural products, organic staple food crops, as well as

tourism services. Growth drivers (Trade and Tourism) mentioned above need to link with agriculture, which at the moment shows an apparent lack of linkages, and more importantly, there are no clear avenues through which agricultural productivity would be enhanced.

Growth in trade lies in promoting value addition, particularly agro-processing; the synergy between the agricultural sector and trade should be enhanced through investing in productivity increase. The institutional environment is indispensable, create the Business Information Centers, establish institutions to enforce quality standards, and develop capacity in trade and market negotiations. Firms should have access to capital to permit firms to respond quickly to global market conditions as the market warms up to 'niche products' originating from Zanzibar.

For tourism to maximize its poverty reduction potential, policies and regulations should aim at promoting and facilitating partnerships between foreign and domestic investors and tour operators. Key to making tourism more pro-poor lies in consumer awareness, and the ability of the people of Zanzibar to organize themselves at the community level in order to engage effectively in tourism, and to exert pressure on tourism businesses to be socially responsible.

Promote economic empowerment through local private companies: The need to purposefully promoting the growth and empowerment of indigenous private companies so that they can actively participate in economic activities on their own or in partnership with foreign investors. Past mistakes in emphasizing on import substitution industries, should be avoided or carefully implemented in few industries that link with other domestic industries and resources.

Ensure that the developed strategies and plans enhance communication, Public-Private Partnership, monitoring and evaluation and capacity building by strengthening the implementation capacity of Actors (e.g. MDAs, CSOs, LGAs, Private Sector, etc), in strategic areas of interventions, tasks and activities that

need to be undertaken for effective delivery of desired development results/targets as enshrined in this Vision and MKUZA II.

To attain the Vision 2020's policy objectives, it would be essential to enhance social and macro-economic management, promote diversification and transformation of the economy to competitive one; promote sustainable tourism, fishing and industrial sector, strengthen trade sector, promote human resources development, encourage information and information technology, encourage environmental protection and the promotion of good governance, capacity building and peace and stability.

2.3 Enhancement of Social and Macro-economic Management

The Vision's policy on enhancement of social and macro-economic management is to institute sound social and macro-economic environment while recognizing the importance of getting the macro-economic fundamentals right for expediting poverty alleviation and transformation of the economy. Social and Macro-economic management would call for rationalization of public and private sectors by redefining the role of government to focus on regulatory, managerial facilitating and promotional roles in the development process; enhancement of human and institutional capacity building in the social and economic management during the development process; creating an enabling environment that helps provide opportunities for directing, targeting and exercising selectivity in allocation of resources to priority sectors that are critical in the realization of the development Vision's objective and; stimulating and encouraging savings and investments as a basis for creating a high and growing economy.

The Vision's long-term objectives for enhancing social and macro-economic management are to:

- Rationalize the public and private sectors by redefining the role of government to focus on regulatory, managerial facilitating and promotional roles in the development process.

- Enhance human and institutional capacity building in the social and economic management during the development process.
- Create an enabling environment that helps provide opportunities for directing, targeting and exercising selectivity in allocation of resources to priority sectors that are critical in the realization of the development Vision's objective.
- Stimulate and encourage savings and investments as a basis for creating a high and growing economy.

2.4 Re-Defining the Role of the Private Sector

The role of the private sector in stimulating economic development and implementation of Zanzibar Vision 2020 needs no emphasis. The private sector has substantially contributed to Zanzibar development. Private sector activities include individual proprietorship, private companies, partnerships or cooperatives. For this sector, emphasis will be to:

- Promote employment opportunities and income earnings for all.
- Expand production of goods and services while emphasizing inter-sectoral linkages and competitiveness regionally and internationally.
- Contribute to GDP through various payment obligations.
- Widen capital investment portfolio to reduce Zanzibar dependence on customs earnings.

The attraction of foreign investment should not be the responsibility of the Government alone. The private sector too must engage the foreign investor in mutually beneficial partnership and joint ventures for this will help them to integrate more fully into the Zanzibar economy. And the responsibility of domestic investors must be greater than that of their foreign counter - parts because Zanzibar is their country, not of foreign investors.

The vision's long-term policy objectives for developing the private sector are to:

- Infuse new technologies, credit facilities and market opportunities to rural areas so as to raise people's living standard.

- Promote locally affordable economic and social infrastructure such as electric energy, transport, communication facilities, banking facilities and other social services.
- Increase labour productivity through the use of modern technology, training and the use of experts to give on the job training in order to raise the level of growth and development.
- Promote efficient use of environmental resources and efficient and safe technologies.
- Promote a stable macro-economic environment for the growth of investments.
- Promote transparent and efficient government institutional set-up.
- Build up an environment of trust and frequent consultations between the Government, the private sector and NGO's.
- Seriously fight corruption and misappropriation of public property.

2.5 Expanding Domestic Financial Resource Base

The Vision's policy on increasing domestic financial resource base is to initiate investment programmes that shall generate domestic revenue, create employment, boost other economic sectors and support other development programmes for increasing people's welfare. The largest impact on the financial base will derive, therefore, from improvements in economic development, sound financial practices and capacity to mobilize domestic resources, control expenditures and manage budgets efficiently.

Financing the Vision's activities and sustaining their economic viability represent a particular challenge which will require innovative investment programmes that will generate funds for the central and local governments' development activities.

If the implementation of the Vision 2020 is to be more effective and pragmatic, it is essential that effective partnership between the public and private sectors is promoted. New forms of central and local government finances will be needed

to meet the future needs of economic development and for cushioning the costs of supporting physical infrastructure and services.

The Vision's long-term objectives on enhancing domestic revenue resource base are to:

- Develop an efficient, fair, equitable and buoyant sources of central and local governments revenue, including taxation, user charges, tariffs and betterment levies and devise new fiscal instruments that penalize environmental damage from both production and consumption activities.
- Carry out fiscal reforms and modernization of tax administration to facilitate revenue collection of the expanding and changing economic structures.
- Attract private and community investments to urban developments, including investments in car parks, slaughter slabs, public latrines, open green spaces etc.
- Encourage investments in the development and construction of international conference facilities with a view of making Zanzibar a center for international conferences, conventions and workshops.
- Facilitate foreign investments in oil tanking projects, including public-private joint ventures or partnership in the areas of oil storage facilities within Zanzibar's islets with a view to reduce the distance between oil exporting companies and the importing countries.
- Facilitate the role of local authorities in forming partnership with the private, community based organizations and co-operative sectors for the development and investing in locally based tourist attractions, including investing in historic sites, local dances and drama and establishing animal zoos etc.
- Establish, as appropriate, legal, regulatory and investments frameworks that facilitate the development and investments activities in dry-dock and port facilities with a view to providing an efficient and reliable dry-dock and port services to vessels in transit and providing regular services for regional and international vessels.

- Attract international flows of public and private finances for investments in commercial deep-sea fishing through joint ventures.
- Explore ways and means to strengthen, expand and facilitate transit trade and off-shore banking.
- Facilitate and rationalize local authorities' access to national, regional and international capital markets and specialized lending institutions.
- Strengthen the capacity of central and urban institutions to collect local taxes, land tax, land transfer's and other user charges and also enhancing expenditure control mechanisms.

2.6 Building a Saving and Investment Culture

The rate of National economic growth for any society largely depends on the existence of a savings and investment culture, the fruits of which are directed at the expansion of productive and service sectors within that society. The level of investment while it may be supported by foreign direct investment largely depends on internal savings. There is need to promote a culture of savings for future investment and enhance the capacity of tax and budget departments to make them more efficient.

The Vision's long-term objectives on savings and investments are to:

- Promote a culture of saving for future investment.
- Encourage the community to use financial institutions for keeping their savings something that shall earn them profit and also help the Nation generally.
- Encourage where formal financial institutions do not exist, the utilization of traditional credit and saving institution.
- Educate the public to frown against conspicuous consumption.
- Maintain economical and socially acceptable banking savings and lending rates.
- Enhance the capacity of tax and budget departments to make them more efficient.

- Enhance the capacity of institutions that supervise and coordinate external assistance.

2.7 Building an Appropriate Institutional Set Up

The successful implementation of Vision 2020 will depend among other things on the existence of a conducive institutional set up politically, economically and socially. Such an institutional set up should aim at laying a good environment for grooming new capacities, optimism and cooperation for development. Such a system is needed to enhance popular initiatives, the growth of new ideas and entrepreneurial skills. This has to go hand in hand with the motivation of exceptional employees. Such a system is generally based on four important pillars:

- The use of market forces in the allocation of resources in accordance with priorities laid in the Vision.
- Creation of an appropriate accord in the distribution of responsibilities between public sector, the private sector and other institutions such as the family and the civil society in general.
- Popular participation at all levels as a motivation for their enthusiastic engagement in the development initiative.
- Performance Contracting

Institutional Ownership of the Vision and its related medium-term strategies and plans

The implementation, monitoring and evaluation of the Vision and its related strategies and plans will be entrusted to the following institutions.

- The Planning Commission will, apart from providing strategic thinking and advice to the Government, also play a pivotal role in coordinating, monitoring and evaluating the Vision.

- The Ministry of Finance will be responsible on mobilization and management of financial resources for implementation of development projects included in the Implementation Plan (IP) again in consultations and collaboration with the Planning Commission; and
- MDAs, Regional and LGAs will remain to be the change and implementation agents of the Vision, interpreting the strategies and planning guidelines in relation to their mandates and supervising implementation of approved projects and activities for realization of the objectives and targets of the Vision. These institutions will be responsible to ensure that all stakeholders in all sectors at all levels, private and public, understand and own the aspiration and implementation of the vision.

Performance Contracting:

To ensure commitment and timely delivery of results, the RGoZ will introduce institutional “Performance Contracting” programme. Public enterprises and government department’s Performance Contracting (PC) is an instrument aimed to improve and ensure effective and timely delivery of results. PC is essentially an agreement between the Government “Office of the President or Finance” and MDAs, Regions and LGAs which establishes general goals for the agency, sets targets for measuring performance and provides incentives for achieving these targets.

Performance Monitoring Committee (PMC) will be established. The main responsibility of the PMC will be to oversee the PC exercise, review and verify the results of the field monitoring and make final recommendation to the President. The PMC will comprise of the Chief Secretary (Chair), Permanent Secretary of Finance; Executive Secretary, ZPC, Chairman of the Zanzibar Chamber of Commerce and Industry, Executive Director of Zanzibar Investment Authority, and Chair of Zanzibar NGO’s Council; etc.

For the aforementioned institutional set up to exist and function efficiently, transparently and legally the following need to be done:

- Promotion of market led competition that will channel resource to efficient and profitable areas.
- Establishing an efficient information network that will reach all stake holders so as to enhance efficient utilization of resources.
- Building a good working relation between the Government and other institutions such as political parties, workers organizations, and civil organizations.
- Encouraging civil organization members to create simple and transparent working principal to enable them to monitor efficiently the use of organization resources.
- Creation of a functioning accountability system among Government functionaries for the purpose of upholding work discipline, something that will enhance the respectability of the Government and its leaders among the people.

3.0 TRANSFORMATION TO CREATE A ROBUST, RESILIENT AND COMPETITIVE ECONOMY

The ultimate objective of the ZDV 2020 is to transforming the economy in order to generate high sustainable growth capable of increasing employment and eradicate absolute poverty. The diversification entails rapid transformation of the economy from a predominantly rural based subsistence agricultural economy to a technologically-led semi-industrialized economy, and raising the level of productivity in all sectors. The creation of a robust and competitive economy requires efficiency in mobilization and utilization of domestic resources (natural, human and capital); and the promotion of participation of the indigenous people in the process of economic reform and private enterprise development.

As was envisaged in 2000, and repeated here, Zanzibar of 2020 should be a society that reflects, among others, the following:

- Developing a strong, diversified, resilient and competitive agriculture, industry, tourism and other productive social economic sectors to cope up with the challenges of the changing market and technological conditions in the world economy;
- Modernized production and delivery systems of goods and services to meet the basic needs in the society and attain international competitiveness in the leading sectors and;
- Attain higher degree of foreign direct investments that will inject sound capital, create full employment and attain positive balance of trade in the export market.

3.1 Modernization of Agriculture

The agricultural sector has important forward and backward linkages to other sectors of the economy that are essential for producing faster growth, reducing poverty, and sustaining the environment. Transformation from low productivity subsistence farming to commercialized agriculture is the key to achieving national development objectives. Key constraints to agricultural development

include weak market linkages which affect commercialization opportunities; lack of agro-processing and value addition; post harvest losses; and low productivity due to recurrent droughts, low input use, lack improved planting material and limited knowledge about new technologies. Livestock productivity in Zanzibar has remained very low due to inadequate veterinary services, a weak regulatory framework, low availability and high cost of feeds, weak market linkages and lack of technical personnel.

Also important is the promoting of sustainable fish production for domestic consumption and export is important for diversifying the Zanzibar economy and increasing the peoples' welfare and the fisheries' contribution to the GDP. Sustainable fishing should take into consideration the importance of environment, the socio-economic structures and the needs of the people.

Agriculture is critical for achieving self-sufficiency in food and food security, through increased food and livestock production as well as increased agricultural production for export, depends on the modernization of agriculture and ensures that the sector is capable of satisfying 50 percent or more of local food production, and promotion of alternative cash crop production for export.

The Vision's long-term policy objectives on modernization of agriculture are to:

- Encourage sustainable irrigation system based on integrated development approach, community participation, genuine demand by farmers and sustainable use of natural resources and the environment.
- Provide access to productive resources, opportunities and progress towards more socially just forms of agriculture for ensuring basic food security for the nation by improving standards of nutrition, increasing output and quality of food commodities.
- Increase foreign exchange earnings for the nation by encouraging production and export of cash crops such as sea weeds, spices, fruits, vegetables, flowers, livestock's products and other agricultural products and residues.

- Produce and supply raw materials, including industrial crops, livestock, by-products and residues for local industries, and also expand the role of agriculture sector as a market for industrial outputs.
- Create a reliable banking and non-bank credit system.
- Provide reliable energy supply system for the development of Agriculture and Agro-industries that will process agriculture produce; and
- Improve communication system and extend the rural road network to ensure that all rural areas are always accessible.
- Promote efficiency in utilization of the existing fishing potential and ensure ecological balance through establishment of community based management areas for marine resources and development of professional groups, joint-venture, partnership and cooperative associations relevant to the development of fishing activities.
- Promote public awareness on scenic value of marine habitats.
- Establish aquaculture activities,
- Improve international competitiveness by providing incentives, supportive market research and extension services to the whole sector, namely, crops, livestock and fishery. Preparing and disseminate a code of fishing practice and processing methods, which allow for health, safety handling, storage, marketing and environmental concerns.
- Encourage foreign and domestic investors to establish large scale, deep sea fishing business and fish processing factories.

3.2 Promotion of Sustainable Tourism

The general perception discerned from consultations with various stakeholders is that tourism contributes little towards poverty reduction. The reason is that it is not generating incomes for the poor or the local informal enterprise, it is not involving local tour operators, and the rural smallholder farmer is by-passed in the production and distribution of goods and services consumed by the tourism sector. Rather, goods that can be produced by local farmers with the appropriate incentives are imported. In some cases, hoteliers have contracted

farmers outside Zanzibar to supply the food requirements of their hotels. Local tour operators cry foul about their exclusion from participation and patronage from tourists who arrive through package deals. To make matters worse, the average annual growth in tourist arrivals has declined since 2005, and there has been a worrisome decline in absolute number of arrivals since 2006.

Zanzibar is richly endowed with both natural and man-made tourism attractions which are the basis of successful tourism industry. Some of these attractions are:

- Beautiful and virgin beaches.
- Environment intact natural forests endowed with rare species of animals such "Kima punju".
- Old Stone buildings with ancient architectural features that are excellently curved.
- Handcraft work specific to Zanzibar culture such as the "Zenj-doors".
- Richness in various spices and fruits available all year round.
- A culture of friendliness and hospitality to visitors.
- Natural aquatic attractions.

There is apparent recognition that more revenue could be realized from the tourism industry if more effective policies on tourism are formulated and implemented to the letter; some of the measures for policy changes include promoting high quality tourism, review the tourism charter flight policy, which is siphoning revenue from the industry away from Zanzibar to abroad, diversify tourists origins which is currently been dominated by Italians, attracting more investments in high quality hotels and developing skills needed in the tourism industry.

The high dependency on tourism has narrowed Zanzibar's tax base. Hence the expansion of the domestic financial resource base calls for policies to diversify the economy by building an integrated economy based on tourism, agriculture, manufacturing, and trade. Infrastructural and skills development would be crucial for the achievement of a diversified economy.

The Vision's long-term policy objectives on sustainable tourism are to:

- Utilize more effectively the tourism potential to generate more income, employment, human resources development foreign exchange earnings while protecting the environment, Zanzibar's culture and traditions.
- Diversifying the tourist attractions to achieve balanced growth of the tourism industry and maximum benefit.
- Develop Zanzibar as a single holiday destination by building up other product elements, in particular beach resorts, cultural attractions and aggressive marketing programmes.
- Maintain all tourism resource bases, as part of public resources, and improve the necessary tourism infrastructure existing and develop new infrastructure.
- Stimulate development of infrastructure, linkages and support institutions related to tourism.
- Strengthen the cultural industries including museums, theatres, cultural values and community participation as a product diversification to harness tourism.
- Stimulate local investors to go into partnership with foreigners to ensure the growth of cultural acceptable tourism and to venture into new tourism grounds and make Zanzibar:
 - ✓ An attractive International Conference Center o An International sports center o An International Cultural Center
 - ✓ An International Center for Islamic Studies by establishing renowned Islamic institutions.

3.3 Promotion of Sustainable Industrialization

To accelerate the development of the industry sector that would also support agriculture, the existing industrial policy gives priority to the development of the following key areas: private sector promotion including privatization; export processing and the establishment of export processing zones; small scale industry development particularly cottage industries and industries developed by women; development of the informal sector; industrial rehabilitation;

investment promotion and financing of industries; human resource development including indigenous entrepreneurial development; promoting Public Private Partnership (PPP) and more effective Zanzibar- Mainland co-operation in the industrial and trade sectors.

Looking ahead, Zanzibar Vision's policy on industrial sector and industrialization process should be to create specialized, economically efficient, financially strong and profitable industrial enterprises that produce high quality goods for domestic use and export.

The Vision's long-term policy objectives on the industrial sector and industrialization are to:

- Establish a comprehensive industrial sector policy.
- Establish an industrial sector for specialized activities, generate income and employment, increase and diversify the sources of export earnings and ensure efficiency in the use of resources and environment.
- Develop and promote efficient agro-based, small and medium scale industries to broaden the industrial base and encourage rural industrialization.
- Develop industries that support other sectors, increase capacity utilization and produce basic and essential requirements for the people of Zanzibar.
- Ensure the promotion and protection of both domestic and foreign investments through fiscal, legal and regulatory mechanisms.
- Ensure the promotion of industries that promote employment.
- Have a specific policy for the promotion of both local and foreign investments.

3.4 Value Addition and Manufacturing

One of the growth drivers in Zanzibar which has also been underscored in government policies is value addition through the manufacturing sector. Through value addition, the GDP share of Manufacturing must be scaled up while the GDP shares of Agriculture and Services Sectors are lowered, if Zanzibar has to become

one of the Low Middle Income Countries by 2020. Thus, like GDP growth rate, growth of manufacturing sector is another important indicator of not only the country's competitiveness, but also the country's degree of comparative advantage. Value addition has also been used to measure agricultural growth as well as an important tax base in many countries around the world.

Within the industry, the manufacturing sector has not performed well as its contribution to the economy (growth wise and employment wise) has declined in the last ten years. The share of manufacturing in total GDP has been declining continuously since 2004. Except for Botswana and Seychelles in the period 2000-2005, Zanzibar lags behind the recent members of LMICs.

The manufacturing industry has concentrated more on consumer goods based on the existing mindset of import substitution. Such a policy created its own inefficiencies in terms of importation of raw material, skills, equipment and spares. Some of the equipment and the technology installed were not state of the art, nor did they contribute to product efficiency or address environmental concerns.

The import substitution industries like Mahonda sugar factory, cigarette, soft drinks, shoes, and processing of coconuts into products of the like of ropes, edible oil and mattresses are all dead; in any case they were not producing for exports and hence no foreign exchange earnings were realized from these industries. These industries were heavily supported by exports earnings from cloves but as cloves earnings sharply declined, Zanzibar had to resort to the government budget to sustain those industries.

The manufacturing sector has the potential to drive economic growth in Zanzibar by capitalizing on the backward linkages provided by agriculture and leading in production and employment of the Isle's labour force. Considerable opportunities exist in agro-processing, adding value to primary products for exports, as well as staple foods for domestic consumption and exports. Also, growth in tourism would provide markets for its goods domestically, regionally

and globally if manufacturing can create and maintain competitive advantage in agro-processing for niche markets. However, firms in Zanzibar are confronted with some unique constraints and challenges.

The main challenges in manufacturing include the use of low level technology with low knowledge content; domination by micro and Small-Scale Enterprises (MSEs); Low capital intensity in production (compared to comparable firms in mainland Tanzania and other countries in sub-Saharan Africa); low total factor productivity; and lack of access to finance for expansion.

The Vision's long-term policy objectives on manufacturing should include:

- Private sector promotion including strategic privatization;
- Promotion of export processing and the establishment of export processing zones;
- Development of small scale industry particularly cottage industries and industries developed by women;
- Development of the informal sector;
- Investment promotion and financing of industries;
- Human resource development including indigenous entrepreneurial development;
- Promoting public private partnership (PPP) and more effective Zanzibar-Mainland co-operation in the industrial and trade sectors

3.5 Technological Advancement (Entrepreneurial Skills)

The goals and targets discussed by the ZDV 2020 that are especially relevant to competitiveness are promotion of Science and Technology, education and promotion of Information and Communication Technologies (ICTs). It is widely accepted that productivity growth is driven by adoption of technology. Thus promotion of new technologies is of obvious importance, as is the strong basic scientific education. On that basis, a proxy (High Technology Exports) for technological development has been included in the analysis. High-technology exports are products with high Research and Development (R&D) intensity, such

as in computers, pharmaceuticals, scientific instruments, and electrical machinery.

3.6 Exports Promotion

Given the small size of the Zanzibar economy, growth will only be sustainable if it is firmly rooted in international competitiveness and the aggressive pursuit of export opportunities. While the strategic pursuit of preferential market access opportunities is also important, these opportunities are bound to become less important with the phasing in of the new WTO rules and regulations, putting an even greater premium on measures to enhance international competitiveness. The deepening of regional integration with existing arrangements such as the East African Community and the Southern African Development Community also has an important role to play in this area. While the enlarging of markets is an important aspect of regional integration, equally important benefits are likely to arise from positive neighborhood effects and spillovers, such as policy and growth spillovers, network externalities from infrastructure, or increased attractiveness of the region as a manufacturing location for multinational corporations.

The Vision's long-term policy objectives for export promotion include:

- Developing a business climate that is conducive to expansion of exports, particularly for manufactured value added agricultural commodities and tourism;
- Linking agricultural producers (crops, livestock and fisher folks) to the local tourism industry;
- Improving physical (both soft and hard) infrastructure for production, communication/marketing and transportation of goods and services within Zanzibar and within the region and globally;
- Develop financing infrastructure, develop appropriate knowledge and skills and technology to exploit available resources intensively and efficiently.

There is also need to strengthen the Export Processing Zones and Special Economic Zones

Zanzibar Vision's policy on the Free Economic and Export Processing Zones should continue to aim at manufacturing top quality commodities that can regionally and globally compete in the export markets and therefore generate employment and export earnings and attract foreign direct investment.

The Vision's long-term policy objectives on the Export Processing Zones and Special Economic Zones are to:

- Provide industrial sector investors with a wide scope of operation and create favourable conditions and guarantee them stable business sites in the Zanzibar Free Economic and Export Processing Zones.
- Boost agriculture and other sectors to produce inputs for use in the manufacturing sector.
- Maximize employment generation at the level of skilled and semiskilled labour.
- Mobilize through various forms investors to undertake manufacturing projects for export products.
- Improve the quality of services for smooth and equitable manufacturing activities.

3.7 Trade

The strategic geographical location of Zanzibar potentially confers comparative advantage on trade. However to exploit this advantage in trade requires that Zanzibar possess some strategic products or services with which to engage in trade. Comparative advantage only becomes real if the strategic position of Zanzibar enables it to offer some product or service at lower costs than competing countries. Therefore, the next ten years of ZDV 2020 should aggressively promote investments in the development of tradable goods and services, by whose virtue Zanzibar's island location would truly confer comparative advantage. As mentioned earlier, for Zanzibar, such strategic products could be non-traditional exports whose potentials are yet to be tapped,

or water transportation services for which it can build and maintain comparative and competitive advantages. In this regard, the Vision calls for the promotion of transit trade and free port facilitation and for *Strengthening the Domestic and International Trade Sectors in Response to Globalization and Regional Integration*

3.7.1 Transit trade

It is among the Vision's basic policies to make Zanzibar an important transit trade center. It is also part of that policy to turn the Zanzibar in to a free port.

To implement such a long-term policy therefore Zanzibar shall:

- Build an appropriate legal institutional and economic environment for making it a special transit trade and free port center.
- Develop Free Economic Zones and Export Processing Zones so as to promote and enhance Zanzibar's transit trade and free port status.
- Build all necessary infrastructural requirements such as roads, airport runways, harbours etc.
- Construct modern storage facilities in accordance with international demands.
- Construct modern shades facilities for use in free port areas.

Construct special large petroleum and petroleum products storage facilities to be leased to companies as storage places before shipping to prospective customers.

3.7.2 Domestic and International Trade

The vision policy on strengthening the internal and international trade sectors is to generate foreign exchange, create wealth for citizens and achieve a diversified and competitive export sector taking into consideration cost efficiency and improving the quality, reliability and dependability of exports. Free port facilities and services are envisaged to be the tool for the promotion of trade in Zanzibar.

The Vision's long-term objectives on the trade sector include to:

- Encourage indigenous peoples' participation in the trading activities through joint ventures arrangements.

- Put in place legal, regulatory and political framework that allows for free entry and exit of all entities into trading activities.
- Develop the capacity to disseminate knowledge and information on trading activities, encourage antimonopoly practices and adherence to price signals in the competitive market environment.
- Encourage domestic market competition and improve the international competitiveness of economic sectors.
- Enhance the capacity to monitor the changing market and technological conditions in the world economy and build the capacity to interpret their implications.
- Engage in regional and international trade cooperation arrangements in ways that develop markets for exports and enhance the development of a dynamic and competitive export sector and other sectors; and
- Promote trade and investment by domestic and foreign firms, inter-firm cooperation arrangements and strategic alliances between local and foreign firms that are technologically more advanced to attain higher technological capability and competitiveness.
- Promote domestic capital and stocks exchange market in the country.
- Promote an environment for the successful development of the informal sector in trade.

3.8 Development of Social Protection and Social Security Systems

Developing a social policy forum, possibly within the scope of the social protection and social security policy, would provide means for intersectoral dialogue. A strong social protection and Social Security focal points should provide leadership and coordination within the sector and could act as an advocate for social protection and social security issues in all public and private sectors.

3.8.1 Social Protection

'Social protection refers to the public actions taken in response to levels of vulnerability, risk and deprivation which are deemed socially unacceptable within a given polity or society'

Social protection should focus on four areas: food aid/ food security; public works with a large 'safety net' component; savings and insurance schemes; and welfare programmes.

Overall, social protection clearly suffers from the effects of its fragmentation. There is a need for an institutional structure, which provides an effective and coherent lead and facilitates coordination between the different actors. In the longer term, the objective may be to have all programmes, or at least all non-emergency programmes, operating from within a single ministry. In the short term, it must be recognized that large programmes are likely to remain in their current institutional homes and mechanisms must be found to facilitate coordination and coherence across this 'modular' structure. There is also scope for institutional reorganisation to improve focus around the main instruments of social protection and social security. Developing a social policy forum, possibly within the scope of the social protection and social security policy, would provide means for inter-sectoral dialogue. A strong social protection focal point would provide leadership and coordination within the sector and could act as an advocate for social protection issues in other sectors.

3.8.2 Insurance-based (Social Security) schemes:

These are financed by contributions made by employees. The aims are to smooth life cycle consumption and enhance savings. It protects people against risks by ensuring that the status quo will be retained or regained in the case of shock. These schemes are linked directly to employment, and require that a person builds up funds within the system through regular employment. As such one challenge is to develop insurance mechanisms for the informal and rural sector.

3.8.3 A social welfare system:

This system should be flexibly designed to respond to needs. The system should target specific beneficiary groups that have few options to gain adequate income, they aim to relieve deprivation and possibly include a longer-term objective to improve physical, human and social capital. Instead of cash, welfare systems may use food and in-kind transfers. Food-based programmes are usually

implemented with other goals in mind, related to dietary adequacy, nutrition and health, and to the increased use of services

3.8.4 Public Works Programmes:

These provide temporary employment in labour intensive low-skilled jobs. They provide income transfers to poor households, and in the process builds necessary infrastructure which off-sets the tradeoff between public spending for income transfers and that for development

The Vision's long-term policy on the development of social security systems is to guarantee access to basic social services, safety in the work places, life and properties.

The Vision's long-term objective on the development of social protection and security systems are to:

- Institute efficient social protection and social security systems with wider scope of coverage for protection of and provide a wider range of benefits to most, if not all people in all sectors from social and economic insecurity so as they can work towards the realization of social and economic justice.
- Improve efficiency in labour protection, workplace safety and labour relations.
- Widen the coverage of social security schemes to cover those working in the informal sector.
- Review laws and operational guidelines relating to social security to bring them up to date and in line with the Zanzibar's formal and informal sector conditions in order to ensure greater coverage.
- Develop and efficient inspection system that can facilitate enforcement of labour laws, conditions of employment, working conditions, and expand the roles of employer's and workers' organizations in identifying and reporting violations of labour laws, welfare and occupational health and safety rules.

4.0 PROMOTION OF ENABLING ENVIRONMENT FOR DEVELOPMENT

The Vision 2020 recognizes the increasing role and functioning of market forces and the private sector in the course of implementing the Vision. The consolidation of the functions of market mechanism, improved socio-economic infrastructure and other complementary sectors, entails putting in place a stable and predictable environment for sustainable private enterprise development by ensuring the consistent application of laws and regulations. Sustainable development which requires an enabling environment characterized by good governance, emphasizing on human resource development, peace and stability, streamlined trade, developed information networks, a participating and environmentally sensitive society and internally cultured society. An enabling environment includes:

- To ensure that overall sectoral initiatives are complementary and fare.
- To ensure compatibility of sectoral implementation strategies and availability of a close follow up system.
- To have frequent monitoring so as to pin point and remove bottlenecks.
- To establish an appropriate institutional framework for sections dealing with the collection and analysis of economic development data so that follow up and monitoring is done accordingly.

4.1 Improving Socio-economic Infrastructure

The Vision's policy on socio-economic infrastructure is to facilitate the expansion, improvements and increase in the provision of water, power, communication facilities, air transport, marine and road networks. It is envisioned to use fiscal and other type of incentives to encourage private sector industrial investors to participate in the infrastructural development, especially in the areas proved to have valuable resource endowments.

The Vision's long-term objectives on socio-economic infrastructure include on:

- Encourage public and private investments in infrastructure facilities such as transport and communications, energy, water and research and development to meet the requirements of other sectors and all other activities that are necessary for the realization of the development Vision.
- Encourage the establishment and development of real estate business and housing finance mechanisms that can provide urban dwellers with decent housing that corresponds to demand for housing facilities.
- Promote research and extension in low cost building materials and affordable standards for building materials and housing design for urban and rural dwellers.
- Promote an integrated national, regional and international transport networks to maximize the benefits of economies of scale, improve quality, delivery services and competitiveness.

a) Sustainable Provision of Water

The Vision's policy on water is to ensure adequate, affordable and economically accessible and sustained water supplies to all people and sectors using environmentally sound water resource management technologies for continued social and economic growth and development.

The Vision's water supplies long-term objectives are to:

- Develop and promote an efficient water supply and management systems that will ensure reliable water supply for all purposes at a reasonable cost.
- Establish and protect water catchment areas and sources of rainwater harvesting systems.
- Promote community ownership and rights to water supply.
- Enhance equity of access, distribution and sustainable supply of clean water to households in rural and urban areas.
- Ensure that the installed capacity for water supply functions adequately and is properly maintained.

- Encourage a broad range of environmental sound technologies in the provision of water, including gravity piped, pressure pumps, deep and shallow wells, open wells and dams.
- Encourage the development of rain water harvesting technologies and activities; and
- Institute and maintain an efficient and effective water tariff, billing and timely revenue collection system for all water users.

b) Sustainable Provision of key utilities

Key utilities comprises of electricity, fossil fuels, biomass, new and renewable energy and water and telecommunication. Unreliable supply of these utilities and their high costs limit investments in manufacturing and other productive sectors. Interruptions in the supply of electricity and water constrain production especially for time-sensitive manufacturing industries. Similarly the poor states of telecommunications infrastructure make it difficult for firms to reach importers and suppliers outside the islands.

Energy

The Vision's policy on the sustained provision of energy is to ensure adequate, environmentally sound, alternative and sustained energy supplies for easing socio-economic development. The Vision emphasizes on the development and efficient utilization of Zanzibar's locally available energy resources to minimize dependency on imported energy and reduce demand pressure on the natural forests. Global climate change should encourage Zanzibar to search for cleaner and renewable energy resources. These can be achieved through expanding use of renewable energies (solar, wind etc)

For energy, the Vision's long-term policy objectives are to:

- Establish an independent power supply system to reduce dependency on imported energy and the pressure on demand for forest resources.
- Develop and promote energy supply and management systems that will ensure reliable energy for all purposes at a reasonable cost.

- Encourage R&D on non-wood energy sources (such as solar, wind power and biogas) and on energy efficient domestic alternative sources of energy.
- Promote an efficient use of energy, ensure conservation of renewable and non-renewable energy sources and the protection of environment; and
- Promotion of sustainable petroleum exploration activities.
- Promotion of renewable energy

Sustainable Provision of Transport and Communication

Infrastructure constitutes transport infrastructure, namely, roads, airports and sea port; communication infrastructure which includes ICT infrastructure and telecommunications infrastructure and; energy infrastructure incorporating the electric and other energy related facilities.

Transport infrastructure

The RGoZ has in place and is implementing the Zanzibar Transport Master Plan (ZTMP), which provides strategies to implement transport policy that covers roads, maritime and air transport. The ZTMP should continue to provide responses to current and projected needs for road, airport and maritime transport in line with the ZDV 2020 aspirations.

In terms of transport, the Vision's long-term objectives are:

- Ensure that transport services are provided according to the needs and development of Zanzibar and its people.
- Promote transport services that are reliable, fast, safe, responsive, economical and compatible with the safety and protection of environment.
- Ensure that there is complementarily in the development of the various modes of transport for optimum utilization of resources.
- Exploit more effectively the potential for marine transport to meet the domestic, regional and international requirements and more effectively complement other modes of transport.

- Develop and promote an efficient and reliable port facilities and services; and
- Improve, expand and sustain air transport facilities and services to meet the domestic and international air transport needs as well as the needs of tourist sector.

Communication infrastructure

While the Communication sector is governed under the laws of the of the United Republic of Tanzania, the development of communication infrastructure is the responsibility of Zanzibar The Zanzibar Government is implementing communications infrastructure projects to make use of cheaper, reliable and very effective communications access in Zanzibar. Timely implementation of these projects would increasingly contribute to Zanzibar's economic development,

In terms of telecommunication, the Vision's long-term objectives are:

- Ensure that telecommunications infrastructure and services are provided in a liberalized and competitive manner to as many people as is economically and socially justified to meet domestic demand as well as regional and international business requirements.
- Ensure the provision of sustainable telecommunications in rural, urban and all sectors at reasonable cost using relevant technologies.
- Encourage the provision of adequate, high quality and efficient telecommunications services responsive to the diverse needs of industrial, commercial and all sectors.
- Enhance the quality, efficiency, accessibility and reliability of telecommunication networks within the country, the region and internationally; and
- Promote the adoption of new and emerging telecommunications and information technologies in all forms of communication.

4.2 Creation of a Micro-Finance Banking System to Serve the General Public

The Vision policy on micro-finance emphasizes the need to provide tangible credits to small scale producers and micro-commercial sector so as to enhance efficiency, in the productive and services sector, improve the standard of living of the people and the economy in general. The objective of the Vision therefore is to establish a micro-finance banking system to provide manageable credits to those sectors.

The Vision's long-term objectives therefore are:

- Create a manageable financial institution such as Banks for the provision of credits to small farmers, cooperative organizations NGO's, Youths, small businesses, craftsmen etc.
- Creation of a system that shall emphasize the provision and repayment of credits.
- Build a manageable ownership and operation system for such institutions.
- Build a working system for the mobilization of savings among the people and other sources.
- To create a transparent credit provision system that makes the borrowers accountable.

Strengthening existing credit funds and creating new ones for micro-credit provision

4.3 Promotion of Human Resource Development

Human capital driven development is recognized the world over because it impacts on the development of entrepreneurial, managerial and organizational skills, as well as innovation, learning and adaptation of new technology and modern practices. In addition to contributing to and supporting economic growth, most human capital investment also directly improves the quality of life of the beneficiaries.

In Zanzibar the contribution of human capital to growth is unknown. What are apparent are the government's efforts to strengthen human resources and to increase access to formal education. Although progress has been made in expanding the number of primary and secondary schools, up to 2009 Zanzibar's secondary school enrolment ratios were still low.

While Zanzibar has succeeded in expanding access to primary and secondary education, performance in science subjects has deteriorated over time. Together the above imply a relatively low level of human capital formation. Consequently, the role of skills and human capital is critical in supporting growth of the growth sectors. Levels of human capital are low in Zanzibar and building human capital is an important element of the poverty reducing strategy for at least two reasons. First by building human capital the foundation is laid for higher growth in the future, and secondly, by building the human capital of the poor, the pattern of growth will be pro-poor.

The Vision's long-term objectives on human resources development are

- Mobilize and sensitize the people of Zanzibar to realize the importance of and contribute resources to human resources development.
- Promote broad based training and particularly vocational training to cope with the changing structure of labour markets and the demand for global competitiveness.
- Put more emphasis on science and technology orientation and incorporate moral as well as ethical values, spirit of self confidence, self esteem and tolerance.
- Improve access of women to education at all levels and in all fields including the sciences where they are currently grossly under represented; and
- Encourage the creation of better employment opportunities in rural areas in modernized agriculture and non-agricultural rural activities.

5.0 DEVELOPMENT OF A SOCIAL ENVIRONMENT CONDUCTIVE FOR PEACE HARMONY, PROTECTION AND DEVELOPMENT FOR ALL

5.1 Promotion of Quality Education

The Vision's education policy is to set broad goals that guide educational development for promoting academics and intellectual Excellency by nurturing sound cognitive development as well as providing education that promotes self-reliance of the recipients. The target should be to eradicate illiteracy, attain basic universal education by the year 2005 and the transition rate to the second cycle of secondary education should reach 100 percent by the final year of the Vision. Vocational training should be established in all districts to provide training skills' to out of school youths.

The main Vision's long-term policy objectives are to:

- Ensure access to education especially by the poor household members, women and the people with disabilities, improving and maintaining high education standards and skills cost effectively.
- Eradicate illiteracy.
- Promote higher education and tertiary institutions that include polytechnic, business colleges and universities through public and private initiatives to promote economic competitiveness and employment.
- Establish viable alternative learning systems that will include adult, non-formal and informal education.
- Upgrade teacher's competence and their productivity.
- Promote school based management, parent-teacher association and community and local government support.
- Encourage NGOs and private investments in the provision of education and education facilities.
- Give science and technology a greater weight and orientation.

5.2 Building a Healthy Society

The Vision's healthy focus emphasizes the provision of basic health services for all the people without discrimination. Priority shall be directed at health sector governance; health services delivery; Integration of social services; human resources for health; health infrastructure; essential medicines, medical and non-medical supplies; health legislation and regulations; health information; innovation and research and; health financing that is adequate, shared and equitable. The main purpose is to promote preventive services, combating epidemics, special maternal and child care services and the dissemination of health education for all.

More specifically the Vision's long-term objectives are to:

- Raise the health and nutritional standard of the Zanzibar Community generally and specifically for women and children.
- Enhance efficient provision of health services together with careful utilization of the meager resources available.
- Provide standard basic health services for all within community vicinities.
- Increase adequate number of skilled and competent personnel, at all levels of health care system.
- Promote integration, transparency, accountability, community participation and involvement in decision making in health matters at all levels
- Promote safe delivery system, planned motherhood and child survival.
- Give priority on the provision of child immunization.
- Channel more resource for preventive services so as to cut down the cost of curative services.
- Increase access to quality essential medicines, medical and non-medical supplies and promote their rational use at all level of health care
- Establish reliable epidemic control measures, to have a well trained working force fully equipped and financed while emphasizing public education.

- Create good and safe regulations and procedures for the involvement of traditional healers as well as providing them with the necessary knowledge base befitting their working environment.
- Promote the application of health laws, regulations and ethical standards in health and health related matters.
- Improve referral systems within the health settings at all levels including private health sector
- Develop and adhere to infrastructure development efforts which supports equity and sustainability in preventive maintenance and rehabilitative services
- Institute preventive mechanism for dealing with the ill effects of environmental degradation and hazardous materials.
- Encourage the involvement of private capital in the health sector.
- Raise the level of community health awareness in both urban and rural areas.
- Provide special emphasis on the war against the spread of HIV/AIDS through popular mass education programme that will lead the people to change their unsafe sexual behaviors.

5.3 Enhancing Sanitation and Urban Cleanness

The Vision's policy on enhancement of sanitation and urban cleanness is to alleviate problems created by all kinds of sanitary issues and enhance urban cleanness, health and well-being of the people of Zanzibar by increasing their access to adequate sanitary facilities and uphold the culture of maintaining urban cleanness. Measures to achieve this Vision include market-based incentives, legislation and regulatory enforcement mechanisms that encourage the culture of cleanness and penalize polluters accordingly. The formulation and periodic evaluation and revision of sanitary and urban cleanness rules and regulations are important for the maintenance of cleaner urban centers and for effective and efficient delivery of sanitary and urban cleanness systems.

The Vision's long-term objectives on sanitation and urban cleanness include:

- Rehabilitating and improve the sewerage, drainage and solid waste disposal systems through designing mechanisms for financing urban cleanness, the operation and maintenance of the sewerage and solid waste disposal systems.
- Emphasis on the provision of services [specifically, treatment and disposal of human etc. waste water and solid wastes] that provide wider communal benefits.
- Develop flexible and responsive institutional mechanisms for providing urban cleanness and sanitary services, with a wider role for community organizations and the private sector.
- Promote the establishment of centralized waste disposal facilities and contaminated garbage disposal dumps.
- Undertake awareness creation on issues related to urban cleanness and environmental sanitation.
- Promoting the use of ventilated improved pit-latrines [VIP] especially in rural areas.
- Enhance inter-sectoral collaboration in dealing with sanitation problems.
- Encourage the use of economic incentives, pricing and costing methods to encourage efficient use and disposal of water.
- Put into place and enforce rules and regulations that provide incentives for urban cleanness and penalize polluters, and recognizing the roles of municipal and other urban authorities in collaboration with law enforcement agencies in enforcing the rules and regulations.

5.4 Encourage Information and Information Technology

The Vision's policy on information and information technology is to ensure that information technology services are provided in a liberalized and competitive manner to all economic and social sectors such that the collection, organization, retrieval and dissemination of information and data meets timely requirements and utilization.

The Vision long-term objectives for information and Information Technology [IT] are to:

- Ensure the provision of adequate, sustainable, high quality and efficient IT services in all sectors of the economy at reasonable cost using the relevant contemporary technologies.
- Develop a reliable IT infrastructure to ensure service integration nationally and globally.
- Encourage and stimulating the progressive participation of the indigenous private sector in the development, ownership and operation of IT services.
- Make information and data a truly principal tool for socioeconomic management by establishing efficient information and statistical data systems that give policy makers and other stake holders information that can be relied upon, and
- Modernize information networks at all levels [macro, sectoral, regional, district, community and at individual's levels].

5.5 Provision of Adequate and Sustainable Habitat

The Vision's policy on the provision of adequate and sustainable habitat is to remove all habitat problems and improve the management of urban and rural population growth. Adequate shelter means adequate privacy, adequate space, physical accessibility, adequate security and security of tenure, adequate lighting, heating and ventilation, adequate basic infrastructure, including water supply, sanitation and waste management facilities, suitable environmental quality and health related factors. The provision of adequate shelter for most of the people requires actions by all sectors of society, including the government, private sector, nongovernmental organizations, communities and local governments.

The Vision's long-term objective on provision of adequate and sustainable habitat include to:

- Enable people to obtain shelter, and to protect and improve dwellings and neighbourhoods so that every Zanzibari will have adequate shelter that is healthy, safe, secure, accessible and affordable.
- Increase access to adequate and affordable habitat, with particular focus on rural areas through supporting rural and urban housing development schemes.
- Enhance the provision of housing services in the rural and urban areas.
- Promote locally available, appropriate, affordable, safe, and efficient and environmentally sound construction methods and technologies.
- Raise the level of research and development of locally available, appropriate, affordable, safe, efficient and environmentally sound construction methods and technologies for low-cost housing construction.
- Ensure transparent, comprehensive and accessible systems in transferring land rights and legal security of tenure.
- Improve the provision of basic infrastructure and services like water, sewerage systems, electricity and access roads to the allocated land.
- Construct low-cost modern houses for transferring to the people at affordable costs.
- Encourage the establishment of housing banks that may provide adequate housing loans at affordable rates.
- Work with the private and non-profit sectors, community based organizations and other actors to provide adequate shelter for people belonging to disadvantaged groups.
- Promote and support self-help housing programs and initiatives, and
- Adopt policies ensuring that persons with disabilities have access to new public buildings and facilities, public housing and public transport systems.

6.0 CROSS CUTTING ISSUES

6.1 Special Groups

The Vision's policy on the development of special groups is to enhance opportunities for, and protection of vulnerable and disadvantaged groups as orphans, the physically, mentally and psychologically disabled and old people who are destitute.

The Vision's long-term policy objectives on the development of special groups are to:

- Extend development opportunities to vulnerable and disadvantaged groups.
- Assisting individuals or disabled groups of people to cope with disability.
- Promote research and compilation of data and information on disadvantaged population in a systematic and continuing manner; make proper use of research results for effective planning and implementation of social services' programmes for various disadvantaged groups and people with disability.
- Advocate participatory roles for private enterprises, people's organizations and the community in collaboration with the private sector, in skill development and promotion of quality of life of people with disabilities and other disadvantaged groups.
- Increase the opportunities for providing prisoners appropriate basic services including vocational training during and after the imprisonment period.

6.2 Women

The Vision's long-term policy on the development of women is to ensure them equal access to the opportunities that improve their socio-economic status or that engender full participation in the development process.

The Vision long-term policy objectives on the development of women are to:

- Empower people of both gender and all ages to fully participate in the development process.
- Remove gender bias in access to resources, participation in decision making and ownership of property.
- Ensure equal access to education and employment at all levels, recognize and respect women's dual roles in production and reproduction.
- Reduce women's workload by adopting fair divisions of labour and applying appropriate and affordable technological innovations.
- Improve the position of women in society, increase their opportunities to become partners in decision making in economic, social and political activities, and in all levels of governance.
- Enhance opportunities for the formation of women's groups to promote education, training, skills development and equal rights to employment.
- Provide women legal rights to own property and obtain credit.
- Adopt appropriate technologies for relieving women of the drudgery of domestic and agricultural chores.
- Encourage women to undertake training in management skills, negotiation techniques, entrepreneurship and community leadership.
- Review laws and regulations to eliminate all forms of gender based discrimination and impose severe penalties for sexual and other offences against women.

6.3 Youth

The youth have an important role to play in the development of the country. The Vision's long-term policy on the development of the youth is to address specific youth employment problems and design a workable framework for generating decent and productive employment for them: the framework focused on four pillars, namely; Employment creation, Employability, Entrepreneurship, and Equal opportunity for young men and women and those young persons with disabilities. Equally important are Vision's long-term policies to address teenage pregnancy and risks associated with HIV and AIDS.

6.4 Children

The Vision's long-term policy on the development of children is to enable all children to have full access to quality education, quality health and water services and nutritious food, all of which are crucial for their future healthy and productive lives.

The Vision's long-term policy objectives on the development of children are to: Develop an efficient and systematic process for protecting safety of children based on concerted efforts by the public, private sector, religious and non-governmental organizations.

- Strengthen the capacity of households and communities in providing health care and schools' care to children.
- Reducing infant mortality rates from 101 [1997] to 20 per thousand live births by the last year of the Vision 2020.
- Revise the existing laws and regulations that protect the interest of children and impose severe penalties for sexual and other offences against children.
- Promote the prevention and solution of drug abuse and crimes by children.
- Improve Maternal and Child Health [MCH] services.

6.5 Climate change and Sustainable Environment Management

Abject poverty and rapid population growth puts pressure on the environment resulting in the increase in energy use and scarce resource. This has contributed to several adverse consequences that include accelerated soil erosion, fuel wood scarcity, high rates of evaporation, and climatic change, all of which have affected productivity in agriculture and related activities. While Tanzania's carbon dioxide emission over the period 2000-2007 has remained at 0.1 far below our benchmark of 4.6 in Low middle Income Countries, there is need to sustain this low trend as it is fundamental to attaining quality of life by 2020.

Climate change has had adverse impact on agriculture and that Zanzibar needs to take measures to minimize such impact; specific mention on required measures

was efforts to reduce deforestation, protection of water catchments and ensuring and tourism are undertaken in a sustainable manner and for the benefit of all Zanzibaris.

Among the new challenges for Zanzibar in the next 10 years will be balancing industrialization without significantly increasing emission levels. Zanzibar has an ample chance to take advantage of special grants under the UN climate change facilities to benefit from conservation of environment initiatives and support to modernize production and transport technologies.

The Vision's long-term policy on environment is the conservation and protection of the environment, rational and sustainable utilization of natural resources. It is envisioned that sustainable economic development should be accompanied by proper environmental management so that Zanzibar's natural resources and natural heritage are passed on to future generations.

The Vision's long-term objectives on environmental protection are to:

- Promote life quality that is socially desirable, economically and environmentally sustainable.
- Ensure that environmental resources and values are integrated with development objectives for maximum contribution to the long-term socio-economic development.
- Increase economic efficiency in environmental management and natural resources' use in a manner that ensure environmental sustainability.
- Ensure that industries' effluent and other by-products do not cause unacceptable damage on natural resources; and
- Encourage sustainable and equitable use of resources for meeting the basic needs of the present and future generations without degrading the environment, health and safety.

6.6 Disaster Prevention, Preparedness and Post Disaster Rehabilitation Capability

The impact on people, their properties and settlements of natural and human-made disasters is becoming more pronounced. Disasters are frequently caused by vulnerabilities created by human actions, such as unplanned urban settlements, lack of infrastructure and the occupation of disaster-prone areas. The impacts of such disasters and emergencies may be severe in Zanzibar as prevention, preparedness and response capacities are not in place for dealing with such emergencies. Occurrences like cholera that affect mostly women and children require the active role of women in disaster planning and management. Similarly special programmes need be taken at appropriate levels of central and local governments, in partnership with the private sector in collaboration with the community groups to put into place disaster preparedness and response capacities. Likewise, national and international co-operation networks may facilitate access to specialist expertise that can help build capacities for disaster reduction and provide early warning for all impending disasters.

The Vision's long-term policy on disaster prevention, preparedness and post disaster rehabilitation capability is to put into place the most efficient and effective disaster preparedness systems and capabilities for post-disaster response in all relevant places and also involve entities such as insurance, social security institutions, non-governmental organizations, community based organizations, and scientific communities in disaster prevention and response activities.

The Vision's long-term policy objectives on disaster prevention, preparedness and post disaster rehabilitation capability are to:

- Enhance prevention, preparedness and response capacities against natural and human made disasters at all appropriate levels, including central and local governments, in co-operation with such entities as insurance, non-governmental organizations, community based organizations, and scientific communities.

- Promote and encourage all parts of society to participate in disaster preparedness planning in such areas as water, food storage, fuel and first aid, and in disaster prevention through activities that build the culture of safety and cleanness.
- Encourage continued mobilization of domestic and international resources for disaster reduction activities.
- Ensure the participation in disaster planning and management of all stakeholders, including women, children, the elderly and people with disabilities.
- Establish a comprehensive information system that identifies and assess the risk involved in disaster-prone areas and establish reliable communication channels and response decision-making capabilities among the actors in pre-event disaster management and preparedness activities.
- Recognize, support and facilitate the role of all internationally recognized institutions and their member national societies in disaster prevention, preparedness and response at domestic and regional levels.

6.7 Creation of Employment

The Visions' long-term policy on the creation of employment is to generate high and sustainable levels of employment in the modern and informal sectors. It is envisaged that by the year 2020, the economy should ensure that there is work for every Zanzibari who will be seeking productive work, including people with disabilities. Gradual transformation of social and economic sectors is necessary to enable tourism and free economic zones to employ 50 percent, the agriculture sector constitute 20 percent and all other sectors to retain 30 percent of all employed people. To generate high employment opportunities in the urban and rural areas, it is important to institute macro-economic policy and framework that can promote and extend investment projects and economic infrastructures in the areas of high potentials with emphasis on sustainable tourism, restructuring agricultural production techniques, modernizing fishing industry and strengthening domestic and international trade sectors.

The importance of the informal sector as a source of self-employment opportunities and ability to absorb increasing number of people coming into labour market should be recognized by establishing networks of specialized small-scale industries in the rural areas.

The Vision's long-term policy objectives on creation of employment are to:

- Generate employment through private and community based investments in tourism, free economic zones, specialized industries, fishing and agriculture, and through public and private investments in economic and social infrastructures and services sectors.
- Provide institutional framework and support for effective coordination in employment promotion.
- Identify sectors and areas of high employment potential and propose ways of increasing employment in these areas.
- Provide an enabling environment for local and international organizations to participate effectively in employment promotion.
- Develop effective manpower and training policies which will provide freedom of choice of employment for each worker to qualify and suit their skills in a job for which one is qualified.
- Identify and elaborate on the status and roles of government, private sector, society in general, NGOs, local and foreign donors in promoting and sustaining employment.
- Integrate employment policies with policies for reducing poverty, for education and health and for empowering those belonging to the disadvantaged and vulnerable groups.
- Stimulate productive employment opportunities that generate income sufficient to achieve an adequate standard of living for all legible people while ensuring equal employment opportunities for women, people living in poverty and those with disabilities.
- Ensure quality jobs that safeguard the rights and interests of workers, including prohibition of forced child labour, freedom of association, and the right to organize and bargain collectively.

- Promote timely access of the unemployed to education and vocational training.
- Foster economic policies that have positive impact on the employment and income of women workers in both the formal and informal sectors and adopt specific measures to address women's unemployment.

7.0 PROMOTION OF GOOD GOVERNANCE AND THE RULE OF LAW

The Vision's long-term policy on promotion of good governance and capacity building is to improve and strengthen the systems of governance by creating the capacity for the government to effectively play its planning and regulatory role in influencing the allocation of resources in the public and private sectors, in a liberalized market environment and a truly democratic and pluralistic society. Accountability and transparency are imperative in order to prevent corruption and ensure that available resources are used for the benefit of all people.

The Vision's long-term objectives on promotion of good governance and capacity building include:

- The provision of a legal and administrative framework necessary for enabling different players to participate fairly and effectively so that conflicting interests are mediated.
- Ensure an efficient public sector that is accountable, transparent, and responsible and respects the rule of law.
- Promote decentralization and empowerment of local governments and communities and facilitate mobilization of human, financial and material resources to effectively carry out community-based programs.
- Make governance an instrument of promoting development, equity, unity and peace.
- Attack corruption at its roots and ensuring that appointees to top political, government and parastatal leadership positions are ethically clean people and therefore mobilize public participation in war against corruption and other vices in society.
- Encourage and support participation, civic engagement and the fulfillment of governmental responsibilities by putting into place institutional and legal frameworks that facilitate and enable broad-based participation of all people and their community organizations in decision-making and in the implementation and monitoring of policies and programmes.

8.0 PROMOTION OF PEACE AND STABILITY

The Vision's long-term policy on promotion of peace and stability is to enhance peace and stability as a necessity tool for social, economic and political development. This entails striking a balance between conflicting and complementary needs for change on the one hand and peace and stability on the other.

The Vision's long-term objectives on the promotion of peace and stability are to:

- Create the mechanism for national consensus on crucial national issues of constitution, politics, economic and social character.
- Involve all the people in both the direction and process of change. Equal right to participate in national affairs is paramount.
- Forging social, political and religious tolerance.
- Regulate and discourage individuals' actions which are an affront to other members of the society or which adversely affect their private rights.
- Renew and strengthen people's self confidence and pride.
- Demand high ethical standards from business groups and strictly enforcing laws which punish departure from such ethical standards; and
- Promote good citizenship by enabling civil society to grow and thrive.

9.0 PROMOTION OF NATIONAL COHESION AND INTEGRATION

Zanzibar's society has generally demonstrated peaceful and tolerant attitude towards ethnical differences be it on race or religious.

For centuries the society and its culture has been shaped by a fusion of diverse cultural and ethnic background influenced by its people coming from African origin, Comorians, Arabs, and other Asians especially from the Indian Sub-continent. The religions such as Islam, Christianity, Hindu and Bhudim have been practiced with exceptional tolerance.

Until recently, Social - political tensions in Zanzibar have mainly evolved around geo-ethnic characteristics than religions. The Zanzibar of the future, need to endure more unity, cohesion and ethnic tolerance and respect.

Targets and Implementation for National Cohesion and Integration

Zanzibar needs to overcome these challenges and develop a united Zanzibar through sustainable national stability, harmony, cohesion and integration which envisaged overall objective in achieving peace, political stability, good governance, integrity, national unity and social cohesion.

The targets for national cohesion and integration should include:

- i. Developing public aptitude and understanding that Zanzibar's is one community facing common challenges, having shared responsibility and enjoying common opportunities;
- ii. Developing, adopting and practicing common national values through which people identify themselves nationally and not their ethnic, religious or political affiliation;
- iii. Developing national cohesion and integration programmes;
- iv. Developing national consensus on adherence and preservation of unity

10.0 THE VISION 2020 GUIDING FRAMEWORK

The vision presupposes sustained development and a greater ability to respond better to the needs of the majority of the population. The achievement of the Vision 2020 have to be realized as a continuing process over a period of twenty years, by creating an enabling environment for the participation of all the people and all sectors in the country for monitoring and evaluating of development efforts.

The realization of the development goal depends upon successful implementation of the proposed policies and strategies that address the challenges. The implementation should be founded on societal and political pillars. The former necessitates developing an informed society that is characterized by professionalism, integrity, absence of corruption and ethical leadership which are necessary for positive aggressiveness, preservation of good cultural values and discouraging inappropriate behaviors. The political pillars, on the other hand, signify of tolerance of diversity of ideas emanating from distinct cultural ethnic and social backgrounds in the country. Also, these pillars symbolize harmony between ruling and opposition parties in association with vibrant civil service that is free of political citizenship. These, however, need rule of law and political consensus on important national issues including Union matters and national debts.

Two sets of strategic approaches are needed to attain the objectives and targets of the Vision 2020. The first strategy is the establishment of good governance and strategic alliance between the people and the government through collaborative and participatory efforts of all parties in the society. The second strategy is the reform of and sustenance of institutional capacity which consist of, among others, mobilization of the Zanzibar society to change the modalities of social organization, coordination and interaction for development.

Good governance presupposes guaranteeing of freedom, human rights and equity, and the settlement of conflicts through peaceful means. In this context, it is important to institute mechanisms of a non-partisan for organizing nation-wide discussions, consultations, and dialogue among various groups in society on the Vision. This implies that the Vision must be truly shared so that it derives capacity and fosters mass commitment.

The Vision must have an in-built check and balanced mechanism to enhance clarity, enthusiasm, communication and commitment.

This requires the integration of functions, area approach, and participation of all stake-holders and improvement of the public agencies' efficiency at the central level, particularly in human, capital and natural resource management.

The implementation strategies require an appropriate institutional framework to mobilize people's diligence, stimulate creativity, galvanize diverse efforts, recognize and reward performance. The underlying principles of such an institutional framework are to harness the power of the market in allocating resources consistent with the Vision, strike an appropriate balance between state and other institutions [e.g. family, business enterprises, and civic organization] and empowerment to realize effective participation in development.

In the Vision's context, the provision of appropriate institutional framework would involve:

- Establishing an efficient way of disseminating information and involving the people in determining the future of Zanzibar. Peoples' participation should be in the form of popular democratic politics that enriches the information base for the appropriate design and implementation design and implementation of development programmes in strategic manner.
- Forging strong strategic alliance between the state and other socio-economic agencies including the private sector, civil servants, trade

unions, business associations, local governments, community-based organizations, and households. Each part needs to objectively understand the dimensions of development in the Vision as well as the corresponding responsibilities and commitments that the concerned part has to play.

- Putting into place the decision making mechanism which should empower and instill in the people sense of owning development dimension happening in their areas. In this context the desired institutional framework must entertain and encourage political pluralism, democratic culture and values as well as a democratic system that involves a wider spectrum of the society in deciding on major issues and changes in the nation.
- Striking an appropriate balance between, on one hand, development pursuits, cultural considerations, basic needs and on the other hand, the preservation of the natural environment for current and future generations.

There is a need for having development indicators suitable for the monitoring and evaluation of holistic development. Society must be empowered to monitor the conduct of administration on the basis of identifiable indicators which would be stipulated in the development plans and programs of action. The society should be sensitized to use the mechanisms at its disposal [e.g. elections] to demand accountability of the administration in managing the implementation process and gauging the extent to which the development goals of the Vision are being realized. Finally, successful realization of the Vision 2020 needs to be facilitated by reviewing the legal and institutional framework to proper the progress towards the realization of the Vision.

10.1 Monitoring Indicators for Good Governance and the Rule of Law

Zanzibar does not have a firm framework for monitoring the performance of good governance. It is therefore crucial that indicators for good governance and the rule of law be developed and monitored to assess progress in this area. The Government has already identified some indicators for assessing the performance of good governance and the rule of law. These are shown below. Most of these will be assessed through survey instruments, may be once every two years.

Goal	Target	Indicators
2. Good Governance and the Rule of Law	1. Desirable moral and cultural uprightness	1. The level of trust in the community: people can be trusted
		2. Alcoholism as a serious community problem
		Total cases filed
		Cases that were concluded
		Cases that remained unconcluded
		No. of Juvenile cases
	2. Strong adherence to and respect of the rule of law	3. Number of cases filed on infringement of human rights
		4. % who agree that a husband is justified in hitting or beating his wife for a specific reason
		1. % of court cases outstanding for two or more years
		2. % of prisoners in remand for two or more years compared to all prisoners in a given year
		3. % of detained juveniles accommodated in juvenile remand homes
		4. % of cases of sexual abuse reported that resulted in a conviction
		5 (a). Number of cases of crimes

Goal	Target	Indicators
		reported: Court of appeal
		5 (b). Number of cases of crimes reported: High Court
		5 (c). Number of cases of crimes reported: District Court
	3. Absence of corruption and other vices	% population who report having to pay a bribe to a politician or a public servant to obtain a service
		6. Number of corruption cases convicted as % of number of investigated cases sanctioned for prosecution by the DPP

These initial indicators can later be expanded to include those which will allow comparison between Zanzibar and other countries, especially Low Middle Income countries. But capacity to do that should be built first through home grown indicators shown in the table above.

11.0 THE VISIONS' WAY FORWARD

Deliberate efforts will have to be made to publicize the vision to all stakeholders in rural and urban areas and to people of all walks. This is an important move if all Zanzibaris are to be owners of this long-term development framework. As said in the preamble

A vision is a DREAM. People/countries who have a vision control their destiny and lifestyles; people/countries without a vision have their destiny and lifestyles controlled by others. The Vision must therefore be inspiring enough to galvanize an organization, or as in this case, Zanzibar for unison in her concerted effort towards achieving her ZDV 2020 aspirations. For that purpose, the ZDV 2020 must be broadly shared, and relevant to all of her stakeholders. Within limits of feasibility, a vision ought to paint a mental picture substantially different from the status quo in order to capture the imagination of the larger population and attract them to participating in its pursuit. A vision must create a sense of urgency for united actions; otherwise it will run out of steam within a short time after commencement of implementation.

The Vision reflects a shared purpose of all the people of Zanzibar and constitutes a bond that holds Zanzibaris as a people determined to build a better future. The Vision is protected by law to ensure continuity in the journey towards a middle income country.

If you can see the Invisible you can achieve the impossible; hence the reason why this Vision is ambitious.

The revisited Vision 2020 will be operationalized through two five-year Zanzibar Strategies for Growth and Reduction of Poverty (MKUZA) and their respective five year implementation plans. It is important to emphasize the point that **this Vision is not only for the government. Zanzibar development Vision 2020 is a shared purpose of and for all the people of Zanzibar.** Although the government will be there to lead, guide, help plan and advice on public investments which will be needed for planned projects, all stakeholders, individuals, communities, NGOs and business entities have a role to play in these developments.

The government will organize Smart Partnership National Dialogues under the theme “Zanzibar 2020 –Making it Happen” Local stakeholders/investors and people from all sectors of society including our young population and professionals should come together with foreign partners to discuss and give their input on the kind of roadmap that will be needed to realize planned projects as soon as possible.

Similarly, regular investment forums will be another opportunity for investors to come together and give ideas on how best they think planned projects should be carried out, the various constraints and challenges they foresee so that adjustments can be made to ensure that everything goes well. Every individual, communities, business and public institutions need to constantly remind themselves on how their work contributes towards achieving the aspirations and objectives of the ZDV 2020.

11.1 Institutional ownership of the Zanzibar Development Vision 2020

The implementation of the ZDV will be entrusted to an institutional framework, which will be responsible to ensure that all stakeholders in all sectors and at all levels, private and public, understand and own the aspiration of the vision.

The implementation of the Vision strategies and plans will be supported by the following institutional framework: The Planning Commission will, apart from providing strategic thinking and advice to the Government should also play a pivotal role in coordinating, monitoring and evaluating all strategies, programmes and plans geared toward achieving the aspirations of the Vision. The PC will advise on mobilization and management of financial resources for implementation of development plans;

- The Ministry responsible for finance will continue to mobilize financial resources and ensure optimal allocation in attending to identified priority areas of the Plan; and
- Within Government, MDAs, Regions and LGAs will remain to be the change and implementation agents of the Vision.

- The private sector and other NSAs will play a bigger role in the implementation of the development plans designed for the Vision, and PPP framework will be promoted where required.
- In order to ensure commitment and timely delivery of results, the RGoZ will introduce institutional “Performance Contracting” programme as described above.

**ALL WRITTEN AND SAID,
THE IMPORTANT THING NOW IS FOR ALL ZANZIBARIS TO “TAKE
OWNERSHIP OF THE VISION” BECAUSE IT IS TOGETHER WITH ALL
PARTNERS AND SECTORS OF THE SOCIETY TAKING PART AND
WORKING IN UNISON, THAT IT WILL BECOME A REALITY.**

IT CAN BE DONE, PLAY YOUR PART.