

**REVOLUTIONARY GOVERNMENT
OF ZANZIBAR**



ZANZIBAR POVERTY REDUCTION PLAN

**PROGRESS REPORT
FOR THE YEAR 2003**

May, 2004

List of Acronyms

ACS	Aid Coordination Study
ADB	African Development Fund
AKF	Aga Khan Foundation
BADEA	Arab Bank for Africa Economic Development
CAG	Controller and Auditor General
CBO	Community Based Organization
CCM	Chama Cha Mapinduzi
CEA	Country Economic Analysis
CECAFA	Confederation of East and Central African Football Association
CEDAW	Convention on Elimination of All forms of Discrimination Against Women
CFAA	Country Financial Accountability Assessment
CPA	Country Procurement Assessment
CS	Clove Study
CSO	Civil Society Organization
CUF	Civic United Front
DoE	Department of Environment
DFID	Department For International Development
EFR	Economic and Financial Reforms
EIA	Environmental Impact Assessment
GAVI	Global Alliance of Vaccine and Immunization
GDP	Gross Domestic Product
GER	Gross Enrolment Ratio
GGR	Good Governance Reform
ha	Hector
HBS	Household Budget Survey
HIV/AIDS	Human Immune Viruses/Acquired Immuno Deficiency Syndrome
HMIS	Health Management Information System
HoR	House of Representatives
IDA	International Development Agency
IHRR	Institutional and Human Resource Reforms
IPDP	Integrated Population and Development Program

LGR	Local Government Reform
MoANREC	Ministry of Agriculture, Natural Resources, Environment and Cooperative
MCH	Mother and Child Health
MDG	Millennium Development Goals
MDM	Medico Del Mundo
MoCAGG	Ministry of State (PO) Constitutional Affairs and Good Governance
MoHSW	Ministry of Health and Social Welfare
MoFEA	Ministry of Finance and Economic Affairs
MoRASD	Ministry of Regional Administration and Special Departments
MoYEWCD	Ministry of Youth, Employment, Women and Children Development
MRC	Madras Resource Centre
MTEF	Medium Term Expenditure Framework
NEMC	National Environmental management council
NGO	Non Governmental Organization
NGORC	Non Governmental organization Resource Centre
OCGS	Office of Chief Government Statistician
OPEC	Organization of Petroleum Exporting Country
PADEP	Participatory Agricultural Development Empowerment Project
PER	Public Expenditure Review
PHC	Primary Health Care
PHCC	Primary Health Care Centre
PHCUs	Primary Health Care Units
PIU	Program Implementation Unit
PLHA	People Living with HIV/AIDS
PSD	Program Support Document
PWD	People With Disability
RGoZ	Revolutionary government of Zanzibar
SME	Small and Medium Enterprises
SMOLE	Sustainable Management of Land and Environment
SPFS	Special Program for Food Security
STI	Sexual Transmitted Infections
TASAF	Tanzania Social Action Fund
TAPAC	Tanzania Parliamentary Aids Committee

TBA	Traditional Birth Attendant
TSED	Tanzania Social Economic Database
UNESCO	United Nation Educational and Scientific Organization
UNFPA	United Nations Funds for Population
UNICEF	United Nations Funds for Children
URT	United Republic of Tanzania
UWZ	Umoja wa Walemavu Zanzibar
VAT	Value Added Tax
VCT	Voluntary Counselling and Testing
WHO	World Health Organization
YFF	Youth Friendly Facility
ZAC	Zanzibar Aids Commission
ZACP	Zanzibar Aids Control Program
ZAFICO	Zanzibar Fisheries Corporation
ZAYEDES	Zanzibar Youth, Education, Environment and Support Association
ZEC	Zanzibar Electoral Commission
ZGGSP	Zanzibar Good Governance Strategic Plan
ZNCCIA	Zanzibar National Chamber of Commerce, Industry and Agriculture
ZNSP	Zanzibar Nutrition Support Program
ZPRP	Zanzibar Poverty Reduction Plan

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EXECUTIVE SUMMARY

Zanzibar has been implementing a number of programs and projects through her Poverty Reduction Plan (ZPRP) prepared and launched way back in 2002. This is the second year of the Plan implementation (2002-2004). ZPRP provides measures to decrease income poverty, through rural farming, fishing and other income generating activities, enhance the survival and well being of the population as well as to contain extreme vulnerability. The non-income poverty strategic measures aim at raising human capacity, survival and improving the social well - being.

Zanzibar is an impoverished island economy with an intrinsically weak resource base and susceptible to external shocks. The current level of capacity of the civil service and the over optimal size of the wage bill are also significant constraints, which despite the government's commitment to their resolution are liable to remain in the short term.

In Zanzibar, any attempt to measure the current poverty status in terms of poverty ratios is beset by problems related to the paucity of statistical data on poverty. Going by income per capita, the 2003 Economic Survey had indicated a slight increase from USD 259 in 2000 to an average of USD 269 by end of 2002. The prevalence of informal sector employment, lack of employment for youths and school leavers, lack of credit for business and prevalence of poor housing indicate the existence of income poverty. Non- income poverty manifests itself through high vulnerability and struggle for survival as well as low human capabilities.

In the process of implementing ZPRP, the government has initiated a number of review and intervention with support from Development partners. These are like:

- Public Expenditure Review (PER),
- Medium Term Expenditure Framework (MTEF)
- Country Financial Accountability Assessment (CFAA)
- Country Procurement Assessment Report (CPAR)
- Country Analysis (CA)
- Clove Industry Study
- Local Government Reform

- Good Governance Reform, and many others;

There has been a progressive improvement of the economy over the years, where Gross Domestic Product (GDP) of Zanzibar had registered a healthy level of growth in the last three years. The average GDP growth rate was 9.0 percent in 2001 declining slightly to 8.0 per cent in 2002, and ultimately to 5.0 percent in 2003.

Currently, agricultural sector continues to be the lead growth sector despite the fact that its contribution to GDP has declined from over 43 percent in early 1990s to 23 percent in 2000, rising to 25 percent in 2001 and finally declining again to 21 percent in 2003. This structural change is due to the increased contributions from service sectors, including Trade and Tourism (16% (2003), public administration (18% (2003) , and transport and communication (8%)in the same year.

Clove prices have been accelerating downwards compared to the 1990s. The price of cloves in the external market has averaged USD 1800 per ton in 2003 compared to around USD 2,450 per ton at the beginning of 2000. The fall in world market price has affected farmers income where produces price had declined from Tshs 3,000 per kilo to almost Tshs 1,200 per kilogram. Similarly the price of another cash crop, seaweed has remained low, hardly at Tshs 80 per kilogram, a price that generates very little income to farmers.

Prudent fiscal and monetary policies have led to decreased inflation rate from 8.3 percent in 2000 to 3.0 percent in 2001 but rising to 5.2 in 2002. Nevertheless preliminary figures for 2003 indicate a much higher rate of 9.0 percent at the end of 2003, and this could be due to a prolonged drought in the country, which have resulted a low local production of food, and hence an increase in food and other commodities imports. The price of imported goods has come up to be higher, thus inflating the prices of most goods. Similarly the depreciation of the Tanzanian Shilling against the US dollar has intensified the matter.

Domestic resource mobilization has improved following tax administrative reforms that included broadening of the tax base, combating tax evasion, strengthening tax collection procedures and enhancing institutional capacity through minimizing tax exemptions and allowances. A prudent policy such as the Government's cash budget system where expenditure must tally with revenue has improved efficiency in budget management.

Other measures include establishment of expenditure ceiling committee that meet every month to allocate funds in line with expected revenues, discouraging public sector borrowing from domestic financial institutions. The adoption of MTEF to Ministries, Departments and Agencies (MDAs) will improve budget management and accountability and the introduction of a central payment system for salaries, wages and other benefits to eliminate fictitious payments and determine the actual wage bill.

Investment under private sector has continued to grow by an annual average of 12% between the year 2000 to 2003, thus improving an overall national output to the economy. The government has created a policy environment, conducive to private sector expansion and sustainable economic development.

Under Zanzibar Poverty Reduction plan priority sectors have been accorded as

- **Education.,** whose overall objective under ZPRP is to provide relevant and quality education at primary and secondary levels as well as adult education targeting the poorest groups.
- **Health,** where the ministry of Health and Social Welfare assumes total responsibility to provide and regulate health care and social welfare services for the people of Zanzibar, at the same times improve the health status and well -being of the people of Zanzibar with particular attention to women and children).
- **Agriculture (including** livestock, fisheries and forestry) whose overall goal is to create an enabling environment for improving agricultural productivity and profitability, for improving farm incomes, ensuring household food security and reducing rural poverty.
- **Infrastructure (with particular emphasis to Feeder roads and energy,)** has the main challenge of rehabilitating the existing roads, expand the road network at the same time ensure sufficient, and affordable energy resources to all the people in rural and urban centers
- **Water and sanitation,** whose goal is to ensure adequate, affordable and economically accessible and sustained water supplies to all people and sectors using environmentally

sound water resources management technologies for continued social and economic growth and development.

- **Democracy and Good governance** is aimed to build and promote sustainable culture of governance in Zanzibar, through political governance, administration of public sector and economic governance.
- **Gender** issues are to be mainstreamed into policies and program at district and national levels, implement and enforce gender sensitive policies, programs and laws related to gender violence, sexual reproductive rights for adolescents and on the interrelation between HIV/AIDS and gender and similarly support women entrepreneur skills development and their access to credits.
- **Combating HIV/AIDS** in directing efforts towards preventing any further spread of the virus and mitigate its social and economic impacts.

All priority sectors had also implemented a series of activities as planned in their budgets. A comprehensive Monitoring and Evaluation system was put in place during 2003, to cater for the need for facilitating the review of both quantitative and qualitative performance of the ZPRP implementation. The institutional set up as agreed recently is in place and it comprises of four major Technical Working Groups, coordinated by a SECRETARIAT. The groups are;

- ✓ Censuses, Surveys, Routine data and Community based Management Information System Technical Working Group
- ✓ PER/MTEF and Stakeholder Technical Working Group.
- ✓ Research, Analysis and Advisory Technical Working Group and
- ✓ Information Education and Communication Technical Working Group.

Members of technical Working Groups are drawn from different institutions both private organization, Government Ministries and NGOs. Their roles and responsibilities are clear and Focal Persons in each sector who are to provide data on the performance of their sectors and share with other technical Working Groups through Poverty Monitoring Secretariat are also in place.

Financing of the Plan

Having laid out a plan, the government had determined the cost for implementation of the plan for three years. The original estimates for financing the ZPRP was then estimated at US\$ 321.034 million and for the immediate action, it was to be US\$ 101.066 million. The funds were to be sort from external sources. At the same time the Government allocated funds from its budget to implement various poverty related development programs and projects.

During financial year 2002/2003, the Government had budgeted to spend a total of Tshs 98,112.0 millions. By the end of the year Tshs 63,359.2 millions (excluding Donor Funds)had been spent for both recurrent and development activities. Similarly for the year 2003/04, the Government estimated a total budget of Tshs 149,346.00 millions, of which Tshs 92,133.00 millions (63.4 percent) was targeted for recurrent expenses, while the remaining shs 53,272.00 million (36.4 percent) including external grants and loans for development projects.

By March 2004, a total of Tshs. 51,814.2 millions (excluding Donor Grants and Loans) had been released from Treasury to implement projects, programs and other recurrent activities.

CHAPTER ONE

1.0 Introduction

1.1 Preamble

The principle objective of this report is to examine the progress made in the implementation of the Zanzibar Poverty Reduction Plan for the year 2003. In undertaking this review, particular attention has been paid to the priority sectors. The analysis of the priority sectors will be based on examining the efficiency of these sectors in using the available resources to achieve their goals and reduce poverty. Despite the Revolutionary Government of Zanzibar (RGoZ) commitment to achieving the goals of the ZPRP, it needs to be remembered that Zanzibar is an island economy with a weak resource base and high susceptibility to external shocks. The current level of capacity in the civil service and the over optimal size of the wage bill are also significant constraints, which despite the government's commitment to their resolution are liable to remain in the short term. This progress report therefore, seeks to examine and evaluate the structural constraints that have impeded the implementation of the ZPRP. The way forward in terms of future poverty reduction programs and the effective implementation of reform programs will also be highlighted in this report.

1.2 Poverty status in Zanzibar

In Zanzibar any attempt to measure the current poverty status is beset by problems related to the paucity of statistical data on poverty. This analysis of the income poverty situation proceeds by giving a general overview using indicators from the 1991 Household Budget Survey. The survey revealed that 61% of Zanzibar's population had an income of less than US\$ 150 per year. Furthermore significant income inequality existed between Unguja and Pemba islands. The income of urban areas was also found to be significantly higher than that of rural areas.

The following human capacity statistics shows how Zanzibar fares in human development indicators:

- i) Life expectancy of an average Zanzibaris is 48 yrs.
- ii) Infant mortality rate is at 83 per 1,000.

- iii) The under five mortality is 377 per 100,000.
- iv) 32% of the population is illiterate.
- v) About 35.8% of children under five are stunted.
- vi) Gross enrolment ratio for basic education in 2003 was 89.5%.
- vii) Gross enrolment ratio for primary education in 2003 was 99.17%.

1.3 Official launching of the Zanzibar Poverty Reduction Plan

The Zanzibar Poverty Reduction Plan (ZPRP) was launched in May 2002 as one of the steps towards addressing the concerns and measures indicated in Vision 2020. ZPRP provides measures to decrease both income and non-poverty, to increase accesses to social services, to enhance the survival and well - being of the population and to contain extreme vulnerability.

The RGOZ recognises that weaknesses within the government systems are acting as a constraint on poverty reduction initiatives. To improve the effectiveness and accountability of public administration, the government has initiated a number of reviews and interventions with the support of the development partners. These include among others, the following diagnostic works/studies.

- Public Expenditure Review (PER),
- Medium Term Expenditure framework (MTEF)
- Country Financial Accountability Assessment, (CFAA)
- Country Procurement Assessment Review, (CPAR)
- Local Government Reform, (LGR)
- Clove Study
- Country Economic Analysis (CEA)

Three reform programmes were formulated based on these diagnostic studies and launched in May 2003. The reforms are;

- Economic and Financial Reforms
- Good Governance Reforms
- Institutional and Human Resource Reforms

The government has secured development partners funding through the UNDP (DFID), amounting to US \$ 9.6 million, to implement wide-ranging public sector reforms. A three years reform action plan has been prepared and being implemented.

A number of other studies such as Aid Coordination System, SME Development Policy Frame work, Private Sector Development and others have also been undertaken. The implementation of the PER and MTEF processes is expected to increase the predictive power of the budget by reducing the extent to which the resource envelope is overestimated. This should lead to increased synergy between budgeted and actual expenditure. The public expenditure review process will also increase the transparency of the government budgeting process and its execution. In the long term a more efficient budgetary process would lead to more efficient budget management.

1.4 Effects of the external shocks

Despite the government's commitment to the ZPRP, its implementation in 2003 was affected due to exogenous shocks/factors that assaulted the economy. The shocks significantly affected local communities. Clove farmers were particularly affected with the farm gate price of cloves falling from Tshs 3,500 per kilogram to Tsh 1,200 per kilogram last year. In 2003 Zanzibar also suffered a decline in tourism arrivals leading to over 1000 formal sector jobs being lost and large number of people engaged in casual tourist related activities facing a significant reduction in income. Tragically, the government of Zanzibar lacked adequate funds to mitigate the impact of these shocks. Therefore local communities had to absorb the full impact of the shocks.

CHAPTER TWO

2.0 Overall Progress in the Implementation of the ZPRP

2.1 Macroeconomic Progress

The Gross Domestic Product (GDP) of Zanzibar has registered a healthy level of growth in the last three years. The average GDP growth rate was 4.0 percent in 2000 rising to 8.0 per cent in 2002, and slightly declined to 5.0% in 2003. In value terms, GDP at nominal prices, has grown up from Tshs. 221.4 billions in 2001 to Tshs. 282.7 billions in 2003. The per capita income had also increased marginally from USD 259.0 (2000) to USD 269.0 in 2003.

Currently, agricultural sector continues to be the lead growth sector despite the fact that its contribution to GDP has declined from 23 percent in 2000 to 20.0 percent in 2003. Service sectors including administration comes second with a contribution of 18% in 2003, while trade and tourism shares 14 percent in the same year.

2.2 Price and Inflation

The prices of goods and services to consumers especially in urban areas have been unstable for the past 5 years. The inflation rates had increased from 0.7% in 1999 to almost 6.7% by end of 2000. The favorable weather of 2001 managed to stream down the rate to 3.2 percent, before hiking again to 5.2 at end of 2002. However, the 2003 draught coupled with other local agricultural production factors had resulted a further increase in the rate. By end of 2003, the rate of inflation was recorded at 9.0 percent, a figure unexpectedly higher than predicted. This high rise in prices is largely fuelled by increase in prices of imports and the depreciation of the Tanzanian Shilling against the US dollar. The most important issue in terms of poverty reduction is the rise in food prices. In 2003, the prices of non-food items grew by 1.4% whereas food prices grew by 9%.

Prices, inflation and monetary policy in general are factors that are of great significance for the livelihoods of the poor. This is because the changes and trends in prices impact the aggregate performance of the economy, but more importantly, price changes determine the ability of the poor to purchase their basic necessities.

2.3 Fiscal Policy and other financial measures

Budgetary performance has been improving in nominal terms overtime. Domestic resource mobilization has improved following tax administration reforms that included broadening of the tax base, combating tax evasion, strengthening tax collection procedures and enhancing institutional capacity through minimizing tax exemptions and allowances. Despite all these measures, the volume of domestic revenues so collected is still not adequate enough to finance all recurrent and development budgets of the government.

Other measures include establishment of expenditure ceiling committees that meet every month to allocate funds in line with expected revenues, and discouraging public sector borrowing from domestic financial institutions. The adoption of the Medium Term Expenditure Framework (MTEF) process of budgeting is aimed to improve budget management and accountability and the introduction of a central payment system for salaries, wages and other benefits to eliminate fictitious payments and determine the actual wage bill.

2.4 Capital Formations

With regards to capital investment, the 2002 economic survey has revealed that the rate of capital investment has increased by 33.2% from the initial value of Tshs. 23,116.46 million in the year 2001 to Tshs. 30,796,98 million in 2002 (in current prices). The largest areas have been those of sea transport, tourism and the construction of residential houses. Investment in land development and road construction had increased by 24.1 per cent from Tshs. 7,524.81 million in 2001 to Tshs. 9,336.94 million in 2002.

2.5 Private Sector Development and involvement in ZPRP implementation

Investments under private sector have continued to grow, thereby making a substantial contribution to the country's economic development. The major private sector promotion agencies have registered an increase in investments in their respective entities. ZIPA had recorded total investments of USD 21.38 millions, while EPZ had recorded investments of USD 67.24 millions in 2003, while Free Port had registered a total of six companies with import goods worth USD 4.40 millions. The government has created a policy

environment, conducive to private sector expansion and sustainable economic development.

Private sector is described as a partner in combating poverty and to improve the well-being of the people. Therefore, the ZPRP places strong emphasis on strengthening public private partnerships in the design, implementation and monitoring of strategic interventions.

Support for micro, small, and medium enterprises (SMEs) takes on a central role towards the achievement of goals set out in ZPRP. The plan distinctly lists agro processing including fish, fruit and vegetable, forestry and other livestock processing, tourism and manufacturing as priority sectors for SME. Private sector believes that development of domestic and international trade is required to bring the products and services produced in other sectors to markets, but private sector need to be supported. The development of the private sector is still constrained by various factors which affect the start up, survival and growth of SMEs and the private sector in Zanzibar in general. There is still need for the Government to further improve the business environment and create favourable conditions for investments.

Zanzibar Investment Promotion Agency (ZIPA)

ZIPA was established in 1988 to promote and mobilize local as well as foreign investors. During the period from January to December 2003 a total of 9 new projects with capital investment of USD 21.376 million were approved. These projects are of agriculture (1), hotels and tourism (6) while business and other services (2). By the end of 2003, ZIPA had already mobilized project worth USD 185.891 millions. The sectors in which a significant number of projects have been invested are hotel and tourism (62 percent), manufacturing (12 percent), agriculture and livestock (12 percent) and others (14 percent). In order to attract more foreign investments, ZIPA in collaboration with BOT and OCGS has undertaken an investment survey to enable the government and ZIPA to better understand the types of investment preferred by foreign investors.

Zanzibar Free Economic Zone Authority (ZAFREZA)

This authority was officially created in 1992 with the purpose of developing three estate areas. These areas are those at Fumba, Micheweni and Aman Industrial Park. So far, it is

only Amani Industrial Zone that has some few industrial units that produce goods for export. For the period of 12 months of 2003, the authority has been supervising a total of seven operating industrial centers and two proposed centers with a combined capital value of USD 68.591 millions and employing 307 workers.

Zanzibar Free Port Authority (ZFPA)

The Zanzibar Free Ports Authority is responsible for promoting trade through importation and exportation of goods from abroad under the free port procedures. By December 2003, there were already six (6) companies operating under ZFP Authority.

These companies had import goods worth USD 182.859 millions and had exported goods worth USD 111.317 millions. In totality, the companies had made a local sell of goods worth USD 0.359 millions generating a revenue to the government totaling Tshs 228.741 millions.

2.6 Funding Status of the Zanzibar Poverty Reduction Plan

Donor and RGOZ priorities appear to be closely aligned if the amount of money disbursed to different Line Ministries is used as an indicator of the priority given to each sector.

The ZPRP commits the government to increasing funds to the priority sectors such as health, water, education and others. The ZPRP also acts as a guide, illustrating to donors, the sectors that they should disburse funds into. This section seeks to examine the extent to which the ZPRP has been adequately financed by the Government as well as Development Partners.

2.6.1 Domestic funding of the ZPRP

Since the advent of the ZPRP the RGOZ has strived to increase the amount of funding to Line Ministries equated with the priority areas. Line Ministries equated with the priority sectors have received an increasing percentage of the total resource base since the launching of the ZPRP. This suggests that the budget has been increasingly priority sector orientated, even if the majority of the increase in expenditure has been driven by the salaries and wages component of the budget.

Priority sector ministries that received significant shares of actual total expenditure in 2002/2003 and 2003/2004 were the Ministries of Education (24%) and Health (8%). Overall Line Ministries that are equated with the priority sectors received nearly 46% of the total resource envelope

2.6.2 Constraints on the domestic financing of the ZPRP

The government is faced by a number of constraints that currently limit its ability to adequately fund the priority sectors. These constraints are:

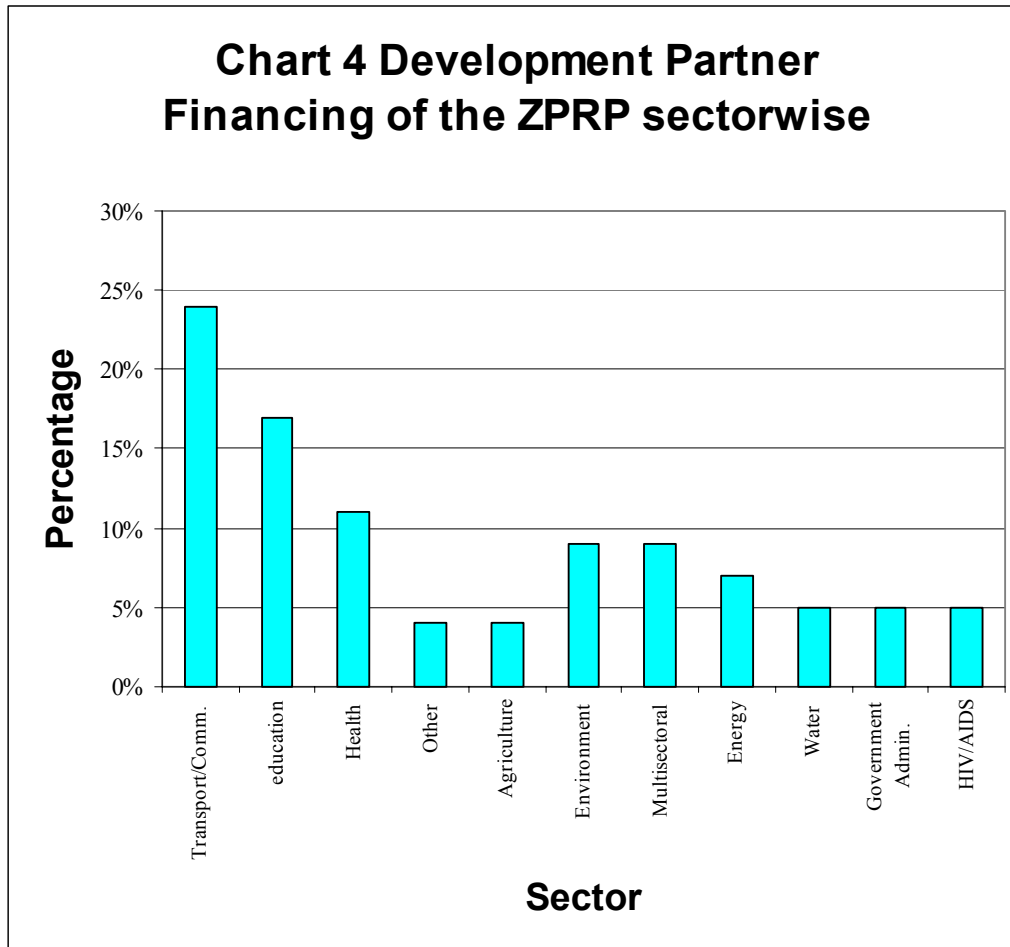
- The small size of the domestic resource base. For the year 2003, per-capita domestic revenue has averaged 45.4 dollars. Costing of the health and education sector illustrate that the amount of funding needed to provide basic services in these two sectors under review amounts to over 46 dollars per-capita.
- The susceptibility of the economy of Zanzibar to exogenous shocks. (Import duty and VAT on import regularly contributed over 25% to domestic revenue). This means domestic revenue is very much depending on the volume of international trade.
- The extent to which an over-optimal wage bill absorbs domestic revenue. Almost 60% of the recurrent budget is used for salaries and wages, although the Government is committed to reducing this proportion to a reasonable level in the coming years
- NGOs have been receiving a substantial amount funds from donor community in the implementation of several rural and village projects.

The vast majority of development expenditure is disbursed to Line Ministries, which can be equated with the priority sectors. The following ministries all receive a significant proportion of development expenditure: Ministry of Communication and Transport (37 percent, Water, Energy, Construction and Lands (19 percent, Education Culture and Sports (18 percent) and Health and Social Welfare (11percent).

2.6.3 External Funding of the ZPRP.

The sectoral distribution of all existing grant and loan agreements is seen to increase annually. The priority sectors are receiving the vast majority of external financial

assistance. The Sectors of Transport and Communication (24 %) Education (17%) and Health (11%) are all receiving significant amounts of aid flows. Other sectors that receives significant aid flows are such as good governance issues, finance and administration, and HIV/AIDS epidemic. The aid flows to administrative sectors are principally supporting the three government reform programs that were distilled from diagnostic work closely related to the ZPRP.



2.7 ZPRP linkages with TSED

In collaboration with National Bureau of Statistics – Tanzania (NBS), and other development partners, UNDP, UNCEF and other UN agencies, the Office of Chief government Statistician (OCGS) has adopted a comprehensive socio economic database the Tanzania Socio Economic Database (TSED) by incorporation some Government Ministries/department as data providers and users. TSED is an indicator and database administrator system that facilitates systematic storage and analysis of performance

indicators. It contains tools for the generation of tables, graphs, report and maps and it allows grouping of indicators in different frameworks.

The OCGS made efforts to make sure that social and economic data for Zanzibar are centralized and therefore makes it much easier to retrieve and distribute to national as well as lower administrative level data useful to monitor poverty reduction.

The main objective of the TSED is to enhance availability and timely dissemination of socio-economic data in order to support policy analysis and decision making of the government, development partners and the Public. TSED will be used as a monitoring tool for ZPRP.

2.8 Development of Indicators

The indicators for monitoring the ZPRP have been developed in seven clusters. These clusters are the national cluster, the Unguja Cluster, the Pemba cluster and the five (5) regions each clusters in order to localize ZPRP. The process was participatory and involved different stakeholders from various sectors and areas. MDG targets and ZPRP ones are closely linked and both require the same kind of information for monitoring. The core sets of their indicators are derived from national level surveys and censuses. During the indicator development process therefore, the Millennium Development Goals have been incorporated, so that monitoring ZPRP also monitors MDGs. The process of developing indicators will go down to the shehia level so as to produce a participatory monitoring system from below.

2.9 Globalization and poverty reduction initiatives

Globalization is defined as the rapidly increasing complex interactions between societies, cultures, institutions and individuals worldwide. It is usually taken to mean the increasing density of economic integration among countries.

Globalization has major implication for the national economic and social policy development options, national culture and sovereignty, equality and marginalization in the global economy.

Zanzibar has low density in telephones, underdeveloped infrastructures, undeveloped financial markets and instruments. It lacks adequate institutions, coherent laws and regulations to attract the flow of capital, among others. These make this country benefit less in the process of globalizations. The marginalization of Zanzibar in terms of investment flows manifests itself in the low level of foreign direct investment (FDI).

Other characteristics of the Zanzibar economy are such as depending on few export commodities, with low level of processing, lack of export diversification, low technological development and inflexibility in adapting to changing market forces. These factors have led the country to be marginalized in international trade.

2.10 The impact HIV/AIDS on the implementation of ZPRP

HIV/AIDS is one of the major development concerns of the government of Zanzibar. The effects of it is significantly impeding the efforts to reduce poverty and undermining the improvements already made in social welfare. The results of population-based survey that was carried in Zanzibar in 2002 shows a prevalence rate of 0.6 percent in sub population groups, implying that around 6,000 people live with HIV in Zanzibar. Nearly 500 AIDS orphans have been registered with NGOs dealing with HIV/AIDS so far. This poses a major threat to the country's labour force. The impact is felt in all the sectors indiscriminately. HIV/AIDS diverts resources away from socio-economic development thus undermining the government efforts in implementing the ZPRP.

CHAPTER THREE

3.0 MAIN SECTORS OF ZPRP AND THEIR LINKS TO NATIONAL POLICIES

The current ZPRP has a three years life span from 2002 – 2005. The high priority sectors for ZPRP are;

- Education.
- Health.
- Agriculture (including livestock, fisheries and forestry)
- Water and Sanitation
- Trade, Industry and Tourism
- Transport and Communication (feeder road, marine and air)
- Energy and alternative source (electricity, solar and wood fuel)
- Good Governance

Other priority sectors under ZPRP are;

- Gender,
- HIV/AIDS,
- Environment.
- Human Capital Development,
- Population,
- People with disability

3.1 Education

Education is a key sector to ZPRP implementation. The overall objective of ZPRP in education sector is to provide relevant and quality education at primary and secondary levels as well as adult education targeting the poorest groups.

The education policy addresses the tackling of quality education and training. The strategy used is improvement in access and quality to both formal and non-formal basic education through:

- Improving and establishing vocational training centers.
- Decentralized education system

- Involvement of the private sector in the provision of education services.
- Review of the Education Master Plan.

There are three main specific objectives in this sector:

- To raise primary school enrolment and attendance ratios.
- To improve the quality of education in rural and urban school.
- To develop curriculum, that is responsive to the need of primary school pupils and primary school leavers.

In the event of implementing these objectives, communities are fully involved in the construction of schools in their localities. Private sector plays a significant role in the provision of education at all levels, pre- primary, primary, secondary as well as tertiary education. A good number of private schools were opened since the launching of ZPRP.

In order to achieve minimal needs of the education system since launching of ZPRP, two important areas are targeted:

i. Improving access to and quality of education for the poor and socially excluded.

The main thrust of this strategy is to improve education prospects for the poorer groups which emphasis on:

- Improving school buildings, teacher supervision and training, provision of equipment and facilities.
- Enhancement of quality schools.
- Defining a policy for higher education.

ii. Integration of education with the world of work.

This involves the development of the necessary institutions and curriculum with special emphasis on new skills including the development of adult literacy to help assist in poverty reduction programmes.

3.2 Health Sector

There is a link between poverty and health. Poverty reduction will require not only the sound macroeconomic policies that will create suitable environment for economic growth, but also provision of basic social services including health care services. To any human

being ill health threatens not only the increase of mortality and well being of sufferers and their relatives but also the economy of the individuals and the country. Health care therefore assumes high priority in poverty reduction.

The main objective of Health and Social Welfare sector is to improve the health status and well-being of the people of Zanzibar with particular attention to women and children. The sector is designed to provide services ranging from preventive, curative and rehabilitative services. The health sector is geared towards developing a health sector that can provide good quality of health services to the communities with particular emphasis to women and children.

3.3 Agriculture

Agriculture remains the mainstay of Zanzibar economy, contributing about 21% of the GDP (2003). A comprehensive agricultural policy in line with ZPRP is already in place. The overall objective of the agricultural sector is to increase productivity in terms of food and cash crops, livestock keeping, fisheries, and forestry at the same time achieving a national and household food security.

Thus the overall agriculture sector goal is to create an enabling environment for improving agricultural productivity and profitability, for improving farm incomes, ensuring household food security and reducing rural poverty. To achieve this goal, ZPRP has identified the followings as strategic areas of interventions for increased agricultural productivity and hence reduction of poverty:

- Improving the marketing system for agricultural inputs and outputs.
- Increasing productivity in agriculture and fisheries and ensuring food security.
- Promoting sustainable development and management of natural resources.
- Strengthening management and organization for the agriculture sector

3.4 Water and Sanitation

The overall objective of the water and sanitation sector is to improve water supply and sanitation systems that are capable of supplying rural and urban communities with safe water and meeting hygiene and sanitation requirements.

The RGOZ has put emphasis in the supply of clean and safe water, and about 60% of the rural and urban population is enjoying the clean and safe water. The Donor community has shown interest to assist Zanzibar in water supply schemes throughout Unguja and Pemba. Similarly the water sector is sensitizing communities in their respective areas to participate towards implementing water supply projects.

3.5. Trade, Industry and Tourism

The broad objective of this sector is to create a competitive manufacturing and trading sector, which is geared towards for economic diversification in order to ultimately alleviate poverty. The sector is aimed to provide opportunity for further participation of the private sector. The fundamental goal is to equip and facilitate this sector in building its capacity, create better working environment and institute legal and institutional framework for the enhancement and expansion of its activities. The tools to be used are the National Trade policy, Promotion of Small and Medium Enterprises (SMEs) and Private Sector Involvement and Development.

Zanzibar has a strong determination to develop tourism as an economic sector to provide foreign exchange earnings, creating employment opportunities, stimulate local economy and diversify the economy. The Government of Zanzibar firmly believes that tourism as a vital socio-economic development factor can participate effectively in empowering people of Zanzibar to successfully manage their life and has a say on the course of their development. This can be implemented through the Zanzibar National Tourism Policy and the Indicative Tourism Master Plan for Unguja and Pemba.

The Tourism Policy emphasizes on responsible tourism, which adopt principle of eco-tourism. It discourages any type of tourism that does not conserve and improve the environmental matters and welfare of local people.

3.6 Infrastructure

3.6.1 Road Transport

The road sector aims at developing, expanding, rehabilitate and improve the road network, sea and air transport systems. ZPRP views this sector as extremely important in terms of assisting other sectors of the economy such as transporting agricultural produces and people from rural to urban areas and vice versa

Under ZPRP, the emphasis has been put on safe, reliable and all weather road network, at the same time integrate it to the tourism zoning areas and productive rural areas.

3.6.2 Communication

Communication system is an important element towards economic and social development of the country. Since its privatization, this sector has pulled in a number of investors in the development of telecommunication system in the islands. By the year 2003, there were four private mobile telecommunication companies spreading throughout Unguja and Pemba. The services have increased accessibility to rural areas in terms of communication services.

3.6.3 Energy

Energy, specifically electricity, fuel and wood are the major social and economic Component to the lives of Zanzibaris. Zanzibar gets its electric power from Mainland Tanzania for Unguja, and from diesel generators for Pemba. Similarly for rural people the Common source of energy is kerosene for lighting and fuel wood for cooking. Nevertheless the rural electrification going on will enable many of the rural people have access to this service, and minimize the use of kerosene and firewood. Hence the broad policy to the energy sector is to research for cheaper energy sources at the same time conserve forests resources.

3.7 Good Governance

In order for Zanzibar to be a corruption free zone, it needs to have a comprehensive system of good governance. The elements of democratic governance require efficient managed public services, controlled government financial resources, regulatory institutions and participatory development for the majority of people. In this respect, good governance becomes a major pillar of poverty reduction that leads towards stable political government.

3.8. Gender Promotion

The ZPRP has taken into account the promotion of gender issues in terms of access to the opportunities that improve socio-economic status. In promoting gender issues, several plans were made which include

- Integration of gender concerns in development policies and plans.
- Increasing female access to secondary and tertiary education and improving their performance.
- Increasing women's access to basic social services.
- Increasing women participation in key posts in the administration and in political representation.

3.9 HIV/AIDS

Attempts to tackle HIV/AIDS are in the Government's Poverty Reduction Plan (ZPRP). The goal is to prevent further spread of virus and mitigate its social and economic impacts.

Recognizing the magnitude of the need to address the HIV problem, the House of Representatives institutionalized the legal basis of Zanzibar AIDS Commission. This was deemed necessary because of the multi-sectoral nature of the epidemic.

In the House of Representatives, an NGO (UWAKUZA) has been formed to act on issues of HIV/AIDS. This is an initiative from the members who want to actively take part in the war against the spread of HIV/AIDS

3.10 Environment

The major environmental issues include declining soil fertility, deforestation, over grazing; soil erosion pollution due to Agro- chemicals, and unplanned human settlements, which occupy the limited arable land. In addition to that, there are problems of coastal erosion due to over-fishing, mangrove cutting (for firewood, charcoal and building poles) and sand mining near the shores. Other environmental problems are pollutions from domestic solid wastes, sewage and garbage disposal, destructions of fresh water ecosystems, and threats from water born diseases due to expansion of irrigation. The government is well prepared to tackle these problems in collaboration with the community surrounding the areas.

3.11. Population

The need to have a Zanzibar Population Policy emerged in 1995 after going through the National Population Policy and examining its relevance to the Zanzibar situation. Finally Zanzibar Population Policy was prepared and is now being implemented.

This policy will synchronize with the sectoral policies that are in place and create coherence in its implementation. Since government and non-government organizations play major roles in addressing population issues, this policy will define the roles to be played by both parties. In addition, the policy will put into consideration the implementation of the International Conference for Population and Development (ICPD) Programme of Action.

The presence of an integrated and specific population policy for Zanzibar would provide strong benchmark as well as linkages in developing Government missions and visions for various development policies and plans including the overall Development Vision 2020. This policy could also provide basis for implementing various Government development objectives aimed at reducing poverty and raising the living standard of the people

3.12 People with Disabilities

The government in collaboration with all associations of people with disabilities is taking measures to ensure that people with disabilities enjoy their rights and are not discriminated in all spheres of life.

The Association of people with disabilities in Zanzibar is focused on five main programs which include community based rehabilitation, advocacy, training and income generating, membership development, management and administration.

CHAPTER FOUR

4.0 SECTOR IMPLEMENTATION PROGRESS

4.1 EDUCATION

4.1.1 Overview of the Sector

Zanzibar is committed with Dakar Framework of Action and Millennium Development Goals of attaining Universal Basic Education for All by the year 2015. These global commitments aim at empowering the poor including the women on their fundamental human rights, such as education, development and protection. It is based on tackling the problems of quantity and quality of education and training.

4.1.2. Planned Programs

The sector outlines the following programmes:

- Improvement of access, retention, quality and relevance in both formal and non-formal basic education.
- Improvement of teacher's professional development, support and conditions of services.
- Improvement and establishment of technical/vocational training and continuing education.
- Education decentralization in regions, districts and local community.
- Promotion of private education and training at all levels.

4.1.3 Progress and achievement

The progress made during the year 2003 is summarized as shown below:

Improving access to and quality of Education

a) Strengthening of primary education:

- Private and community participation in the provision of primary education has increased where Gross Enrolment Rate has raised from 98.1% in 2002 to 99.1% in 2003.
- The period 2002/03 experienced high repetition rates of the order of 7% for boys and 5% for girls. The average dropout rates per grade by gender were still high around 4% for both girls and boys between grades 1-5. They are high between grades 1-10 at around 7% for boys and 8% for girls.
 - The Pupils - Teacher Ratio is 33:1 at basic level while the transition rate from 1st cycle to 2nd cycle has reached 40.1% in 2003.

- A total of 369 classrooms were constructed and fully equipped in collaboration with various development partners (ADB/SIDA/OPEC Fund).
- Different partners had supplied 4,379 desks, 402 tables and 402 chairs to different schools.
- New Mwanakwerekwe “C” school is under construction.
- Construction and rehabilitation of Nkurumah Teacher Training College.
- Textbooks for STD IV and V are now in publishing stage.

b) Teachers’ training

- The number of trainees in Grade IIIA has increased from 922 in 2001/02 to 1,455 in 2002/03 of whom 1,169 (80%) are females. The number of in-service trainee teachers through distance education in Grade IIIA reached 357 of whom 234 (66%) are females.
- 630 teachers of whom 369 (58%) are females were trained in Pedagogical Development of Primary Education on Activities Based Teaching, while 307 teachers of whom 157 (51%) are females were trained on the use of New Primary Syllabus for STD V and VI.

c) Adult education

- Number of classes for adult education has increased from 329 in 2002 to 411 in 2003.
- Number of professional development centres in various disciplines (i.e. Law, Accountancy, Carpentry, Domestic Science, etc) have increased from 21 in 2002 to 38 in 2003 with enrolment of about 4,414 students.
- Number of students enrolled in alternative education classes has increased from 71 in 2002 to 333 in 2003 of whom 240 (72%) are expected to join formal cycle/system.

d) Young people participation and Life Skills

- 88 peer educators were trained in both Unguja and Pemba on life skills.
- Students in 98 schools had benefited in counseling services for young pupils.
- 500 caps and T-shirts with HIV message were distributed to sportsmen and sportswomen during the CECAFA under 19 tournaments.

- Revision and review of pupils' textbooks and teachers guide for the Moral Ethics and Environmental Studies (MEES) topics in the carrier subjects.
- Two dialogue meetings in two districts of Micheweni and North A were conducted to sensitize communities on the importance of girls' education and the problems that they face.
- 16 school committees were oriented on child-friendly school concept.
- Training manuals for special education were developed.

e) Alternative Education/Vocational Training

- Two skills development centres for vocational training have been designed, while the alternative learning centre is under construction at Mwanakwerekwe.
- Project Implementation Unit (PIU) at Unguja and Documentation centre at Pemba, are under construction.
- Rehabilitation of Mwanakwerekwe Skills centre.
- Sensitization workshop on Business Incubator Programme with different stakeholders has been conducted in August 2003 and a number of recommendations were put forward.
- A meeting was conducted to discuss the Draft Terms of Reference for Zanzibar Education Sector Committee and Task Force on Education, which will address issues of access, quality and relevance of education in Zanzibar within a new policy.

4.1.4 Financial Implementation

In 2002/03 a total of Tshs 80.00 million were allocated as government contribution to support various activities while Tshs. 139.030 millions and Tshs 1,420.45 millions had been contributed by various development partners to support ZPRP activities in the education sector. The Government had also allocated a total of Tshs.275.00 million as Government contribution for development budget for the years 2003/04; while development partners had promised to contribute a total of Tshs. 5,030.70 millions as grant and Tshs. 1,000.00 millions as loan.

4.1.5 Lessons and Challenges

The major lessons and challenges that faced the education sector on implementing ZPRP for the year 2003 were:

- Delay in Government contribution led to low fulfillment of the programs/activities as scheduled.
- Overcrowded classrooms in most of the schools.
- Great number of pre-service teacher trainees at Teacher Training College compared to the space available. This has led to lack of teaching competency to the trainees where by practical works became limited.
- Limited number of teachers who can use child-centered approach in teaching.
- In adequate child-friendly environment in learning.
- High illiteracy rate among adults.
- Limited number of technical staffs in quantity survey, architect and draftsmen.
- A new college or expansion of the existing Teacher Training College in-terms of infrastructure, library and laboratory equipments is required.
- Facilities, materials, funds and transport should be provided in order to achieve the planned targets and to make follow up to the trainees.

4.1.6 The way forward

- Government financing on education should be increased from 13.6% (2003/04) to at least 20% of the total Government expenditure.
- The Ministry should continue to mobilize the community in constructing more classrooms.
- More emphasis should be placed in improving quality of education.

4.2 HEALTH

4.2.1 Overview of the Health Sector

Health is an important component to human life. Malaria is the leading cause of morbidity and mortality in all health facilities in Zanzibar. Fifty percent of all outpatient attendance is due to malaria. Case fertility rate is ranging between 2.5 – 5% (MOHSW 2003). Mortality attributed to malaria is 50% in children under five years of age (ZMCP 2002). Furthermore in Zanzibar, between 30 -50% of children under five years are anaemia and the case fatality rate for severe anemia is reported to be 16%. Other health problems

commonly reported in hospitals are malnutrition, acute respiratory infections, diarrhea, hypertension, diabetes and pneumonia.

Immunization services have been carried out through special program of immunization (EPI). The prominent immunizations provided include Polio, measles, tetanus, BCG, whooping cough, diphtheria and Hepatitis B. The immunization coverage showed to differ from one antigen to another.

Private sector participation in the provision of health care services is very important. Private dispensaries and hospitals have been operating since they were legalized in 1993. However the contribution of the private sector in the provision of health services is still minimum as large proportion operates in town areas.

4.2.2 Planned Programs

For the year 2002/2003, Health and Social Welfare Sector planned to implement a number of activities in the following programs

- MCH and Reproductive Health Programme.
- Procure and supply of Drugs and other medical supplies.
- Staff training and other capacity building program
- Private sector participation in curative and preventive services.

4.2.3 Progress and Achievements

MCH and Reproductive Health.

- Equipment, materials and training for health workers and TBAs on MCH and reproduction health services were provided through UNFPA support
- Ambulance facilities were also provided to hospitals and PHCC.
- Routine immunization services against measles, diphtheria, tetanus, polio, whooping cough and BCG were provided in all PHC Units and MCH Clinics. Immunization coverage is about 86.3%.

Drugs and other medical supplies

- Drugs and other supplies for these programs were received from GLOBAL FUND, ADB, WHO, UNICEF and government.
- Availability of drugs and medical supplies improved after receiving first consignment of drugs from MSD (Dar es Salaam) through DANIDA support.
- Seven more 1st line primary health care units were upgraded to become 2nd line primary health care units

Staff training and capacity building program

- A good number of medical personnel were trained in and out of the country to expand and upgrade their skills.
- Salary increased for all medical personnel
- Special scheme of service for medical personnel continued to function
- More doctors and nurses were sent to Pemba to overcome the shortage of staff problem.
- North A, North B, Urban and Central districts health management teams were trained in the areas of planning and management.

Greater private sector participation in curative and prevention services

- About 78 private dispensaries and 3 hospitals provide health services in Zanzibar. NGOs like ZAYEDES, Medicos Del Mundo, Lion club, Impact international U.K., Swedish Rotary Club etc have participated to provide health services.
- Some NGOs provide reproductive health services and advocate family planning methods to the community.
- Study conducted and draft document available.

4.2.4 Financial Implementation:

In 2002/2003 funds received from Government to the Health Sector was Tshs 358.50 millions equivalent to 60.6% for Recurrent expenses, and Tshs 101.00 millions was received for Development Projects, equivalent to 50.5% of the planned budget. Donor community had promised to contribute a total of Tshs 746.00 millions to support development activities.

4.2.5 Lessons and Challenges

Lessons:

- The health status to any society is a useful indicator of human development and the poverty level.
- Health care services provision is not the concern of the government alone, but should involve other stakeholders, (private sector, NGOs, development partners and community).
- Malaria still remains the major cause of mortality and morbidity in Zanzibar.
- Inadequate medical supplies especially drugs and equipment.
- Inadequate qualified medical personnel in hospitals, PHC centers and PHC Units.
- Family planning has not been accepted by large population in Zanzibar
- Inadequacy of funds to purchase drugs and medical equipment.

Challenges:

- The main challenge of the Health Sector is to improve the health status of the people of Zanzibar.

Other challenges that the Ministry should address to are:

- ✓ Improve financial input and support.
 - ✓ Improve availability of drugs and medical supplies.
 - ✓ Capacity building for various health cadres.
- Ensure health services are made accessible, equitable and according to the needs of all people of Zanzibar.

4.2.6 The way forward

For the year 2004/2005, the Ministry of Health and Social Welfare has planned to implement the following programs

Reproductive Health.

- Improve maternal and child health services and reproductive health services.
- Increase outreach of family planning services and advocacy.

Expanded Program for Immunization.

- Increase vaccination services to cover all under five children.

Drug Supply Programme for Health Facilities.

- Provide adequate and affordable drugs and other medical supplies to all health facilities.
- Introduce a cash and carry system to central medical store for drug revolving funds.
- Improve and strengthen the logistic system for drug supply.

Human Resources Development.

- Develop and initiate the implementation of Human Resources Plan.
- Update Personnel information System and Data Base Centers at all levels.
- Expansion and upgrading skills of sectoral heads and College of Health Sciences.

Mental Health Program

- Provide equipment and supplies for Mental Health Care.
- Develop and implement out reach activities in Mental Health.
- Provide Essential Drugs for Mental Health.

Construction and Rehabilitation of Buildings

- Construction of Mental Hospital at Wete, Children Ward at Mkoani, new maternity ward at Mnazi Mmoja Hospital, and staff houses in rural areas.
- Rehabilitation of Mwembeladu, Mental hospitals, Primary Health Care Centers & Units and Rehabilitation Center for Drug Abuse.
- Providing social protection by making available other social welfare services and benefits to the disadvantage and vulnerable groups with emphasis on the children, the aged, orphans and street children.
- Liaising with other sectors, NGOs, and individuals interested in taking care of the vulnerable groups.
- Reducing the number of persons involved in drugs and substance abuse and take care of those already affected.

4.3 AGRICULTURE (including livestock, fisheries, and forestry)

4.3.1 Overview of the Agriculture Sector

In Zanzibar, agriculture is a predominant economic activity accounting for an average of 21% of the GDP, (2003) and providing about 75% of the foreign exchange earnings. Roughly 70% of the total population derives their livelihood directly or indirectly from

the sector. Zanzibar agriculture is typically rain fed and reflects the type and distribution of soil and precipitation.

Food production is predominantly small scale and the major food crops are rice, cassava, banana, sweet potatoes, yams, beans and vegetables. Traditional subsistence farming is still widely practiced and agricultural imports (among other commodities) have increased at a faster rate than exports causing a steady deterioration in the balance of trade and foreign exchange reserves.

Livestock keeping is an important economic activity in Zanzibar, it contribute over 4% to GDP (2003). Majority of rural population subsist essentially on livestock and crop production.

Fish production is of great importance to the economy of Zanzibar. It employ about 20% of the total population and contribute significantly to the food security situation. It is the main source of animal protein for the people of Zanzibar, where the annual per capita consumption is estimated to be in the order of 21 kg. The fishing activities in Zanzibar are mainly artisanal in nature and are carried out in the inshore waters where potential annual catch is estimated at 50,000 tones.

4.3.2 Planned Programs

The following programs were planned for implementation in the year 2003.

- Undertaking a Feasibility Study for Agriculture Sector Development,
- Institutional strengthening and Capacity building,
- Conducting Agriculture and Livestock Census
- Formulation of the Zanzibar Irrigation Master plan
- Initiating a Special Program for Food Security (SPFS)
- Strengthening agricultural support services to rural farmers
- Supporting livestock development after tse tse flies eradication
- Forestry development and conservation
- Fisheries development and marine conservation
- Seaweed development.
- Post harvest handling and marketing of agricultural products
- Creation of awareness on HIV/AIDS.

4.3.3 Progress and Achievement

In the process of implementing ZPRP, various activities have been undertaken including projects and programmes have been implemented in order to achieve the envisaged poverty reduction objectives. Some of these activities are summarized as follows:

4.3.3.1 Feasibility Study for Agriculture Sector Development.

This study started in September 2003, and was planned to complete in April 2004. The FINTECS Consulting Firm of Egypt had been given this assignment, while BADEA is providing the financial support. The overall study objective is to identify potential areas suitable for both private and public investments for the overall improvement of the sector performance.

4.3.3.2 Institutional Strengthening and Capacity building.

As part of institutional strengthening and capacity building at national and local levels, various goods and services were procured, civil works construction carried out at Kizimbani and Matangatuani research and training centers, under IDA funded, National Agriculture Extension Project Phase II.

60 staff were trained in country and 72 abroad. A total of 8,200 farmers and fishers were trained on aspects of improved fisheries, crops and animal husbandry. Farmers were trained through organized Farmers Field Schools.

4.3.3.3 Agriculture and Livestock Census:

In order to improve the agricultural statistics for planning and investment purposes, a comprehensive Agriculture and Livestock Census was conducted in October, 2003. This important activity was jointly carried out by MoANREC, MoFEA and the Office of the Chief Government Statistician. Government of Zanzibar, UNDP provided the financial support in the exercise. The final results of the census will form the baseline for assessing the impacts of various interventions in the agriculture sector.

4.3.3.4 Formulation of the Zanzibar Irrigation Master plan

With the technical support of the Government of Japan through JICA, the Government of Zanzibar carried out a comprehensive study for the formulation of Zanzibar Irrigation Master plan. The 18 months study was completed in September, 2003 and 53 sites were

identified as suitable areas for small scale irrigation development covering about 8,000 ha in both Unguja and Pemba.

4.3.3.5 Special Program for Food Security (SPFS)

This programme of constructing irrigation infrastructure and strengthening farmers association was formally supported by FAO/WFP and was sustained in 2003. Farmers themselves took the lead in the rehabilitation of the irrigation infrastructure. The SPFS pilot phase was confined in four sites in Unguja (Mwera, Mtwango, Cheju and Kibokwa) and three areas of Pemba (Weni, Mangwena and Tibirinzi). The total area of all sites is 255.3ha. TASAF had joined in the rehabilitation of irrigation canal at Mtwango (1,500 m) and at Mwera (700m) and is developing 10 ha at Ndiyani for irrigation.

4.3.3.6 Strengthening agriculture services delivery system.

The participatory approach has been used to generate and disseminate improved agricultural innovations. Research activities have mostly been on- farm, carried out using Farmers Field Schools and Farmers Research Groups. With the on- farm adaptive research trials, various crops varieties were screened against growth performance, pests and diseases tolerance and yield performance. The performance of these varieties have encouraged contacted farmers to start adopting them in their fields.

In the area of soil fertility, The Soil Fertility Initiatives (SFI) was formulated to address problems of soil fertility and land degradation. Under SFI, farmers have been encouraged to adopt improved soil and land husbandry management practices. The focus has been placed on the promotion of crop rotational cultivation with legumes for improving soil fertility, use of minimum tillage/no tillage agriculture and the use of cover crops for soil fertility improvement and conservation.

4.3.3.7 Support to livestock development after tsetse flies eradication.

After tsetse-flies eradication, the Government has embarked on a programme of upgrading the indigenous cattle through Artificial Insemination (A.I) to improve dairy sector. This activity has been carried out together with improving livestock feeding and nutrition, pests and disease control and distribution of dairy cows through Incalf- Heifer Trust. The International Atomic Energy Agency and the OPEC Fund have been financially and technically supporting the programme. During the reporting period, a total

of 5320 cows were artificially inseminated and 108 incalf heifers distributed to farmers under the Incalf Heifer Trust Scheme. Also 160 farmers were trained on the preparation and use of mixed feeds for livestock. In controlling diseases 2,800 calves have been vaccinated against various diseases.

4.3.3.8 Forestry development and conservation

Throughout the year 2003, efforts were made to involve communities in forestry development and conservation. Community based afforestation programs have been encouraged and assisted to take the lead in tree planting as income generating activities and environmental conservation. Some of the achievements under this program includes high forests protection, endangered and rare species protection, improvement on community resource use management, forest revenue collection, linkage between conservation and development, capacity building to staff and community, establishment of Forest Development Funds and increased enforcement of forestry legislation.

Under the Forestry Conservation and Community Development Programme, 1,400,000 fruits and tree seedlings were raised, (80% of the target) of which only 23% were transplanted. 25 acres of new forestry areas developed (17% of the target) and 466 acres of forestry land managed (93% of the target). Efforts have been taken to include Jozani in Biosphere reserve network under UNESCO and also more work has been done toward improving attractions for eco- tourism development. Surrounding communities as key players in the conservation programme have been benefiting from the income generated from tourism. The Global Environmental Facility (GEF) has been fully supporting the Development of the National Park.

Clove Rehabilitation Programme has continued to focus on raising clove and other spice crops seedlings for distribution to government farms and to farmers. In 2003, a total of 300,000 clove seedlings and 30,000 of other spice crops were raised in government nurseries (100% of the target). However, due to failure of heavy rains only 21,000 clove seedlings were transplanted in the fields.

4.3.3.9 Fisheries development and marine conservation

The government has been supporting artisan fishers to increase their fish catch and income by providing them with improved fishing gears and equipment in the form of

credit and train them on better fishing methods. The recorded average fish catch for 2003 is 22,000 tones which is an increment of 9% over the recorded catch of 2001.

4.3.3.10 Seaweed Farming Development

Seaweed farming has over the last decade developed into a very important economic activity. In 2003, a total of 9,800 tons of dry products were produced and sold to local companies which generated a total of Tshs 790,000,000 to farmers and earned a total of USD2.00 millions from external markets. This production represents a 22.8% fall over the 2002 production volume. During the same period, 6,300 tons of dry sea weed products were exported.

In the effort to promote sea weed farming, plans are underway to liberalize to liberalize sea weed marketing to encourage effective competition and improve producer price. Dialogue with private sector and foreign investors has been initiated aiming at encouraging investment in sea weed processing. In collaboration with local companies, MoANREC conducted a number of trainings to sea weed farmers to improve sea weed production and quality products and to encourage them to grow cottoni variety which fetches higher prices in the world market.

4.3.3.11 Post harvest handling and marketing of agricultural products

In the area of post harvest technologies, farmers have been trained on products handling, storage and processing to increase shelf life and add value to agricultural products. The recent development to privatize the Zanzibar Fishing Corporation (ZAFICO), Rubber Plantation and Dairy Processing Plant will provide opportunities for employment and market for dairy and fisheries products.

4.3.3.12. Awareness Creation on HIV/AIDS pandemic

Increasing effect of HIV/AIDS poses a threat to the agricultural labour force. In complimenting the government efforts in fighting against this epidemic, the MoANREC has already appointed a focal officer to deal with and coordinate all HIV/AIDS issues in the Ministry. The HIV/AIDS education now is becoming part and parcel in agricultural extension services through farmer's field schools. Fishers who are highly mobile population are regularly given education on HIV/AIDS.

4.3.4 Financial Performance

The assessment of financial performance for the FY 2002/2003 and 2003/2004 reveals that agriculture sector has been accorded low priority in both government and donor funding. Funds allocated to the sector do not reflect the sector's importance in the economy, which contribute an average of 35% to the country GDP. For the FY 2002/2003, the government allocation to agriculture sector was less than 5% of the total government expenditure. Funds from donor agencies to implement development projects are still minimal comparing to sector needs and financial requirements. In 2002/2003, only US \$ 1,151,835 (69% of the commitment) was received. The donor commitments towards financing development projects for the year 2003/2004 is US\$1,699,239, which is 1.8% increase over previous year's commitments.

4.3.5 Challenges and Lessons Learned

Among the challenges facing agriculture sector are lack of initiative, lack of funds, low diversity and poor standards of farming and management. Other factors attributing to low sector development are:-

- Dependence on rain fed agricultural systems which makes production vulnerable to adverse rainfall patterns. Although Zanzibar has about 8,000 ha of potential irrigable area for rice production, only 400 ha is currently under irrigation.
- Limited mechanization, with most farmers dependent on hand hoe and other traditional hand implements for crop cultivation. Tractors may be hired by farmers for rice production on the seasonally allocated land and the use of ox-drawn tillage implements is not wide spread.
- Low credit facilities to farmers and fishers limit their ability to obtain and use modern inputs.
- Inadequate advisory support services, a result of agricultural research and extension activities being highly fragmented, inadequately funded, and often technically inappropriate.
- Limited involvement of the private sector in the procurement, distribution and sale of farm inputs has resulted into inadequate availability of inputs.
- Low government investment in the agricultural sector over the last decade.

- Inadequate market systems including poor storage facilities and lack of agro-processing industries, have contributed to farmers receiving low prices for their agricultural products.
- Complex land tenure system which is not well defined or understood, makes land users feel insecure over their user rights and unwilling to invest in long-term land improvements.
- Land degradation in the form of soil de-fertility, soil erosion, and water shortage are directly contributing to low crop yields.
- Poor genetic of indigenous livestock, prevalence of pests and diseases, inappropriate livestock management practices, inadequate nutrition, complete absence of research in livestock production, crippled extension services, poorly developed markets for livestock products, lack of awareness on processing of milk products.
- Chronic shortage of fishing supplies. The designs of fishing boats and fishing gears and the deficient fishing skills of the fishermen to meet improved fishing techniques prevent progress of the sector.
- Increasing effect of HIV/AIDS,
- Increasing land pressure due to population increase,
- Evidence of over-fishing in the territorial waters due to increased fish efforts,
- Effects of globalization, regionalization and conflicts in natural resources use and development.

Lessons learned

In the course of implementing various projects and programmes for poverty reduction, some important issues emerged are summarized as follows:

- The use of participatory approach in research and extension facilitates more easily the generation and diffusion of improved technologies in the farming and fishing communities and ensure sustainability of agricultural services delivery system.
- There is a need to support effective early warning to crops and livestock monitoring system and the continuation of research for drought resistant crop varieties.
- Adoption of appropriate water resources management including water harvesting for small scale irrigation.

- Encouraging formation of farmers groups and associations is a necessary step for improving farmers and rural producers access to technology, credit and market information.
- Wider private sector participation in agro- inputs supply and distribution is crucial for increased supply and availability of these inputs especially in rural areas.
- The implementation of poverty reduction programmes requires well trained and committed staffing. Capacity building is highly needed.
- Increased fishing efforts in the territorial waters cause over-fishing and ultimately resulting into reduced fish catch, income to fishers and degradation of fish breeding sites.
- Enabling fishermen to exploit deep-sea fishing to earn more income, in an effort to reduce poverty.

4.3.6 The way forward

As a way forward, MANREC is currently preparing the following projects that basically focus on poverty reduction:

1. Develop policy and regulatory framework for sustainable utilization of marine and coastal resources for livelihood development and poverty reduction,
2. Enhance increased farm productivity and profitability through empowering farmer's organizations to demand better services both from public and private sectors,
3. Fostering private – public partnership in agriculture services delivery through capacity building, policy reforms and implementation.
4. Encourage profitable on-farm investment through mobilization of groups savings and enhancing farmers and fishers access o formal financial services.
5. Encourage rural communities to effectively participate in developing strategic intervention in the agriculture sector through awareness creation and capacity building,
6. Encourage farmers through their associations to adopt appropriate water sources management including water harvesting for irrigated agriculture to increase agriculture productivity, production and farm incomes,
7. Encourage farmers to adopt agro-forestry and environmental conservation techniques for sustainable production particularly in the coral rag areas,
8. Mainstreaming gender in agriculture planning, and project/programs implementation and disseminating information on HIV/AIDS through the use of Farmers Field Schools (FFS), and Farmers Research Groups.

4.4 WATER AND SANITATION

4.4.1 Overview of the Sector

The Government recognizes the link that exists between poverty reduction and improved water supply and sanitation services. In the Zanzibar Poverty Reduction Plan, water is regarded as a fundamental component of the plan, hence receiving the due respect. Water is vital to health, life and socio-economic development of mankind. Good quality, and easily available water for domestic, agricultural and industrial use is an important ingredient for development.

Lack of effective water legislation, inadequate financial and other resources, inadequate institutional set up in the water and sanitation sector have together contributed to the unsatisfactory provision of water supply and sanitation services.

The implementation of water policy is in line with the Millennium Development Goals (MDGs) and World Summit on Sustainable Development (WSSD) target of halving by 2015, the proportion of people without sustainable access to safe drinking water and basic sanitation facilities.

4.4.2 Planned programs

Planned programs for the year 2003 were directed to:

- Imparting sanitary education through seminars, mass media and drama, as well as political campaign.
- Increasing the number of households with latrines and septic tanks through introduction of alternative construction materials and methods; establishing guidelines and rules for new houses under construction; providing training on community construction and uses of latrines and septic tanks.
- Improving existing solid waste disposal system in Zanzibar Municipality.
- Improving the exiting sewerage and drainage system.
- Rehabilitate and improve the Zanzibar Urban Water Supply.
- Rehabilitate and improve Wete Township Water Supply.
- Develop rural water supply schemes in Unguja and Pemba.
- Improve the institutional arrangements for water management.
- Promote community-based approaches to water supply.

- Building the capacity of districts to assist communities in the planning and management of water supply facilities.
- Demarcate and fence all protected water sources.

4.4.3 Progress and Achievements

Based on planned programmes for the year 2002/2003 towards the achievements of the specific objectives of the Zanzibar Poverty Reduction Plan (2002), the following activities related to water and sanitation sector have been implemented:

i) Development of water policy

The Water Policy has been developed and approved by the Cabinet on 31st December 2003. UNDP was fully supporting the Government in the preparation of the policy

ii) Urban and rural water supplies

Water Department statistics reveal that about 75% and 49% of urban and rural population respectively are served by improved sources of drinking water mainly through piped schemes. There has been an increase of 9% in the use of safe drinking water in rural areas over the period (2002-2003). During that period, a total of 12 sources (bore-holes) were drilled, new pipes of total length 141 km laid and 240 stand pipes were constructed for domestic use in rural areas. In urban centers, the situation looks gloomy, but measures are in the pipeline of drillings 6 new wells to enhance the Zanzibar urban water supply, and by constructing a new tank with capacity of 400,000 litres and rehabilitation of 7 (seven) km pipe network.

iii) Review of the existing Municipal refuse collection

The by-law of 1963 was updated in 2003.

iv) Involvement of the community in the provision of sanitation services within the Municipality.

The Zanzibar Sustainable programme in collaboration with Zanzibar Municipal Council organized meetings with community organizations (CBO) to improve the collection of solid wastes within the communities (like Mkele ward in urban area).

v) The institutional capacity building.

The following measures have been taken to improve the institutional capacity:

- The government has supported the Municipality in improving the collection of refusal wastes to the disposal site by supplying 6 lorries (of 7 tones each).
- Institutionalization of Zanzibar Sustainable programme with the attachment of financial and other technical professionals.

4.4.4 Financial Implementation

The Government had provided a subsidized amount to the Municipal council to cover its expenses.

For water sub-sector, the Government provided funds for both capital and recurrent expenditures. For the 2002/2003, the Government had contributed a total of Tshs. 635.75 millions for water projects while development partners had continued to be the major supporters in the implementation of community based water supply projects by contributing a total of Tshs. 990.00 millions Donor funds had mostly been used to purchase tools and equipment as well as payment to technical assistance services.

4.4.5 Lessons and Challenges

Lessons Learned

The followings are among the major lessons from water and sanitation sector:

- The existing systems are currently not meeting the present demands and will not cater for an increasing demands if deliberate measures in planning (updating), designing and implementing respective policy measures.
- Infrastructure such as pipes, tanks and water sources have been used beyond their limits, thus instead of providing services to the consumers satisfaction, they cause conflicts.
- Effective application and enforcement of the policy and legislation will slow and eventually reverse the deterioration of the water supply services.
- Communities are more committed to the demand responsive projects.
- Good coordination between the Ministry and other stakeholders is strongly needed for easy implementation.
- Community involvement is highly needed in water development programs.

- Adequate public health education, enforcement of the laws and up dated sanitation by-laws have resulted a change in behavior within the society resulting a good impact on sanitation issues.

Challenges

As far as water and sanitation sector is concerned, the following challenges are seen to persist.

- Inadequate solid wastes management system.
- Insufficient and poor drainage, inadequate water supply and poor sewerage infrastructure are caused by a rapid growth in population (3.1% per annum), rapid development of the urban areas and old and worn-out water network systems.
- Unrealistic tariffs, poor billing and revenue collection due to inadequate and realistic database.
- Shortage of qualified and experienced personnel coupled with shortage of working facilities.
- Modalities of involving the private sector in the provision of reliable and sustainable water and sanitation services.
- Lack of integrated water resources management plans.

4.4.6 The Way Forward

In order to achieve the targets set in the ZPRP there is need to consider the implementation of the following activities in phases based on the financial availability. However on water and sanitation sector, the followings are to be implemented as the way forward:-

- Update Water and sanitation legislations.
- Review the options for sanitary landfill and wastewater treatment plant and propose option for better implementation.
- Increase community participation and health education campaign through seminars, mass media, drama, leaflet etc.
- Involve the community based organizations and private sectors for provision of water and sanitation services.
- Increase number of households with latrines and septic tanks through.
 - ✓ Introduction of alternative construction materials and methods,

- ✓ Establishing guidelines and rules for new houses under construction; providing training on community construction and uses of latrines and septic tanks.
- Constructions of the new drainage network and renovate the existing one.
- Improvement of existing solid waste disposal system in Zanzibar Municipality.
- Procure more equipment and tools for improving the garbage collections.
- Enhance the development of institutional arrangements for water management.
- Rehabilitate and improve Zanzibar Municipality and Wete Town Water Supplies.
- Rehabilitate existing systems with local community involvement through replacement of water pumps, Control panels at all boreholes and sources that are not operational and resuscitating projects that have stopped because of unavailability of funding.
- Extending rural coverage through supply of water pipes and fittings.
- Build the capacity of districts to assist communities in the planning and management of water supply facilities.
- Demarcate and fence boundaries around protected water sources.
- Develop rainwater-harvesting system as an alternative source of water supply.

4.5 TRADE, INDUSTRY AND TOURISM

4.5.1. TRADE AND INDUSTRY

4.5.1.1 Overview of Trade and Manufacturing Sector

Trade performance has not been good for the last three years. Local production in tradable goods recorded a minimum level with minimum number of items produced. The manufactured goods did not meet the standards required at the markets locally and internationally with the exception of few including spices.

The Government of Zanzibar has left the Private Sector to fully engage in the production and sell of commodities, yet it is not only in the infant stage but looks so disorganized and underdeveloped to be able to take full charge of the trade sector. Various efforts have been taken by the Government and other development agencies to strengthen the management and working environment of the private sector performance, yet limited results have been obtained to date.

4.5.1.2 Planned Programs

There has been an encouraging results for the year 2003 when most of the activities earmarked were given attention at the research/ study stages. This step will in future generate the roadmap to the developmental areas, including the EPZ areas. Some of the activities were on going and expected to be finalized by mid 2004. Some of the planned activities are;

- **Trade and Business Facilitation**

- a. Conducting a Study on Private Sector Growth and Development;
- b. Production of a National Trade Policy with institutional and legal frameworks;
- c. Undertaking Trade Promotion measures.

- **Manufacturing Sector**

- a. A study on industrial competitiveness was conducted;
- b. Study on the use of Bamboo was planned;
- c. Study on food and fish processing was earmarked;
- d. Entrepreneurship Development Programme to be implemented
- e. Formulation of SME policy framework,

4.5.1.3 Progress and Achievements

- i). Most studies were completed and recommendations have been worked out.
- iii). Consensus building through stakeholders' workshops and their participation was adhered and contributions were taken aboard in the final documents.
- iv). The Government of India extended technical assistance by supplying an advisor to formulate a Trade policy in an attempt to complete the National Trade Policy.
- v). Local financial commitment was fairly exercised.

4.5.1.4 Financial Implementation

For the calendar year 2003, a total of Tshs. 334.44 million was used as Trade recurrent expenditure and Tshs 19.00 million for implementing Trade Development activities.

4.5.1.5 Lesson and Challenges

Involvement of local counterpart officers into the preparation of all studies to boost local capacity has been fully appreciated by all parties. Participation in regional and

international groupings for market concessions and other developmental opportunities has been captured wherever possible.

4.5.1.6 The way forward

- i) Pursue market search aggressively for Zanzibar produces especially cloves;
- iii). Reviewing the trade/business licensing act;
- iii Streamlining business registration system to ease business making;
- iv). Designing commercial dispute resolution mechanism;
- v). Revising and mainstreaming import and export regulation;
- vi). Establishing National Business Council to work closely with Government machinery for effective service delivery;
- viii) Issuance of Industrial licensing;
- ix) Encouraging/sensitizing locals to invest in agro-processing with emphasis on fishery products and fruits;
- x) Implementing The Zanzibar Industrial Policy effectively.

4.5.2 TOURISM

4.5.2.1 Overview of the Sector

Since the inception of the ZIPA in 1991, the investment process has been very positive and progressive. Statistics shows that by the end of 2002, ZIPA has approved about 242 projects with a total proposed investment value of USD 403 million. Tourism sector takes the lion share with 70% of total projects with proposed capital of USD 313.8 million, nevertheless it is still a new industry, struggling to improve its standards.

In 1985, the number of tourists who visited Zanzibar was 19,368; while the number of tourists has reached now ranges between 85,000 and 100,000 annually. In 2001 Zanzibar earned approximately US\$ 46 million in forex from international tourism, this accounts for approximately 15% of the GDP. This contribution is projected to increase to around \$ 116 million and 21% of the GDP by 2012.

Zanzibar's Tourism Development Plan (TDP) prepared by UNDP in 1983 showed that, there was only 10 unclassified accommodation units under operation providing 215 rooms and 467 beds. Currently there are about 186 accommodation units under operation that provide 3166 rooms and 6494 beds. It is estimated that there are currently about 5800

persons directly employed by the industry. In addition to those directly employed in the sector, there are many more who derive their employment from supplying goods or services or who otherwise benefit from tourism indirectly. Their number could come out to more than 37,000 jobs.

4.5.2.2 Planned Programmes

The following activities were planned for the year 2003.

Development of sustainable Tourism

- Draft an Indicative Tourism Master Plan for Unguja and Pemba.
- Prepare the Zanzibar Tourism Policy
- Implementing the Eco-Tourism Development plan

4.5.2.3 Progress made

Zanzibar has a strong determination to develop tourism as an economic sector to provide foreign exchange earnings, create employment opportunities, stimulate local participation and hence diversify the economy. The Government firmly believes that tourism as a vital socio-economic development sector can contribute effectively in empowering the people to successfully manage their lives.

The Tourism Policy is highly emphasizing on responsible type of tourism, which adopt principle of eco-tourism. It discourages any type of tourism that does not conserve and improve the environment and welfare of local people.

Public-private partnership in tourism development activities have been expanded through establishment of the Zanzibar Association of Tourism Investors (ZATI); at the same time, the existence these public institutions namely Commission for Tourism, Zanzibar Tour Operators and Guides Association (ZATOGA) has strengthened the partnership. Such collaboration helps to ensure that the efforts are coordinated and maintained in pursuing marketing strategies and up-holding Zanzibar reputation as a tourism paradise.

The Zanzibar Commission for Tourism therefore was created to ensure effective implementation of the Policy and related Plan, like ;.

- *Indicative Tourism master Plan for Unguja and Pemba:* It has been finalized in 2003 now is waiting for funds to implement the activities.

- *Zanzibar Tourism Policy*: It is in the final stage, waiting the approval of the House of Representation.
- *Eco-Tourism Development*: Funds to implement some activities such as automation of key data and information process in the Ministry of Trade, Industry, Tourism and marketing in the training of ministry staff in Eco-Tourism have been released.
- Development of sustainable Tourism.

4.5.2.4 Financial Implementation:

- For the year 2002/2003, the Government contributed to the Commission a total of Tshs. 20,394,000/= for the preparation of the Zanzibar Tourism Policy and Tshs. 2,500,000/= for the Indicative Tourism Master Plan for Unguja and Pemba.
- A total of Tshs 30,348,525 equivalent, was donated by UNDP to Implement E-Tourism development for the year 2003/2004.

4.5.2.5 Challenges and Lesson learned:

Challenges

Many of the tourism development problems are attributed to weaknesses in the planning system and through poor land leasing decisions and management. Some of the challenges are;

- Poor quality of infrastructure (road, electricity and water supply) that serves the tourist zone areas .
- Inadequate financial resources for projects implementation.
- Fragmentation of funding to the projects.
- Lack of skilled human capital.
- Limited capacity of the existing Hotel and Tourism College
- Late release of funds from the donor community.

Lessons learned

Untimely preparations and implementations of the Policy and Indicative Tourism Master Plan, cause the quality of tourists who come to Zanzibar to be of low quality and thus not meeting the expected target set by the Government. The aim is to promote Zanzibar as an up-market destination to compete with other Island destinations in the Indian Ocean region.

4.5.2.6 Way Forward:

These include;

- Continuing to market Zanzibar as tourism destination and a safe place to visit.
- Pursuing standards control of tourism residential infrastructure.
- Promoting eco- tourism in order to conserve environment.
- Pursuing measures to minimize trend from the seasonal tourism activities.
- Involving locals to exercise peace and security in the country.
- Build capacities of tourism stakeholders especially local investors to cater for industrial demands.
- Creating new potential markets into operation as much as possible.

4.6. TRANSPORT

4.6.1 Overview of the Sector

Transport sector consists of three sub sectors, which are road, air and marine transport. These sub sectors deal with day to day operations of transport. It is a vital sector towards economic development, since it activates other economic sectors like, trade, tourism, and agriculture to mention but few. But the sector encounters a number of constraints, including financial constraints, equipment, materials, skilled manpower, lack of policy and deterioration of the physical infrastructure. The ministry is now preparing a National Transport policy that will cover and direct all the need for transport sector.

During the past four years (1999 -2003) the Ministry responsible for these sub-sectors has conducted studies and forward proposals to a number of development partners including ADB, OPE FUND, BADEA, EU, and the WORLD BANK in an attempt to secure funds for the earmarked projects. There has been a promising response from many of these donors

The government has established a Road Fund with the help of the World Bank. The sector is expected to use the funds generated from it for maintaining its roads. Nevertheless for this fund to be operational and effective, the Government will have to support it and make sure that revenues to Road Fund are channeled to respective account and the ministry responsible for the sector should guarantee its effective utilization.

4.6.2 Planned programs

For the year 2003, the ministry planned to implement the followings;

Roads Transport:

- i) Rehabilitation of Mkoani – Chake road
- ii) Request for construction of Pemba rural Roads
- iii) Rehabilitation of Amani-Mtoni Road
- iv) Completion of Mkwajuni-Nungwi-Pongwe-Matemwe, and Paje-Pingwe Roads project
- v) Rehabilitation Mahonda- Donge - Mkokotoni Road project
- vi) Construction of Kilindini-Micheweni road project
- vii) Completion of feasibility study, design and processing of tendering document for Zanzibar Trunk Roads project.
- viii) Rehabilitation of Jangombe-Mpendae Road.
- ix) Rehabilitation of Mtuhaliwa-Chokocho Road
- ix) Construction of Kidimni – Kitope-Machui ring roads
- x) Regular maintenance and rehabilitation for Unguja and Pemba roads.

Air transport

- i) Rehabilitation of the Terminal Buildings in Pemba and Unguja.
- ii) Improvement of safety and security services for Airports of Unguja and Pemba.
- iii) Study for rehabilitation and expansion of Zanzibar airport.
- iv) Development of Zanzibar Airports master plan.
- v) Security and Firefighting Equipment for Pemba airport.

Marine transport

- i) Development of Malindi Port for passenger facility and other commercial services.
- ii) Study for Zanzibar Ports Master Plan.
- iii) Improving Roll on/Roll off Ferry system.
- iv) Improvement of Malindi Garage/workshop.
- v) Rehabilitation of Wete Port in Pemba.
- vi) Rehabilitation of Mkoani Port Pemba.
- vii) Rehabilitation of Marine Navigation Aids.

Administration and Planning

- i) Study to Review and Optimize the Ministry's operation
- ii) Study of the Zanzibar national Transport Policy.

4.6.3 Progress made

The ministry responsible has tried to complete some of the projects, yet many of them are progressing. The following are the status for some projects in question.

Road transport:

- Kidimni – Kitope - Machui Ring roads: This project includes the roads of Kidimni/Kitope, Koani/ Machui, Kitumba and Kitundu/ Ndagaa km 29.6. The BADEA and OPEC FUND LOAN finance the project. About us \$ 8.3m and Tshs 380m from the government is expected to spend on the project. The contractor was selected and the construction work has already started.
- Mkwajuni – Nungwi, Pongwe – Matemwe, Paje – Pingwe; The feasibility study, detailed Engineering designs and preparation of the tender documents of Mkwajuni – Nungwi, Pongwe – Matemwe and Paje - Pingwe roads sections are in good progress.
- Request of Construction of Pemba Rural Roads: The request has already been submitted to NORAD through the United Republic of Tanzania.
- Mahonda – Donge - Mkokotoni Road out off km14; km 6.5 has been completed and the work is progressing.
- Kilindini – Micheweni road: The construction work has completed with a total cost of 300m shillings and the road has been inaugurated.
- Zanzibar Transport Policy the process is progressing.
- Study to review and optimize the ministry’s operation: The study is progressing well; the consultant has already submitted the final report.
- During 2003, 500 tones of tarmac were procured, for construction and rehabilitation of the roads financed by the Government. The World Bank has assisted the project a total of US\$ 124,000;
- Establishment of the Road Fund: The board has already been formed and the fund has got few employees to begin with.
- Completion of feasibility Study, design and processing of the tender document for Zanzibar Trunk roads of Zanzibar town - Fumba, Zanzibar town - Dunga; Kinyasini – Tunguu, Makunduchi – Paje, Mfenesini- Bumbwini and Mahonda - Donge – Mkokotoni. The project is financed jointly by the Government and ADB. Currently, negotiations are progress between the Government and the African Development Bank to secure loan for construction.

- Rehabilitation and regular maintenance for Unguja and Pemba Roads.
- Mkoani/Chake chake road km 31:
 - ✓ Mkoani/Mtuhaliwa road km 6 - construction process is at the final stages of completing the project. For the time being the laying of asphalt concrete process is completed.
 - ✓ Mtuhaliwa/Chake chake road rehabilitation: The process of laying the base course is on going.

Air transport

- i) Study for rehabilitation of the terminal buildings of Pemba and Zanzibar Airports. The process to furnish the work is at the final stages.
- ii) Improvement of Safety and Security for Zanzibar and Pemba Airports: Security equipment for Zanzibar Airport have been procured and installed supported by Federal Aviation of the United States of America.
- iii) The study for the rehabilitation of the terminal building at Pemba Airport has been completed.
- iv) Rehabilitation and Extension of Zanzibar Airport Runway: The project financed by the government and the World Bank under the Tanzania Intergraded Roads Project (IRP11). The first phase of the project was the study, detailed designs and preparation of the tender documents for rehabilitation and Extension of Zanzibar Airport runway which has been completed. Preparation of tender documents to get a contractor for the work is completed and the tender document has been floated. The Ministry is in the process of finalizing evaluation report.

Marine Transport

- i) The Malindi Port Rehabilitation in Unguja: The consultant has already been selected for the work of feasibility study, design and preparation of tender documents.
- ii) Rehabilitation of Wete Port in Pemba: - It has been completed, for the time being the port is used by small boats, dhows and landing craft ships.
- iii) Improvement of the Malindi Workshop – is on going
- iv) Study to develop the Zanzibar Ports Master Plan – is on going
- v) Rehabilitation and maintenance of Marine Navigation Aids Project: - during the 2002/2003 period 6 buoys has been manufactured and 12 lighthouses were rehabilitated.

4.6.4 Financial performance

For the period under review the financial performance of the Transport sector were as follows:

The sector had spent a total of Tshs.120,745,961 for recurrent expenditure out of which Tshs 809,005,790 was used to pay salaries and wages and the remaining amount of Tshs 311,740,171 was to cater for other charges.

During the same period a total amount of Tshs. 658,647,000 was received from Treasury to finance the development expenditure mainly for compensation to the people as well as financing government programs and projects.

The funds received from various development partners to finance the transport sector was US\$ 5,822,516.4 during the same period.

4.6.5 Lessons and Challenges

The following are the general challenges observed for trade, manufacturing, energy and transport sectors:

- Inadequate financial resources for sectoral projects;
- Lack of skilled human capital
- Untimely maintenance of the Zanzibar transport infrastructures;
- Uncertainty release of funds from the donor community;
- Construction /Rehabilitation of roads, ports and airports wherever is done should involve public participation, because we tried in some villages where roads were rehabilitated we found that it is effective in terms of cost and time.

4.6.6 The Way Forward

The Ministry will continue to complete the on-going projects and solicit funds from both internal and external sources to finance the new projects mainly for:

- Construction of Mkwajuni – Nungwi; Pongwe – Matemwe and Paje – Pingwe road stretch;
- Rehabilitation of Amani – Mtoni road;
- Regular maintenance and rehabilitation of Unguja and Pemba roads;
- Development of the Zanzibar Airport Masterplan;
- Rehabilitation of Terminal Building for Unguja and Pemba airports;
- Security and fire-fighting equipment for Pemba Airport;
- Development of Malindi Port container terminal;
- Rehabilitation of Malindi port for passenger facility and commercial services;
- Construction of Unguja and Pemba feeder roads.

4.7 ENERGY

4.7.1 Overview of the Sector

ELECTRICITY

Zanzibar receives electricity from Mainland through Submarine Cable laid more than 20 years from Ras Kiromoni to Ras Fumba. The Cable capacity is 40 MW while the present demand for power is 27MW. The expected working period of the sub marine cable is 30 years, thus a new cable is now needed to be laid before the year 2010. The annual increase in power consumption is about 9% for Unguja, if this trend continues, the existing cable will be overloaded by the year 2008.

Pemba gets its power from diesel generators. These generators are not receiving regular maintenance services, but their full operational capacity can not meet the present demand which is 4MW.

FUEL WOOD

Zanzibar forests supply the bulk of the energy demand. The principal requirement for forests is the supply of fuel wood for cooking, processing lime and industrial work (mainly bakery)

Zanzibar's consumption of fuel woods (firewood and charcoal) can not be met by local supply as charcoal import has to be made from mainland Tanzania to supplement the local supply. In 1992 Unguja was supplied by 50,743 cubic meters of the fuel wood or 78.6% of the total requirement of 64,690 cubic meters and only 67,922 cubic meters of the charcoal or 91.6 % of the total requirement of 74,060 cubic meters.

4.7.2 Planned Programs

The following programs were planned to be implemented during 2003.

4.7.2.1 Electricity

- i) Rehabilitation of Power Station in Pemba.
- ii) Installation of two (2) Engines (2 x 3 MW) for Pemba.
- iii) Extension of Rural Electrification Programme for Unguja and Pemba phase IV.
- iv) Study for Pemba sub marine electricity supply.
- v) Installation of 30 MW power stations for Unguja.
- vi) Rehabilitation of the existing substations
- vii) Energy Policy Formulation and restructuring of cooperation.

4.7.2.2. Fuel Wood

- i) Cross Sectoral Research on Fuel saving devices.
- ii) Promote efficient method in charcoal and lime production.

4.7.3. Progress and achievement

4.7.3.1 Electricity:

- 1) Rehabilitation of Power Station in Pemba.
Three existing generators at Weshu have been repaired by the assistance from British government (DFID).
- 2) Extension of Rural Electrification Programme for Unguja and Pemba (Phase IV):
Agreements have been made between (RGOZ) and the Government of Norway for the project and preliminary work has started.
- 3) Rehabilitation of the existing sub stations and electricity supply network have been carried out to improve the performance:
 - 700 New Electronic meter already been installed to replace the stopped meters.

- 3,000 prepay meters already installed by year 2002/2003 to the following areas of Mombasa, Magogoni, Darajani, Mbuyuni, Mchangani, Vikokotoni, Mwembetanga, together with government offices and Institution.

4.7.4 Financial Implementation

For the financial year 2002/2003 the funds received from Government to support the maintenance of the power station were TSh 100,000,000, while contribution from development partners was TSh 741,750,000

4.7.5 Lessons and Challenges

The following are the general challenges observed for energy sectors:

- Shortage of fund for implementing sectoral projects;
- Lack of technical knows how.
- Proper rehabilitation have resulted a reduction in the power loses by 2.5% and thereby increase the income of the cooperation.
- Prepay system of paying electricity has decreased the number of un-paying customers hence increases monthly collection.

4.7.6 The way forward:

- Finalizing the rehabilitation of electricity network.
- Installation of more prepays meters to our customers.
- Installation of block meter to the feeders.
- Removing all stop meter and replace new electronic meter to our customer.
- Undertake study for alternative cheaper source of power.

4.8 GOOD GOVERNANCE

4.8.1 Overview of the Sector

Good Governance, in its broad sense means a lot. To mention a few, Good Governance means the rule of law whereas everybody is to adhere to the set laws of the land. It also means accountability and transparency in the conduct of the day-to-day activities. Economically, Good Governance has to do with how government property is managed so that the majority can enjoy it. From Political side, Good Governance encompasses democratic leadership and participation of the majority in the development process.

4.8.2 Planned Programmes

a) Strengthening the MoCAGG to lead the Governance Sector in Zanzibar

Strengthening of the Ministry of State (PO) Constitutional Affairs and Good Governance to lead the Governance Reforms in the Isles is one of the Programmes. Under this main programme, the MoCAGG planned the following:

- i) Development of a Five-year Strategic Plan (The Zanzibar Good Governance Strategic Plan) through a consulting service.
- ii) Procurement of Office Equipment
- iii) Implementation of the priority areas of the Zanzibar Good Governance Strategic Plan (ZGGSP)
- iv) A consultancy service to Review and Streamline the Functions of the MoCAGG
- v) Staff Training on Good Governance.
- vi) NGO's Policy Finalization
- vii) Establish a Department under the MoCAGG responsible to Good Governance and Human Rights.

b) Improvement of the Legal Sector

In order to improve the legal sector, areas identified for improvement are given below.

- i) Up grading the operational structures of the Court through a consulting services
- ii) Implement the recommendations given by the consultants
- iii) Undertake Training Needs Assessment of the Legal Sector
- iv) Strengthening the Registrar General's Office through Capacity Building. Areas to be addressed were computerization of Registration activity, staff training and equipment procurement and installation.
- v) Strengthening the Director of Public Prosecutions Office
- vi) Strengthening the Attorney General's Chamber through Staff training and staff acquiring strategies especially the Lawyers, procurement of Office Equipment and transport facilities.
- vii) Strengthening the Controller and Auditor General's Office (CAG) through enactment of a law to guide actions of the Controller and Auditor General's Office, Development and implementation of the Controller and Auditor General's Office Develop projects to establish CAG offices in the districts.

c) Undertake Local Government Reform Programme

- i) Study of the existing system of Local Government Administration through a consulting service
- ii) Implement the recommendations given

d) Civil Service Reform Programme

- i) Study the existing Civil Service System and recommend corrective measures.
- ii) Implement the suggested measures

e) Support to the Zanzibar Electoral Commission

- i) Procurement of equipment,

f) Strengthening the House of Representatives (HoR)

- i) Capacity Building of the HoR through Training of the staff, Procurement of Equipment , and Training to the Members of the House.

g) NGO's and Private Sector

- i) Recruitment of consultant to undertake needs assessment for NGO's and CSO's
- ii) Organise forum to discuss consultant's report,
- iii) Undertake consultancy work for the development and review of the Zanzibar National Chamber of Commerce, Industry and Agriculture (ZNCCIA)
- iv) Support participation of ZNCCIA in national and regional meetings

4.8.3 Progress and Achievements

a) Strengthening the MoCAGG to lead the Governance Sector in Zanzibar

- i. A Strategic Plan was developed,
- ii. Equipment were procured
- iii. A consultant was hired and the assignment implemented,
- iv. One staff was trained on Governance Integrity in Uganda,
- v. Two officials went for a study tour on Governance in West Africa,
- vi. Proposal to the above policy has already passed through the Ministry Leadership Committee

b) Improvement in the Legal Sector

- i. A consultant was hired to undertake the study,
- ii. Draft report was finalized and discussed,
- iii. DPP office has been established ,
- iv. A review of Penal and Criminal Procedures Decrees made ,
- v. A meeting was organized on new DPP's Administrative framework,
- vi. Meeting to discuss amendments of the criminal procedures and penal decree done,
- vii. Installation of cooling system in the DPP's office made,
- viii. The Chairperson of the Commission has been nominated but members of the Commission are not yet nominated,
- ix. The Law establishing the CAG Office is in final staged of been adopted

c) Local Governance Reform Programme

Hiring the consultant to develop the Reform program was done, work has started but could not be completed on time,

d) Civil Service Reform Program.

The development of scheme of service exercise to all categories of employment has started

e.) Zanzibar Electoral Commission

Equipment and other supplies procured and installed, (vehicle, printing machines,) and training undertaken.

f.) Strengthening the House of Representatives

A Consultant was recruited and review work undertaken

A Website was designed although not yet installed, but equipment procured,

g) Enhance, Strengthen and Capacity building of NGO's and Private Sector

Needs assessment was done, report prepared and knowledge imparted to members of NGOs.

4.8.4 Financial Implementation

For the financial year 2003/04, MoCAGG in collaboration with its agencies and institutions had implemented a total of eleven activities with a total costs of Tshs 317.694 millions as Donor funds, and Tshs 227.50 millions as Government contribution. By June 2003, a total of Tshs. 59.67 millions had been secured from Treasury.

4.8.5 Lessons and Challenges

- Good Governance will be of little relevance if it is not understood and practiced by all the people in the Government system, outside the government systems and by the common person.
- The need for every sector to understand and apply Good Governance elements in the context of their respective sectors.
- Setting and adhering of standards in Civil Service Sector is an issue of Good Governance and needs a common stand.
- Good Governance as a process should be part and parcel of the daily life. It is very important that Monitoring and Evaluation system is put in place.
- Insufficient funds cause delay in implementing some of the priority activities thus reduce the pace towards poverty reduction

The Way Forward

- Enact Good Governance Law
- Establish Department Responsible with Good Governance
- Popularise Good Government concept to all levels of the society
- Identify Focal Points from all the Ministries and Special departments under the Revolutionary Government of Zanzibar
- Establish a Good Governance Monitoring and Evaluation System by setting Good Governance indicators, Tools and Methods to be used
- Anti-corruption and Leadership Ethics Law passed and establishment of the Department implemented
- Implementation of the project to strengthen the Controller and Auditor General's Office

- Improve the Office of the Registrar General by computerizing registration, train staff, procure and install equipment,
- Members of the Law Review Commission identified and start the work
- Implement FILM UP project which covers all the legal institutions
- Continue to strengthen DPP's Office in Unguja and establish DPP's office in Pemba
- Popularise Good Governance theme to all Governmental and Non Governmental Institutions so that it is understood and practiced in its wider perspective by all the people
- Improvement of the Wakf and Trust Property Commission so that the resources they have could be managed better
- Improvement of the Mufti's Office by acquiring more technical staff and equipment
- The consultancy on Local Government Reform Programme resumed and the other activities implemented
- Civil Service Reform Programme implemented

CHAPTER FIVE

5.0 OTHER CROSS CUTTING AREAS TO ZPRP IMPLEMENTATION

5.1 GENDER PROMOTION

5.1.1 Overview of the sector

Zanzibar is characterized by a patriarchal system that determines gender relations across social, economic and political spheres of life. Women are under represented and almost invisible in all decision-making forums, although they constitute over 51% of the total population. Gender differences are a result of a multitude of complex factors which include among others, social and cultural practices, and gender biased in control and ownership of resources, extreme vulnerability to HIV infection.

In the process of promoting peace and social justice, the Ministry of Youth, Employment, Women and Children Development implemented a number of programmes in 2003. The programmes aimed to promote good governance, reduce poverty, create sound labour relation, labour productivity and job creation. This has to be within the legal framework that is consistence with basic principle of rights at work, and agreed upon the tripartite consensus as mentioned in the Zanzibar constitution.

5.1.2 Planned Programmes

The ministry planned to undertook the following programs in 2003

- Enhanced gender mainstreaming into policies and programs at district and national levels.
- Increased implementation and enforcement of gender sensitive policies, programs and laws related to gender violence, sexual reproductive rights for adolescents and on the interrelation between HIV/AIDS and gender
- Supporting women entrepreneur skill and access to credits.
- Formulation of Employment policy.
- Reviewing of vocational Training Act No. 17 of 1996.
- Conducting meetings and seminars with employers and employees to reduce conflicts in the working place.

- Empowering women economic groups so as to reduce child labour.

5.1.3 Progress and Achievement

- i) Gender action plan developed and adopted by Management council of MYEWCD.
- ii) Gender Action Plan reviewed by Member of House of Representatives, senior government officers and NGOs.
- iii) Increasing of awareness of ownership of gender Action Plan to the officials of sectoral ministries.
- iv) Updating women development policy; 100 copies were printed and distributed to the sectoral Ministries.
- v) Availability of draft bill for amendment of spinsters (widows) and female divorce protection Act no. 4 of 1985.
- vi) Increasing the accessibility of soft loan to women from Micro Finance institutions and banks.
- vii) Complete the drawing of a 2 storeys building for women documentation center financed by ADB.
- viii) Signing of document for new program of Gender and Women Advancement with UNDP, USD 300,000 was contributed by UNDP.
- ix) Appointment of a Tripartite committee (Government, Employee and employer) on employment rights.
- x) The committee had reviewed 13 labour laws and labour related legislations (below) and come up with five new bills.
 - The labour Act of 1997.
 - The Trade Union Act of 2001.
 - The factory (supervision and safety) decree.
 - The Industrial court Act, 1994.
 - The social security Fund Act, 1998.
 - The seaman deserters cap 133.
 - The coastal seaman engagement Decree (cap.131).
 - Workmen's compensation act, 1986.
 - Security of employment Act, 1988.
 - Management council Act,1986

- Export processing zone Act,
 - Investment Act,1986
- xi) The final draft of Employment policy was reviewed and adopted by the management council of the MYEWCD
- xii) .Vocational Training Act no.17, 1996 was reviewed and the draft bill sent to Attorney General's chamber office for further action.
- xiii) Labour court was formed, registrar and other officers were recruited.
- xiv) Meeting was conducted by regional labour officers for employers and employees to discuss their rights and agreed on conducive environment in the working place.
- xv) Rehabilitation of vocational Training at Mwanakwerekwe financed by ADB.
- xvi)** Construction of 2 new vocational centers is under way, one for Unguja and one for Pemba.
- xvii) Training on raising awareness of women economic groups, community leaders and other civil society groups on gender issues, reproductive health, occupational health and safety, and child labour were conducted in Unguja and Pemba.
- xviii) 171 children were identified and removed from child labour, 138 returned in the formal education and 33 were sent to vocational training institutions.
- xix) 105 women from economic groups were given training and soft loans of 50,000/= per head from ILO through Akiba Commercial Bank.

5.1.4 Lesson Learnt and challenges

- Gender biased in various sectors of development.
- Low number of representation of women in various institutions.
- Extreme vulnerability of women in STDs/HIV/AIDS.
- Gender Policy not yet in place,
- Lack of skills to many youths;
- Limited access to credit and soft loans;
- Limited vocational training centers ;
- Lack of employment Act;
- Low accessibility to Information Technology (IT)

5.1.5 The way forward

- Increase accessibility to soft loans to women economic groups.
- Reviewing law which discriminate women.
- Increasing awareness of gender knowledge to government officers, politicians and planners.
- Launching public education campaign on the prevention of STDs and HIV/AIDS in collaboration with ZAC.
- Discourage gender specific job advertising for ensuring request job opportunities to both gender.
- Involving women in the planning and implementation of development programs.
- Prepare Gender Policy.
- Ensure rules and regulations of finance and credit institutions do not hinder youth and women access to credit and other financial facilities;
- Encourage women to pursue different, non-traditional fields of studies which enable them to be employed;
- Provide entrepreneurial training to youth and women working in the informal sectors;
- Creation of equal job opportunity between men and women in the formal and informal sectors.

5.2 HIV/AIDS

5.2.1 Overview of the sector

Poverty has been acknowledged to be among the factors that force women to indulge in sex, and in most cases unsafe sex (without Condom use). However, high un-acceptance of condom use and negative perceptions towards their use/ sell are issues that need careful considerations since there are high rates of multiple sexual partners relationship reported in the communities.

Sexual intercourse, especially the heterosexual form accounts for more than 90% of HIV transmission in Zanzibar. Other factors fuelling the HIV epidemic in Zanzibar are cultural and traditional factors, stigmatization and discrimination against PLHA and affected families, negative effects of Globalization and media especially on the younger generation, vulnerability of certain sub groups to STD/HIV infection e.g. prisoners, migrant workers, and the people with disabilities especially the mentally handicapped women, girls and substance abusers.

5.2.2 Planned Activities

The following program activities were planned to be implemented in 2003 under the UNDP and Global Fund supported programs:-

- Formulation of the Zanzibar National HIV/AIDS Multi-sectoral strategic Plan on HIV/AIDS (ZNSP).
- Situation and response analysis of MTP III
- Conduct regular meetings of the board to review and follow up the implementation of the Global Fund supported HIV/AIDS programme.
- Implementation of the World Aids campaign/Day.
- Stimulate the inter-faith response to HIV/AIDS.
- Facilitation of the establishment of the Zanzibar House of Representatives Coalition on HIV/AIDS.
- Support integration of HIV/AIDS in CECAFA U-19 Youth Soccer tournament.
- Meeting with decision makers from Ministry of State (President's Office) Regional Administration and Special Departments (MoRASD) to discuss issues of coordination of district HIV/AIDS responses to be integrated in ZNSP.
- Review of the ZPRP document for mainstreaming HIV/AIDS.
- Workshop to decision makers on mainstreaming HIV/AIDS in ZPRP, poverty monitoring and PER/MTEF.
- Update guidelines on clinical management, nursing, blood safety and counseling.
- Regular meetings/therapy counseling sessions for PLHA network (ZAPHA+).
- Strengthening the capacity of ZAC staff.
- Undertake Monitoring and Evaluation of HIV/AIDS activities.
- Development of HIV/AIDS curriculum for religious schools.
- Mobilization and sensitization of parents, teachers, youth, influential people and religious leaders.
- Production and distribution of learning materials.
- Establishment of additional and strengthening of existing Youth Friendly Facilities (YFFs).
- Development of core training manual with participation of youth.
- Provision of YFFs social and health services including HIV testing, counseling and management of STIs.

- Conducting SWOT assessment of civil society organizations (CSOs) and Local Government Authorities (LGAs).
- Training of CSOs and LGAs in management skills, advocacy and community interventions against HIV/AIDS.
- Capacity building of ZAC in terms of strengthening the administrative and financial management system; and
- Assessment of existing surveillance and monitoring system at district level including its linkage to district planning.

5.2.3 Progress and achievement

ZAC has been implementing activities under UNDP and Global Fund support programs. UNDP support program is aimed at capacity strengthening of HIV/AIDS in National development. It is a five-year program (2002/2006), and its main goal is the Poverty reduction through HIV/AIDS mainstreaming in national development. A total Tshs. 201,300,045 were allocated in 2003 to support various activities of the program.

The two years Global Fund supported program on participatory response to HIV/AIDS for youth in Zanzibar started to operate in September 2003. Its main objective is to reduce the prevalence of HIV/AIDS among young people aged 10-24 by 10% from the baseline through multi-sectoral participatory approaches by 2007. Sub-recipients involved in the implementation of this program are MoHSW, Mufti's Office, Anglican and Catholic Churches, ZANGOC, ZAYEDES, Aga Khan Foundation, NGORC and MRC.

i. The Situation and response analysis.

A team of 4 consultants, one external and 3 local did the analysis on the situation of the HIV/AIDS epidemic and its determining factors as it affects young people, women, men and children in both rural and urban communities in Zanzibar.

The final report of the Situation and Response analysis document has been submitted to ZAC.

ii. Formulation of National Multi-sectoral HIV/ AIDS strategic Plan on HIV/AIDS.

The main objectives of this assignment were to prepare a Five Year Zanzibar HIV/AIDS multi sectoral Strategic Plan through a consultative, participatory and professionally managed process.

iii. Meeting with decision makers from MRASD to discuss coordination of District HIV/AIDS responses issues to be integrated in the ZNSP.

The meeting involved key decision makers from MoRASD and districts. It also involved district planning officers as well as representatives of partner organizations and NGOs involved in district responses.

iv. The implementation of the World AIDS Campaign/Day.

The implementation of the campaign started by stakeholders' workshop on September, 2003 at Bwawani Hotel to develop work plan for the implementation of the campaign.

v. Undertake a Workshop to decision makers on mainstreaming HIV/AIDS in ZPRP, poverty monitoring and PER/MTEF.

This workshop involved participants from government sectors, NGOs, and partner organizations.

vi. Stimulate the inter-faith response to HIV/AIDS in Zanzibar.

The process to establish inter –faith committee started during the last year when religious leaders of the two main religious groups met at Bwawani and deliberate on important issues as far as religions are concerned. The meeting was followed by a follow up workshop on 24-25/7/03 held at Bwawani to agree on the resolutions arrived during the first meeting.

vii. Facilitate the formulation of Zanzibar House of Representatives Coalition on HIV/AIDS.

This activity involved two phases:

- a. Assist in formulating the committee,
- b. Sensitize Members on HIV/AIDS and to assist them establish a Coalition on HIV/AIDS

vii. Conduct regular meeting/therapy counseling session for PLHA network (ZAPHA+)

This activity has been carried out by ZAPHA+ with technical support from ZACP. The meetings are done every Saturday and are used for therapy counseling and treatment. Currently, this service covers 30 members of ZAPHA+ and there are 65 AIDS orphans who are supported by ZAPHA+.

viii. Capacity building of ZAC staff

In strengthening the capacity of ZAC staff, two important activities were done; one is the orientation visit in Dar-es-salaam and Pemba and two is training on Computer for six staff.

ix. Monitoring and Evaluation.

This activity includes monitoring visits in Unguja and Pemba as well as conducting meetings for the Steering Committee. Both activities were done on quarterly basis and enable ZAC to track properly the implementation progress.

x. Mainstream HIV/AIDS in U-19 CECAFA Soccer tournament

The soccer tournament was in this time hosted by Zanzibar and involved 7 countries of East and Central Africa namely Ethiopia, Uganda, Eritrea, Rwanda, Kenya, Tanzania and Zanzibar. The tournament provided an opportunity to reach majority of young people at a time. A total of 3,100,000/= were released from UNDP supported the production of IEC materials (all with HIV/AIDS messages). Other partners who supported HIV/AIDS activities during the tournament include UNICEF, MDM, and UNFPA.

xi. Development of HIV/ AIDS curriculum for religious schools.

This activity involves Mufti's Office, Madrasa Resource Centre (MRC) and the Churches (Anglican and Catholic) and it is coordinated by ZAC. The process has begun by the developing Term of Reference (TORs). The work was done by the consultant specialized in curriculum development assisted by two counterparts (one from Muslim faith and the other one from Christian faith).

xii. Mobilization and Sensitization

One motor vehicle and one motorcycle for ZAC have been purchased to assist in monitoring implementation of program activities.

xiii. Establishment of additional YFFs and strengthening of existing ones.

This activity was carried out by ZANGOC and ZAYEDES. ZANGOC had opened one new YFF and strengthen two existing YFFs. Essential equipment and supplies were bought for strengthening the existing facilities while preparations were underway to establish the new YFF at Kikwajuni in urban district.

xiv. Development of core training manual with participation of Youth.

During the year 2003, ZAC prepared the ToRs with consultation of the respective sub-recipients. The next step was to identify the consultant through inviting application from qualified people.

xv. Provision of YFFs social and health services.

During the second quarter of 2003, this activity was implemented by Aga Khan Foundation which had planned to establish a model –for-service center which will provide, among others, VCT services as well as management of STIs for young people. In this activity, AKF is collaborating with the Ministry of Health and social Welfare.

xvi. Conducting SWOT assessment of CSOs and LGAs.

ToR for the work were developed and the process of identifying the consultant was undertaken.

xvii. Procurement of Equipment

One motor vehicle for ZANGOC has already been procured and the process of recruiting two HIV/AIDS Specialists to work with ZANGOC and NGORC has started.

xviii. Strengthening the administrative and financial management system of ZAC.

This activity involved the assessment of the sub-recipients, recruitment of an Administrative and Financial Specialist and the development of the financial management system (FMS) for ZAC. The sub-recipient assessment had been conducted and funds already disbursed for implementation of program activities.

5.2.4 Financial Implementation Progress

UNDP supported program

In 2003, a total of T.Shs. 201,300,045 was allocated by UNDP to support various activities of the program and by end of December 2003, a total of Tshs 136,000,000 had already been spent. In 2002/2003, Zanzibar government was supposed to contribute a total of Tshs. 80,000,000 from the budget. By June 2003, Government contribution had reached T.shs. 16,400,000 (21%) and for the year 2003/2004 a total of Tshs. 91,820,000 was allocated for ZAC activities. By December 2003, a total of Tshs.12,000,000 had been contributed by the Government.

Global Fund supported program.

Global Fund has earmarked a total of US\$ 2,310,139 for five-year duration starting from 2003. This program started to operate in September 2003 after signing the agreement on 5th July, 2003. A total amount of US\$ 358,093.00 was received from GF program for the period of 6 months. Financial implementation on quarterly basis (October – December, 2003) shows that a total of US\$ 266,201.00 have been spent for purchasing 2 vehicles and 1 motor cycle, and make payment for office administrative costs of (ZAC). The balance of US\$ 91,892.00 will be used to activities planned in the second quarter (January – March, 2004).

5.2.5 Challenges and Lessons Learned

The major challenges/constraints that face the HIV/AIDS sector on implementing ZPRP for the year 2003 were:

- Absence of National HIV/AIDS policy.
- Mechanism for HIV/AIDS mainstreaming not clearly outlined.
- Achieving higher levels of behavioral change seem to be a challenge especially among vulnerable groups such as sex workers, clients of sex workers, injecting drug users and the youths (among the high-risk groups).

- The current institutional arrangements do not adequately provide appropriate care and support to those infected and affected by HIV/AIDS.
- High level of denial, stigma and discrimination.
- Although HIV/AIDS prevalence in Zanzibar is low compared to our neighboring countries, precautionary measures need to be taken to ensure that HIV does not become entrenched.

The major lesson learned during the implementation of HIV/AIDS in 2003 is that fighting for further spread of HIV/AIDS should be high on the agenda if we are to prevent the erosion of the productive human resources.

5.2.6 A Way Forward

As a way forward, HoR coalition committee should develop its short-term plan in a way of planning to develop a long term strategic plan.

Mobilize resources for the preparation of HIV/AIDS policy,

5.3 ENVIRONMENT.

5.3.1 Overview

The Zanzibar's natural environment provides the basic resource needed for almost all socio-economic activities and therefore forms the foundation for poverty reduction process. At the same time the environment holds natural habitats where all living organisms including human beings are surviving with their scientific, economic and cultural heritage.

In Zanzibar the issue of human interactions with Natural Environment is historical, where natural resources are constantly exploited to meet the basic needs of the people. As human population grows, so the demand on natural resources increases exponentially creating conflicts for sustainable development. To overcome these conflicts, sustainable environment management is necessary to ensure that human population gets their needs for their livelihood without degrading the environment.

5.3.2 Planned Programs.

The following activities were planned to be implemented in 2003.

- Formulation of environmental procedures and guidelines for various aspects of natural resources management.
- Provide long and short-term training to personnel dealing with environmental statistics and data analysis.
- Adopting strategic framework which will cover major aspects of rural development and natural resources management (land use planning, prevention of land degradation, protection of fresh water ecosystems, etc)
- Mainstreaming environmental management activities with other major development initiatives such as poverty reduction and disaster preventions.
- Train environmental officers for long-term courses on the issues related to environment and development towards poverty reduction.
- Setting up a consultation mechanism for all major stakeholders especially civil societies at National and local levels.
- Development of partnership programmes with other relevant institutions.
- Introduction of awarding system for the friends of environments
- Providing technical assistance to all groups dealing with Environmental Protection.
- Educate the public on the needs to integrate Environmental Protection Processes in their day-to-day activities through mass media.
- Prepare a national Environmental Management and Action Plans to include coastal management strategic plan.
- Production and airing 12 Radio Awareness Programmes.
- Production of 6 TV programmes.
- Undertake community, NGOs and CBOs awareness raising activities on environmental protection targeted at grassroots groups through workshops, video shows, radio plays, and simplified information kits, cultural and religious events.
- Support governments, private sector and local communities to undertake EIA and enforce EIA legislation including quality control on EIA practice

5.3.3 Progress and Achievements

Since the Z.P.R. P was lunched various efforts have been made in developing implementation strategies according to identified priority issues. They include:-

- a) Combating land degradation

- b) Biodiversity conservation
- c) Marine and coastal zone Management

In addressing these issues, a joint project was developed with assistance from Finland Government. The project is called Sustainable Management of Land and Environment (SMOLE), and started to be implemented since October 2003. This joint project is implemented jointly by three departments, that of Environment, Land and Surveying within two Ministries of Agriculture, Natural Resources, Environment and Cooperatives, and Ministry of Water and Constructions, Energy and Land.

The main objective of the first two-year phase of this project is to prepare a strategic long and short term plan document to be implemented in the second phase.

The two priority areas of implementation were:

Environmental Pollution.

Local and foreign investors were welcomed to start business in garbage and solid waste management and processing. These projects have already started and they include solid-waste from urban and coastal tourist areas. Some of the by products of the processing will be charcoal which is an alternative source of energy, that will reduce the rate in tree cuttings. Another by-product is natural fertilizer which reduce dependence on industrial fertilizer. The projects will also provide employment to local residents.

Community Participation.

All shehias have been advised to prepare by – laws which will help them control and manage-Environmental protection in their respective areas. Communities and NGOs were urged to form environmental committees as stipulated in the National Environmental policy of Zanzibar. The Department of Environment (DoE) through this project is planning to support these CBOs on training programs and tree planting scheme

5.3.4 Challenges and Lessons Learned

Challenges

- a) Lack or shortages of funds allocated for planned activities of Environmental sector.
- b) Shortage of trained staff to carry out planned activities.
- c) Compliance and enforcement of Environmental laws and regulations.
- d) Inter- sectoral Coordination in the Implementation of the National Environmental Policy is a challenge, and it needs sound public awareness programs
- e) Promotion of Community participation in the Environmental Protection especially in coastal areas.
- f) DoE has major challenge of finding its own source of revenues from the service it provides to supplement Government allocated budget
- g) Growing demand of Non- renewable natural resources such as sand and stones.

Lessons Learned

- Awareness created by many sectors of the society on the importance of protecting Environment for sustainable development.
- Many public and private sectors do integrate the component of Environmental protection in their planning process of their activities as stipulated in the policy but lack sufficient funds to implement it.
- Many investors misinterpret the Environmental Impact Assessment (EIA) and see it as bottleneck for their projects because it is costly.
- Some traditional way of life such as households without toilets, and deforestations pose danger to Environmental health risks and become socio-economic burden.

5.3.6 A Way Forward

The department in collaboration with other stakeholders will implement all planned programs for the year 2004 and ensure that goals and targets are met at the planned time.

5.4 HUMAN CAPITAL DEVELOPMENT

5.4.1 Overview of the Sector

Human capital is potentially the only asset the poor can have and make use of to attain development. Human capital can result a qualitative difference in the way people manage their farms, do fishing, maintain their health and observe nutritional rules. Individuals who have

acquired good education are more likely to do better than their counterparts who have none. Furthermore, individuals are more likely to acquire and apply knowledge and skills when their basic needs are adequately met, their health is sound and their social well-being is secure.

Planned Programs

1. Education standard

- Raising the GER from 98% to 99% by the year 2005
- Double transition rate to the third cycle from 14% to 28% by 2005,
- Improving access to and quality of education
- Integration of education with the world of work

2. Access to Health Services

Construction of health facilities in rural areas

3. Access to safe and clean water

- Formulation of water policy.
- Demarcate and fence boundaries around protected water sources.

4. Improved sanitation

- Reduce pit latrine from 51% to 40% for rural areas and 20% to 1% for urban areas by 2010
- Expand sanitation education.

5. Survival

- Life expectancy
- Infant and U5 mortality rate
- Maternal mortality rate
 - Control of communicable and non communicable disease.
 - Increase immunization coverage 40 under 5 years children.

6. Social well being

- Nutritional status.
- Establishing nutritional programme,
- Still malnutrition levels for children are high.
- Moderate stunting reduced to 35.8%.
- Severe stunting reduced to 12.2%

7. Government budget

- Increase the share of the total government budget to education to at least 20%
- Establishing two vocational training centers.
- Expending and providing adult education and literacy programs for out of school youths.

5.4.2 Progress and Achievements

- The GER had raised from 98.1% (2002) to 99.1% in 2003
- Share of the government budget to education has been increased from 12% in 2003 to 13.6% in 2003
- Two skills development centers have been designed.
- Alternative learning center is under construction.
- Skills development centers rehabilitated
- About 45% of the population living within 5 kilometer walking distance to health facilities
- 75% of the urban and 41% for rural population are served by improved sources of drinking water
- The policy was developed
 - Life expectancy decreased from 52 years as reported in 1988 census to 48 years in 2002 census.
 - IMR reduced to 114/1000 live births.
 - MMR reduced from 420 to 377/100,000 mothers

5.4.3. Lessons and Challenges

Overcrowding in classrooms of many schools of Zanzibar.

Shortage of drugs and qualified health personnel

Water Policy when completed will help to achieve the national objective of clean and safe water.

The existing water system does not meet present water demand to the society

More government, development partners and community efforts and support are needed.

Lack of funds both local and foreign hindering the implementation of activities

Change of the existing habit.

Increase people income through income generating activities.

More government contribution still needed in implementing development programs

5.4.4. Financial Implementation

Regarding financial implementation and the way forward under human capital development detailed information has been provided in respective sectors in Chapter Three

5.5 POPULATION

5.5.1 Overview of the sector

The 2002 population census revealed a population of 984,625 persons in Zanzibar ,compared to a population of 640,578 in 1988, 476,111 in 1978 and 354,350 in 1967. The intercensal growth rate rose from 1.81 percent between 1957 and 1967 to 2.86 percent between 1967 and 1978 to 3.0 percent between 1978 and 1988 and currently to 3.1 percent between 1988 and 2002. The population of Unguja is growing faster then that of Pemba with a recorded growth rate of 3.3 percent.

The average population density for Zanzibar stood at 260 people per square kilometre in 1988 compared to 210 in 1978. At present population density is over 400 per square kilometre.

About 32 percent of the population live in urban areas while 68 percent live in rural areas. nearly 70 percent of the rural population are engaged in agricultural activities, 65 percent of which are women. Zanzibar has a young population with 54 percent of the total population being below 19 years of age. Due to high reproductive rate, there is a high demand for social services such as education, health, water, recreational facilities as well as jobs for a growing labour force.

5.5.2 Planned Activities.

- To train District and Sector Planners in Integrating Population Variables into Development Programmes (IPDP).
- To train Shehas and their Assistants on Data collection, dissemination and utilisation with special emphasis on Village Registers.
- To develop Action Plan and operationalization of the Zanzibar Population Policy.

- To finalize Gender Action Plan for facilitating the implementation of Gender mainstreaming strategy as well as Policy for Women protection and Development.
- Setting up Advocacy Strategy to address Sexual and Reproductive Rights.
- To assess capacity for gender mainstreaming at National and district levels.
- To establish and train Gender focal point persons on gender mainstreaming.
- To organize Training of Trainers (ToT) on Family Planning, STI, and HIV/AIDS at national and district levels.

5.5.3 Progress and achievements

- Nine District Planning Officers and one project staff have been trained on computer skills.
- Shehas and their assistants from six districts of Unguja and Pemba were trained on data collection, dissemination and utilization.
- An Action Plan for the implementation of the Zanzibar Population Policy has been developed.
- Support to the functioning of the Population and Development Committee of the Zanzibar House of representatives was provided
- Gender Action Plan has been approved by the Ministry of Youth, Employment, Women and Children Development.

5.5.4 Financial Implementation:

The sector has allocated financial and material resources from UNFPA to a level of Tshs.119,464,431 out of which Tshs. 116,453,743 was actually released. From the funds received, Gender and Advocacy Programme of the MYEWCD received Tshs. 106,950,920 while Family Planning programmes in the Ministry of Health and Social Welfare received Tshs. 52, 241,633/=

5.5.4 Lesson and challenges:

- Lack of skilled manpower especially in M&E and IEC.
- The Association of the House of Representatives has become a leading pillar in the implementation of Population Programmes in Zanzibar.
- Implementation of advocacy activities needs collaboration, partnership and commitment of various stakeholders.

- Need for more financial and technical support from multilateral and bilateral agencies.
- Great interest and commitment shown by the leaders at different levels and willingness to support population activities.
- Close cooperation and collaboration with deferent programme implementing partners.
- Continued support from the community and other influential leaders.
- Good team work spirit amongst various programs and the support offered by government authorities.
- Inadequate fund for the implementation of the programs.

5.5.6 The way forward

- Enhance close collaboration with the Association of Population and Development of House of Representatives.
- Accomplish the training programs for shehas in four districts of Urban and West of Unguja, and Wete and Micheweni in Pemba.
- Carryout another training on IPDP for district Planning officers and other planners from sectoral ministries.

5.6 PEOPLE WITH DISABILITIES

5.6.1 Overview of the Sector

People with Disabilities are part of the society. They need to be treated equally and enjoy the right for education, medical care and equal employment opportunities. The government in collaboration with all associations of people with disabilities is taking measures to ensure that people with disabilities enjoy their rights and are not discriminated in all spheres of life.

Thee Association of people with disabilities in Zanzibar is focusing on five main programmes which include community based rehabilitation, advocacy, training and income generating, membership development, UWZ management and Administration. Through the implementation of its programmes, the association has managed to address socio economic needs of its members as well as created community awareness on issues pertaining to the rights of people with disabilities.

5.6.2 Planned Activities

Community Based Rehabilitation (CBR) :

- To increase sustainability and coverage of CBR in six districts of Zanzibar.
- To improve early detection and referral of children with disabilities (CWDs) to appropriate medical services.
- To equip youths with disabilities (YWDs) with the skills and resources to promote self-reliance.
- To advocate for strengthened inclusive education in mainstreaming schools and other educational institutions.

Advocacy Programme:

- To increase level of awareness on disability issues among target groups in Zanzibar.
- To utilize experiences gained from work to advocate for policies and legislation, which promote the right of People with disabilities.
- To build coalition with other National and International organizations for strengthening disability rights.

Training and income generating programme:

- To provide PWDs with labour market skills.
- To provide training and financial support to PWDs involved in micro enterprises.
- To lobby public and private sector to make economic opportunities available to PWDs.
- To initiate integrated and financially viable vocational training and production facilities.

Membership development program.

- Collaborate and network with other disabled people at international, government and private sectors for equal opportunities for PWDs.

Women and gender development Programme

- To create awareness on gender issues and women rights to ensure balanced representation at community and national levels.
- To build the capacity of disabled women.

- To empower women with disabilities economically.
- To ensure that gender balance, HIV awareness and Human rights are mainstreamed in all UWZ programmes.

5.6.3 Progress and Achievement

- Zanzibar has greatly changed its perception of disability from charity/welfare perspective to recognition of the rights and contribution made by PWDs in the society.
- Discrimination against PWDs has declined.
- PWDs are now represented in various national boards and other international forums.
- The CBR programme is currently serving over 700 children with disabilities.
- Training and income generating programme assists PWDs in starting or boosting income-generating activities through training and loan provision.

5.6.4 Financial Implementation

People with disability received a total of Tshs. 215,000,000/= from different sources. These include: NOVIB, Comic Relief, Ford Foundations, ECO-Tec

5.6.5 Lessons and Challenges

- PWDs are still discriminated in Zanzibar.
- Disabled women suffer particular discrimination because of cultural attitude toward them.
- PWDs in Zanzibar have limited access to quality basic services such as rehabilitation, health and education.
- The majority are not aware of their human rights and lack the knowledge and confidence to articulate their needs.
- Government is retreating from direct provision of services and deepening poverty is undermining the capacity of PWDs.
- Inclusive, integrated and alternative education can be used in education policy to address the needs of the people with disabilities.

5.6.6 The Way Forward

- Advocate for adoption of legislation and a national policy on disability.

- Establish community based initiatives for the care and protection of children with disabilities in all 10 districts of Zanzibar.
- Increase the number of male members who will be working with the women and gender development programs.
- Increase the number of women with disabilities in decision-making positions.

For the 2004 the Association of people with disabilities is expecting funds from DFID, NOVIB, Comic Relief and Ford Foundation.

CHAPTER SIX

6.0 MONITORING AND EVALUATION.

6.1 Overview.

Monitoring and Evaluation of the Zanzibar Poverty Reduction Plan is emphasized on the popular participation in collection, sharing and uses of information at all level. This concept reflects involvement of all stakeholders in the reviewing and providing feedback for updating the plan.

To ensure authentic stakeholders participation, right from the beginning, mechanisms had to be in place with clear linkages to all players. The initial step therefore devoted much on the development of institutional linkage.

The ZPRP monitoring and evaluation system will use the TSED as the tool for monitoring the process. The database is already in place, and some existing information have been entered mainly the population figures. The data go down to Shehia level.

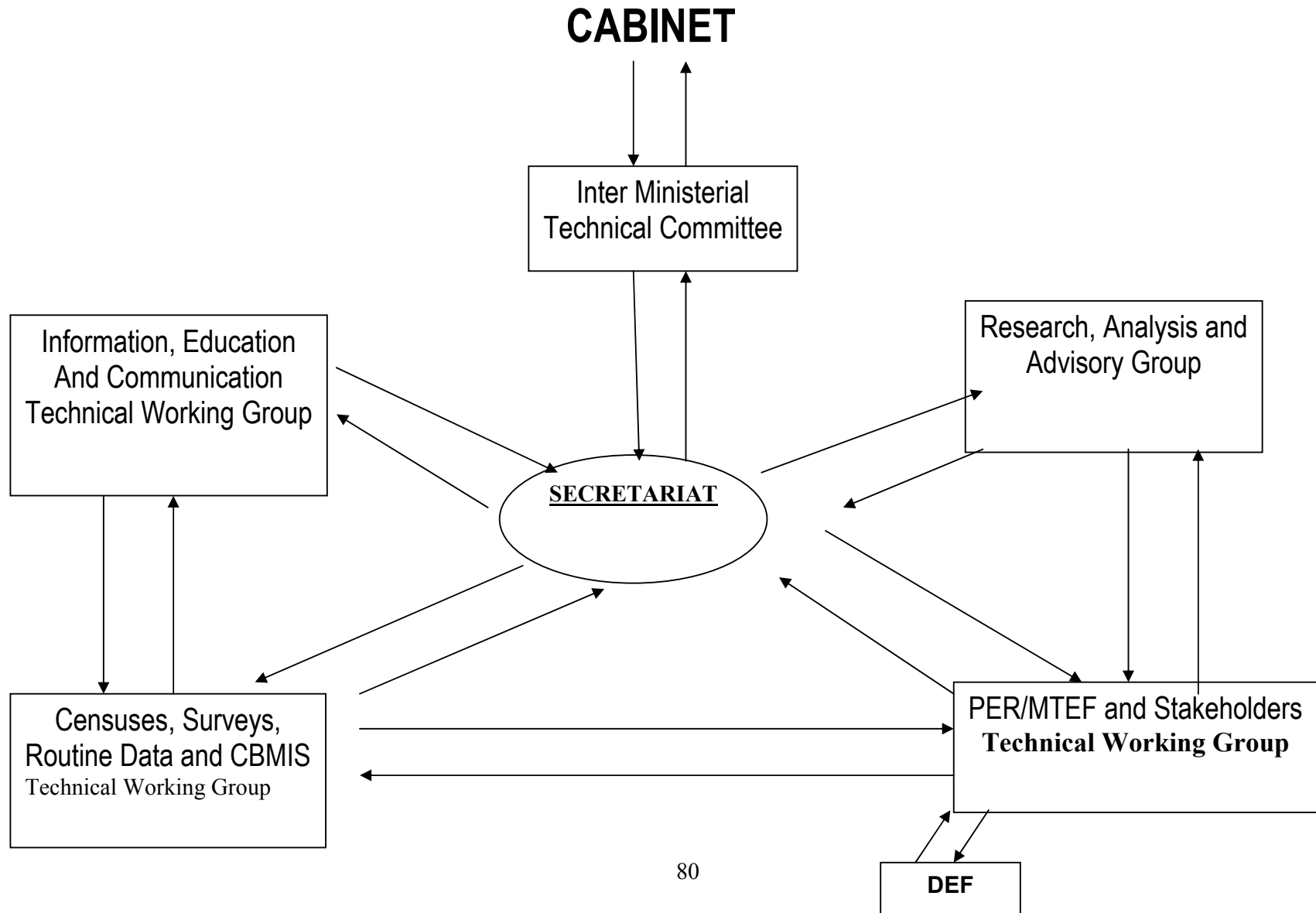
6.2 M&E Progress made

The institutional set up

Comprehensive Monitoring and Evaluation system has been designed to cater for the need to facilitate review of both quantitative and qualitative performance of the ZPRP implementation. The institutional set up in place comprised of a secretariat and four major Technical Working Groups, namely:

- Censuses, Surveys, Routine data and Community based Management Information System, TWG
- PER/MTEF and Stakeholder Forum Technical Working Group.
- Research, Analysis and Advisory Technical Working Group and
- Information Education and Communication Technical Working Group.

Poverty Monitoring System*



Members of technical Working Groups were selected from different institutions of private organizations, Government Ministries, Development partners, NGOs and CSOs, which display the nature of participation of different stakeholders in the whole process.

Roles and responsibilities of different players are identified in the monitoring master plan. Technical Working Groups have started their meetings and have prepared their action plans.

Civil Society Organizations have actively participated in designing the Participatory Monitoring and Evaluation system and are members to a task force that steer the initial process of monitoring the implementation of resource allocation and utilization of ZPRP. In collaboration with Office of the Chief Government Statistician, CSOs have piloted Participatory Service Delivery Assessment methodology in West district of Unguja and Chake Chake District in Pemba. Extensive survey of this kind has been adopted in ZPRP and will be undertaken next year to cover all the sectors.

The information flow under the current participatory monitoring system are generated from the bottom level but diversely follows two ways communication system through PER/MTEF and stakeholders participation. Working groups from different levels (Regions and Districts) are engaged in the budget tracking, and policy analysis using citizens report card system of which information from the grass root community are shared with the Inter-ministerial Technical Committee and the Cabinet through Poverty Monitoring Secretariat. This particular Group is under the Secretariat of Civil Society Organization that had prepared its action plan for the next year of the ZPRP implementation. ZPRP relies on CSOs to be development agents at the local levels.

Government ministries are involved in the collection of various statistics and are involved in the implementation of the Zanzibar Poverty Reduction Plan. The system has established focal persons in each sector who are providing statistics on the performance of their sectors and share them with other technical Working Groups through Poverty Monitoring Secretariat.

6.3 Office of Chief Government Statistician (OCGS)

The OCGS as a coordinating institution of statistical activities have been given the responsibility to oversee the poverty monitoring and evaluation system in terms of providing cost-effective and timely manner, comprehensive and reliable statistical data.

Table 1 : Surveys, Census and Routine Data Collection Activities performed 2003.

ACTIVITY	FUNDED	ACHIEVEMENT
Finalization of census of industrial production	RGOZ/UNDP	Final report of 10+ establishment
Population census	URT/Development Partners	Some results is already given including population size, population by age and sex.
Rebasing GDP	RGOZ	In progress
TSED	RGOZ/Development Partners	Focal points identified and trained, data entry from existing information is in progress.
Secondary statistics collection	RGOZ	In progress
Household economy analysis	RGOZ/WFP/Save the Children, UK	Final report in progress
GDP estimates	RGOZ	In progress
Compilation of CPI	RGOZ	In progress
Participatory Service delivery Assessment survey	RGOZ/UNDP	Data collection from the selected household is in progress
Agriculture sample census	RGOZ/UNDP	Data collection from the main fieldwork finalized and manual data editing is in progress..
Business census	RGOZ/DFID	Pilot survey done, the main fieldwork will take place recently.
Household Budget Survey	RGOZ/UNDP	In initial process.

6.3.1 Planned activities for the Year 2003

The following activities were planned to be done for the year 2003.

1. Undertake preparations for the Household Budget,
2. Undertake an agriculture survey
3. Undertake Labour force survey
4. Install data for TSED as stipulate in the data base,

Progress and Achievement

The following surveys and Censuses will be undertaken during the year 2004

- 1 Household Budget survey
- 2 Business census
- 3 Demographic and health survey.
4. Labour Force survey
5. .Routine Data collection.
6. Analysis of Agriculture Sample Census
7. Upgrading TSED data entries.

CHAPTER SEVEN:

7.0 BUDGET FRAME FOR ZPRP IMPLEMENTATION 2002/2003 – 2004-2005

The need to make financial projections to determine the requirements for financing priority areas for ZPRP programmes came to the fore just after the Poverty Reduction Plan was launched. The process of determining the resource requirements for financing ZPRP – during 2002/2003 – 2004/2005 began soon after the launching of the plan.

The Central Government together with line Ministries, agreed on a select list of priority issues needing immediate attention.

These issues include:

- Expanding the export portfolio by increasing the production of both traditional and non-traditional crops such as cloves, seaweed, fish and fish products, fruits and spices.
- Increase both domestic and foreign inflow of investment for the purpose of expanding employment and raising the export component of manufactured goods, locally produced and re-exports.
- Improvement in the Balance of Payment position.
- Improvement in statistical Data management.
- Capacity building through providing training in various disciplines.
- Revenue enhancing and expenditure control measures.

Since ZPRP was launched, significant preparatory steps have been taken in line with determining the financial resources envelop needed. These steps include:

- Sensitization of senior Government leaders on the process of Public Expenditure Review (PER) and Medium Term Expenditure Framework (MTEF).
- Initial training of technical staff on the process of PER/MTEF
- Passage and assenting of the financial administration Act.
- Institutional measures for improving financial administration – some of which are:-
 - Expanding domestic tax-base.
 - Improvement of tax compliance through public education and awareness.

- Establishment of Financial Administration Institute.

Like wise diagnostic works for CFAA, CPAR, PER, and Country analysis have been completed.

The current budget requirements were completed from relevant sectoral ministries after identifying which priority areas need to be implemented. In order to realize the aforementioned program the following resources envelop was determined.

A total of US\$ 321.034 million was initially budgeted for financing different programs and projects in nine (9) Ministries, Departments and Agencies. However as a matter of urgency funding was requested immediately in priority areas costing US \$ 101.066 million. Nevertheless very little was realized by that time.

Table 2 : Summary of Resources Envelop for 3 year Period 2002/2003 – 2004/05

No.	Sector/Sub sector	Amount in US\$	Emergency Support
1.	Agriculture and Fisheries	14,320,000.00	
2.	Health	16,359,090.00	8,717,500.00
3.	Good Governance:	14,627,763.00	13,200,000.00
4.	Employment Generation: (in Investments, Trade and Tourism Development, Labor Surveys	3,209,000.00	
5.	Infrastructure: Zanzibar Rural Roads, ports Pemba Power Station Unguja Power Supply Fuel Wood Research etc	- 149,253,000.00	37,883,331.00
6.	Water and Sanitation:	60,956,873.00	28,250,000.00
7.	Education and Skill Development:	21,229,000.00	9,650,000.00
8.	Cross Cutting Issues: Gender HIV/AIDS Environment Land Population Sub-total	3,400,000.00 7,947,000.00 511,000.00 4,476,000.00 21,250,000.00 37,584,000.00	
9.	Capacity Building (MoFEA) Capacity building Technical Support Sub-total	2,225,000.00 1,270,000.00 3,595,000.00	3,363,448.00
	GRAND TOTAL ASISTANCE (US\$)	321,033,603.00	101,065,779.00

During the FY 2002/03, the Government estimated to collect from domestic revenues sources a total of Tshs. 66,508.00 millions and expected to receive from outside a total of Tshs

31,604.00 (equivalent) in the form of loans and grants for development programs. A total of Tshs 98,112.00 was earmarked to cater for recurrent and development expenses for the year.

The government had then set aside a total of Tshs 4,992.00 millions (equivalent of 7.5 percent of total domestic resources) as government contribution for the implementation of various development programs and projects

Following the FY 2003/2004 the Government estimated to collect as revenues from domestic revenues sources a total of Tshs 65,118 millions, of which Tshs 57,808 was to come from existing taxes while Tshs 7,310.00 millions were to come from non-tax sources. This is a decline of 2.1 percent compared to previous year. Similarly the Government was expecting to collect a total sum of Tshs 47,133.12 million (equivalent) from external sources as (loans and grants). In total the government had estimated a total budget of Tshs 149,115.00 millions

On the expenditure side, the Government planned to spend a total of Tshs 149,115 million of which Tshs 95,843 million, equivalent to 62.2% was for recurrent expenditure while Tshs 53,273 million equivalent to 35.72% was set for capital expenditure. In this budget, the government estimated a total of Tshs 6,040 million (equivalent to 9.3 percent of domestic revenues) as its contribution to development programs and projects. This government contribution to development programs and projects denotes an increase of 21.0 percent, which shows the seriousness of the government in the implementation of poverty reduction program albeit meager financial resources

Table 3 shows the extent in financial terms as well as in percentage wise to which the prioritized sectors are taken into account in aspects of Government expenditure. The table shows the amount allocated to each of the prioritized sector for the recurrent expenditure for years 2001/02 to 2003/2004. It is depicted that Ministry of Education, Culture and Sport has the larger proportion because of its highest priority in poverty reduction plan.

Table 3: Orientation of Prioritized sectors in to recurrent expenditure of the Revolutionary Government of Zanzibar

Sector	Approved Estimate 2002/2003	% of the total Approved Estimate	Estimate for 2003/2004	% of the total Estimate for 2003/2004-
Ministry of Agriculture, Natural resources, Environment and Cooperatives	3,555,913,000	5.78	3,661,000,000	3.82
Ministry of Trade, Industry, Marketing and Tourism	410,716,000	0.67	471,000,000	0.49
Ministry of Education, Culture and Sports	12,081,160,000	19.64	13,677,828,000	14.27
Ministry of Health and Social Welfare	5,759,511,000	9.36	5,863,000,000	6.12
Ministry of water ,Construction, Energy and Land	1,954,100,000	3.18	2,018,000,000	2.11
Ministry of Communication and Transport	2,690,541,000	4.37	2,681,000,000	2.80
Ministry of State (PO) Constitutional Affairs and Good Governance. Other Sectors of the economy	1,310,810,000	2.13	1,467,945,000	1.53

Total Approved Estimates for recurrent expenditure for 2002/2003 = 61,516,830,000

Total Estimate for recurrent Expenditure for 2003/2004 = 95,842,797,000

Table 4 : A Budget Frame for 2002/03 and 2003/2004**Tshs. Millions**

	Estimates 2002/03	Actual Jan –Dec. 2003	Actual 2002/03	Estimates 2003/04
TOTAL REVENUE	66,508.00	47,155.48	54,690.84	90,243.,80
TOTAL TAX REVENUE	58,847.00	44,360.71	42,597.51	57,807.78
REVENUE FROM TRA	30,902.30	22,032.60	22,034.84	30,452.78
REVENUE FROM ZRB	22,808.30	25,122.89	32,656.00	32,436.02
NON TAX REVENUE	5,065.50	2,794.78	12,093.33	
Parastatal Contribution	1,368.00	210.52		1,110.29
Dividend From BOT	-	-	-	535.00
Ministries Collection	3,697.50	2,584.25	2,793.33	3,437.73
Others + BoP support	-	-	9,300.00	
TOTAL EXPENDITURE	98,112.00	65,653.79	62,865.55	149,115.92
RECURRENT EXPENDITURE	61,518.70	63,836.63	60,068.15	95,842.80
Salaries and Wages	36,540.30	45,760.33	41,751.64	49,743.38
Public Debts	2,777.20	783.33	783.33	5,800.20
Domestic Interest	2,777.20	783.33	-	2,561.21
Domestic Amortization	-	333.00	783.33	3,238.99
Foreign Interest	-	-		
Forign Amortization	-	-		
Other Charges	22,199.20	14,964.64	17,533.18	40,299.22
DEVELOPMENT EXPENDITURE		1,817.16	2,797.40	53,273.12
Local		1,817.16	2,797.40	6,040.00
Foreign		--	--	47,233.12

CHAPTER EIGHT

BUDGET ESTIMATES FOR THE YEAR 2004/05

For the coming year 2004/05 the Government has come up with the following budget frame for implementing development programs and projects as well as undertaking various recurrent activities. Table 5 shows a preliminary resource estimation as well as the expenditure forecasting.

Table 5: The Government planned expenditure for year 2004/05.

Tshs..Millions		
SOURCE	ESTIMATED AMOUNT	PROPORTION
Total Revenues	138,181.00	100.0%
From Domestic Sources	58,249.00	42.2%
From other sources	30,487.00	22.1%
From External	49,445.00	35.8%
Total Expenditure	138,181.00	100.0%
Recurrent	82,931.00	60.0%
Salary and Wages	48,403.00	35.0%
Other Charges	20,580.00	14.9%
Debt repayment and others	1,675.00	1.2%
Development		
Government Contribution	5,804.00	4.2%
Grants and Loans from external	49,445.00	35.8%

Source: Budget Department, MoFEA 2004

The Government is planning to allocate a total of Tshs 5,804.00 millions as Government contribution for implementing programs and projects for the year 2004 to 2005. This is an equivalent of 4.2 percent of total budget or 10.0 percent of domestic resources.

The Government is hereby estimating to receive from donors (as grants and loans) a total of Tshs 53,445.00 millions for the year 2004/05 for implementing development programs and projects.

CHAPTER NINE

9.0. CONCLUSION AND THE WAY FORWARD

9.1. Overview

This concluding remarks highlights the progress made in all areas of poverty reduction, the implementation of institutional mechanisms, reform programs and important successes in individuals sectors. Also highlighted are the constraints that have affected poverty reduction initiatives as well as the way forward in terms of possible courses of action for Development Partners and the Government.

9.2. Overall progress in poverty reduction

Attempting to measure the aggregate reduction in poverty is hampered by many factors. The poverty monitoring system was only established this year and the paucity of statistical data in Zanzibar, especially, the lack of recent Household Budget Survey (HBS) are the two salient features. In short, it would be unrealistic to expect to be able to measure a simple correlation between government policy and poverty reduction in the short term without reliable data. Measurers of poverty are affected by a wide array of factors, move slowly in the short term, and are generally robust to short term policy measurers. However, there is some anecdotal evidence that aggregate poverty has not decreased at all as reflected in human capacity weaknesses.

The OCGS is reviewing GDP figurers and a number of surveys have been carried out already while others are planned to be taken in 2004. Significant improvements in data availability is expected.

9.3. Progress in the reform agendas and institutional mechanisms

The government has initiated a number of reforms and studies with support from Development partners in the process of implementing ZPRP. Such reforms are such as PER, MTEF, CPAR, CAS, Clove Marketing Study, Local Government Reform, Good Governance and CFAA, which highlighted weaknesses in government system. Implementation of these reform programs is

proceeding. These reforms should reduce the level of fiduciary risk inherent in government systems.

The MTEF and PER are being implemented in order to examine and increase the efficiency of domestic expenditure. The MTEF has already increased transparency in resource allocation and the accuracy of domestic revenue estimation. In order to increase the effectiveness of aid flows an Aid Coordination Study was commissioned. An aid coordination system has been designed based on this study, which in the long term should help to increase the efficiency of external financial assistance.

9.4 Notable successes in some sectors

- The ZAC has implemented a number of activities under the UNDP and Global Fund support programs. This is aimed at keeping the HIV/AIDS prevalence rate at its present level.
- The government has increased the primary school enrolment rate. In order to accommodate increased student numbers the RGoZ has, with the help of ADB, SIDA and OPEC, constructed 369 classrooms.
- Immunization coverage of the under five children had increased to 86 % for the diseases such as diphtheria, tetanus, polio, whooping cough and TB.
- An irrigation master plan has been formulated and 225.3 hectares of land were irrigated under the SPFS project.
- A significant number of roads have been completed and a large amount of road construction is planned to start next year. Pemba airport runway has been reconstructed (SAUD fund) and Zanzibar airport runway has been extended (World Bank)
- Pemba Power Station has been rehabilitated.

9.5. Challenges to the implementation of the ZPRP

The chapters on the individual sectors mention a number of constraints encountered during the implementation of poverty reduction activities. This section seeks to draw these constraints together into a number of broad areas. The broad areas are:

- **Poor predictability of domestic funding.**

While the government has strived, and to a certain extent succeeded in, reducing the extent to which domestic revenue is overestimated, a degree of overestimation in domestic revenue still occurs. Inaccurate revenue estimation occurs due to the volatility of the domestic resource base and the susceptibility of the economy to external influences. Shortfalls in revenue collection are translated into reductions in expenditure. Differences between budgeted and actual expenditure make it hard for Line Ministries to plan and carry out poverty reduction activities. The unpredictability of counterpart funding can lead to delays in the disbursement of development partner funds.

- **Fragmentation of Development Partners Funding**

The fragmentation of Donor financing is hardly surprising when it is noted that 93 different projects operate in Zanzibar, with significant variation in the size and administrative arrangements for these projects. Given the existing resource constraints, both in terms of government financing and a lack of skilled manpower, such a large number of projects are taxing the government's administrative abilities. Furthermore, the previous inexistence of an aid coordination system and the budgets inability to accurately record all development projects means synergies between different projects cannot have been fully exploited.

- **Different planning Time Frames**

The ZPRP time frame does not exactly correlate with the budgeting cycle, which operates from July to June. Therefore, while the budget seeks to finance ZPRP initiatives it cannot budget exactly for the ZPRP on a yearly basis. Furthermore, development partners budgeting procedures operate on the basis of a calendar year. Therefore in Zanzibar there are three separate budgeting/planning timeframes. This situation significantly complicates the budgeting and planning of poverty reduction activities.

- **Different accounting mechanisms**

The vast majority of Development Partners funds are disbursed through the project support modality. The extent to which project accounts are incorporated into the government budgeting system is limited or non-existent, resulting in the existence of parallel accounting

and auditing systems often operating. This duplication places a strain on the limited capacity in the areas of accounting and auditing.

• **Insufficient domestic and foreign financing**

The vast majority of Line Ministries noted that the amount of funds they received was inadequate to finance the necessary poverty reduction activities. The macroeconomic costing exercises conducted in this report uphold this conclusion. Combined development and domestic financing of the ZPRP priority areas has fallen well below the original three year costing of ZPRP. Original estimates by the government for the three year plan was estimated at US\$ 321.034 million and for the immediate action was to be US\$ 101.066 million. Up to now, there is inadequate funding of the ZPRP.

9.6. Way forward

Suggested courses of action by the government and development partners to remove the constraints include:

- Further reforms\policies that stabilize government revenue and increase the predictability of revenue estimation should be considered.
- Development Partners and the RGOZ should investigate ways to reduce the fragmentation of Development Partners funds. If progress in government financial systems continues, Development Partners should consider disbursing a greater proportion of funds through government accounting mechanisms.
- Plans to create synergy between the time frames of the RGOZ budget and Development Partners budgets should be considered as a high priority.
- An increase of aggregate funding to the ZPRP needs to be considered.
- Links between the Tanzania PRSP and the Zanzibar PRP should be strengthened.

Table 6: Budgeted Expenditure to Line Ministries in 2002/2003 and 2003/2004

Line Ministry	2002/2003		2003/2004	
	Development	Recurrent	Development	Recurrent
Presidents Office Revolutionary Council	0	273,034,000	0	330,110,000
Presidents Office Regional Administration	15,000,000	1,998,786,000	16,000,000	960,000,000
Presidents Office	0	786,518,000	16,530,000	807,000,000
Auditor Generals Office Zanzibar	0	343,585,000	0	323,000,000
Chief Ministers Office	0	1,910,906,000	0	2,130,000,000
High Court Zanzibar	0	742,028,000	0	761,601,000
Attorney Generals Office Zanzibar	0	278,948,000	0	286,000,000
House of Representatives	0	2,476,163,000	0	3,344,770,000
Economic Brigade	0	3,218,521,000	0	3,459,000,000
Prison Department	0	2,180,250,000	0	2,339,000,000
Ministry of Finance and Economic Affairs	730,000,000	10,240,195,000	1,014,290,000	13,612,748,000
Ministry of Agriculture, Natural Resources , Environment and Lands	200,000,000	3,555,913,000	243,700,000	3,661,000,000
Ministry of Trade Industry , Marketing and Tourism	60,000,000	410,716,000	66,110,000	471,000,000
Ministry of Education, Culture and Sports	795,000,000	12,081,160,000	875,900,000	13,667,828,000
Ministry of Health and Social Welfare	200,000,000	5,759,511,000	211,000,000	5,863,000,000
Ministry of Water , Construction , Energy and Lands	740,000,000	1,954,100,000	815,300,000	2,018,000,000
Ministry of Communication and Transport	2,192,140,000	2,690,541,000	2,685,060,000	2,681,000,000
Ministry of Youth Employment Women Development and Children	40,000,000	882,161,000	44,070,000	947,000,000
Anti Smuggling Unit	0	2,993,637,000	0	3,747,000,000
Electoral Commission Zanzibar	0	485,425,000	0	208,000,000
Tourism Commission	0	1,186,761,000	0	497,400,000
Fire and Rescue Forces	0	1,310,810,000	0	1,264,000,000
Ministry of State (P.O) Constitutional Affairs and Good Governance	20,000,000	1,186,761,000	52,040,000	1,467,945,000
People's Militia Unit	0	979,031,000	0	1,332,000,000
Office director of public prosecutions	0	0	0	112,055,000
Urban West Region	0	0	0	396,000,000
South Region Unguja	0	0	0	310,000,000
North Region Unguja	0	0	0	247,700,000
South Region Pemba	0	0	0	402,500,000
North Region Pemba	0	0	0	319,000,000
Consolidated Fund Services (public Debt)	0	2,777,110,000	0	27,807,140,000
Total	4,992,140,000	62,702,571,000	6,040,000,000	95,772,797,000

Table 7: Actual Expenditure to Line Ministries in 2002/2003 and 2003/2004**TZS**

Line Ministry	2002/2003		2003/2004	
	Development	Recurrent	Development	Recurrent
Presidents Office Revolutionary Council	0	217,515,936	0	335,228,122
Presidents Office Regional Administration	17,000,000	1,853,174,062	0	791,510,400
Presidents Office	0	737,948,156	13,200,000	1,022,404,723
Auditor Generals Office Zanzibar	0	298,445,448	0	243,177,595
Chief Ministers Office	0	1,772,036,343	0	1,597,900,819
High Court Zanzibar	0	539,595,192	0	582,780,000
Attorney Generals Office Zanzibar	0	210,168,798	0	193,949,455
House of Representatives	0	1,905,407,942	0	2,627,964,000
Economic Brigade	0	3,120,753,570	0	3,315,204,000
Prison Department	0	2,016,090,574	0	2,272,596,000
Ministry of Finance and Economic Affairs	0	17,796,804,503	372,410,400	9,144,630,444
Ministry of Agriculture , Natural Resources , Environment and Lands	168,166,000	2,909,621,160	129,000,000	3,479,044,800
Ministry of Trade Industry , Marketing and Tourism	32,000,000	321,585,025	0	379,786,572
Ministry of Education , Culture and Sports	425,500,000	11,450,379,513	199,200,000	13,984,085,393
Ministry of Health and Social Welfare	126,000,000	4,339,576,298	0	4,651,512,586
Ministry of Water , Construction , Energy and Lands	542,212,448	1,632,312,969	132,000,000	1,723,468,994
Ministry of Communication and Transport	873,000,000	1,795,630,751	417,600,000	1,668,934,370
Ministry of Youth Employment Women Development and Children	39,000,000	436,619,534	0	510,189,600
Anti Smuggling Unit	0	2,902,000,012	0	4,411,776,000
Electoral Commission Zanzibar	0	0	0	181,750,392
Tourism Commission	0	440,309,520	0	290,976,000
Fire and Rescue Forces	0	915,126,520	0	1,156,430,400
Ministry of State (P.O) <i>Constitutional Affairs and Good Governance</i>	19,000,000	761,350,502	4,800,000	895,805,798
People's Militia Unit	0	912,355,180	0	1,330,920,000
Office director of public prosecutions	0	0	0	108,508,800
Urban West Region	0	0	0	300,357,600
South Region Unguja	0	0	0	279,645,600
North Region Unguja	0	0	0	191,757,600
South Region Pemba	0	0	0	448,747,200
North Region Pemba	0	0	0	315,760,800
Consolidated Fund Services (public Debt)	0	783,330,000	0	6,854,562,058

Total	2,241,878,448	60,068,137,508	1,268,210,400	65,291,366,122
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Table 8: Actual Expenditure to Line Ministries as a percentage of budgeted expenditure to Line Ministries

Actual as a percentage of budgeted				
Line Ministry	2002/2003		2003/2004	
	Development	Recurrent	Development	Recurrent
Presidents Office Revolutionary Council	#0!	79.67%	#0!	101.55%
Presidents Office Regional Administration	113.33%	92.71%	0.00%	82.45%
Presidents Office	#0!	93.82%	79.85%	126.69%
Auditor Generals Office Zanzibar	#0!	86.86%	#0!	75.29%
Chief Ministers Office	#0!	92.73%	#0!	75.02%
High Court Zanzibar	#0!	72.72%	#0!	76.52%
Attorney Generals Office Zanzibar	#0!	75.34%	#0!	67.81%
House of Representatives	#0!	76.95%	#0!	78.57%
Economic Brigade	#0!	96.96%	#0!	95.84%
Prison Department	#0!	92.47%	#0!	97.16%
Ministry of Finance and Economic Affairs	0.00%	173.79%	36.72%	67.18%
Ministry of Agriculture , Natural Resources , Environment and Lands	84.08%	81.82%	52.93%	95.03%
Ministry of Trade Industry , Marketing and Tourism	53.33%	78.30%	0.00%	80.63%
Ministry of Education , Culture and Sports	53.52%	94.78%	22.74%	102.31%
Ministry of Health and Social Welfare	63.00%	75.35%	0.00%	79.34%
Ministry of Water , Construction , Energy and Lands	73.27%	83.53%	16.19%	85.40%
Ministry of Communication and Transport	39.82%	66.74%	15.55%	62.25%
Ministry of Youth Employment Women Development and Children	97.50%	49.49%	0.00%	53.87%
Anti Smuggling Unit	#0!	96.94%	#0!	117.74%
Electoral Commission Zanzibar	#0!	0.00%	#0!	87.38%
Tourism Commission	#0!	37.10%	#0!	58.50%
Fire and Rescue Forces	#0!	69.81%	#0!	91.49%
Ministry of State (P.O) Constitutional Affairs and Good Governance	95.00%	64.15%	9.22%	61.02%
People's Militia Unit	#0!	93.19%	#0!	99.92%
Office director of public prosecutions	#0!	#0!	#0!	96.84%
Unguja Regions	#0!	#0!	#0!	81.16%
Pemba Regions	#0!	#0!	#0!	96.33%
Consolidated Fund Services (public Debt)	#0!	28.21%	#0!	24.65%
	45%	96%	21%	68%

Table 9: Aid Flows for Small “Least Developed” African Countries

HDI rank	Country	Per capita (US\$)	Total (US\$ millions)	Population Million
154	Mauritania	96	262	2.72
153	Djibouti	81	55	0.68
175	Sierra Leone	73	334	4.57
155	Eritrea	73	280	3.85
N/A	Zanzibar Including URT Dividend	46	46	0.98
166	Guinea-Bissau	42	59	1.41
151	Gambia	34	51	1.35
N/A	Zanzibar Excluding URT Dividend	31	31	0.98
168	Central African Republic	20	76	3.76

Source: Department of External Finance of the Ministry of Finance and Economic Affairs.

END

2.11 Funding Gap

The ZPRP priority sectors are receiving a significant amount of resources from both Development Partners and from Government. However, this does not mean that they are receiving adequate funding to achieve their goals and provide the populace of Zanzibar with the basic level of services that they are entitled to. The aim of this section is to compare the funding ZPRP had received to the funding needed to achieve the goals of the ZPRP. The funding needed to achieve the goals of the ZPRP is taken from internationally recognized figures for the costs of basic service delivery. Unfortunately, internationally recognized figures on the costs of basic service delivery are only available for the Health and Water Sectors. The funding gap in these areas is demonstrated in the table below.

Table 3 Funding Gap for priority areas

is table clearly illustrates that two of the most important ZPRP priority areas are suffering from a significant funding gap. An extra 25,944,868 TZS is needed in the health sector and an extra 14,306,601 TZS is needed in the Water sector if the goals of the ZPRP are to have any hope of being realized. The funding gap in these two sectors amount to more than the total amount of aid predicted to be received in 2003/2004.

It should also be noted that these calculations assume that both government and donor expenditure in the priority sectors is efficiently geared towards service delivery. When the over-optimal size of the government wage bill and the administrative costs relating to the disbursement of funds through numerous different projects are taken into the account, then it is likely that this funding gap is a significant underestimation. It should also be noted that this analysis is aims to demonstrate the rough magnitude of the possible funding gap in the priority sectors. The costings used in this analysis are internationally recognised figures not detailed costing of the amount needed to provide a basic level of services in the priority sectors. Therefore more detailed costing work needs to be undertaken in order to establish the exact magnitude of the funding gap and the best way to disburse funds to fill this gap.

HIV/AIDS population based survey conducted in Zanzibar (Unguja and Pemba) by MOHSW with the support of UN in 2002, shows that HIV prevalence in general population is 0.6%. Women show infection rates that are four to six times higher than their male counterparts. It is estimated that more than 600 Zanzibaris have died of AIDS since the first case was identified in 1986. To date, 500 AIDS orphans have been registered by NGOs dealing with HIV/AIDS and around 6000 adults and children are estimated to be living with HIV/AIDS. Similarly, the recently completed hospital based [cross sectional] study in November, 2002 on the HIV prevalence among the hospital admitted patients

and other clients attended in seven main Health care facilities in Unguja [Kivunge, Makunduchi, and Mnazi Mmoja hospitals] and Pemba [Mkoani, Chakechake and Wete hospitals] revealed that 3.1% of under fives and 6.5% of clients aged 30-34 years attending health care facilities to be HIV positive as shown in the Table. I here below:

Successful collection, management and processing of solid wastes will reduce to large extent the problem of water and coastal pollutions as well as reduce outbreak infectious diseases. The department of Environment has issued a special circular to all investors in tourist industry and other stakeholders that starting January 2004 all solid wastes and garbages randomly discharge at any point are to be disposed at Jumbi central Dumping sight under agreed special arrangement.

Table 10: Budget Frame for Poverty Reduction Activities for the Year 2004/05.

PRIORITY SECTOR	REVENUE ESTIMATE	SOURCES OF REVENUE			BUDGET ESTIMATES	
					DEVT	RECURENT
Health	12,950,000	Govt Chemist, Infectious diseases, Medical inspection, X-ray & blood test.			211,000,000	5,863,000
Education						
Sector	Government Contribution	Foreign Grant	Foreign Loans	Total	% of total of estimates of Capital expenditure	
Ministry of Agriculture, Natural resources, Environment and Cooperatives	243,700,000	712,052,000	553,032,000	1,508,784,000	2.83221	
Ministry of Trade, Industry, Marketing And Tourism	66,110,000	0	0	66,110,000	0.124098	
Ministry of Education, Culture and Sports	875,900,000	5,110,700,000	0	5,986,600,000	11.23773	
Ministry of Health and Social Welfare	211,000,000	362,844,000	1,978,803,000	2,552,647,000	4.791695	
Ministry of water ,Construction, Energy and Land	815,300,000	3,223,150,000	0	4,038,450,000	7.580766	
Ministry of Communication And Transport	2,685,060,000	1,572,000,000	18,349,000,000	22,606,060,000	42.43491	

Transport &Communication				
Water &Saitation				
Agriculture & Fisheries				
Tourism				
Good Governance				
HIV/ AIDS				
Gender				
Energy				