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National Development Plan

Implementation of the Agenda 2063 Report

2021

The Second Biennial Report on the Implementation of the Agenda 2063.

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The United Republic of Tanzania

**THE SECOND BIENNIAL REPORT
ON THE IMPLEMENTATION OF
THE AGENDA 2063**

October 2021

FOREWORD

It is a great privilege to present the Second Biennial Report 2021 on the Implementation of the Agenda 2063 of the United Republic of Tanzania (URT). This Second Biennial Country Report 2021 on the implementation of Agenda 2063 presents registered progress in priority areas of the aspirations and goals. The report marks the cumulative eight years of implementing the First Ten Years Implementation Plan of Agenda 2063. It provides a comprehensive review of status and progress on priority areas through all indicators as implemented by different sectors and national interventions in the country during the sample period.

The URT is committed to implementing global and regional development frameworks, monitoring and periodic reporting of the implementation progress as required. Such commitment is an outcome of strong political determination, increased administrative capacities and effective national development frameworks that have taken into account the sustainable development objectives of the global and regional development frameworks.

The preparation of the current report has benefited from the experience from reporting progress of other regional and international development agendas such as the Sustainable Development Goals (SDGs) through the Voluntary National Reporting framework and the Istanbul Programme of Action for the LDCs (IPOA). The preparation involved extensive consultative, participatory, and transparent processes that covered a wide range of key sectoral stakeholders such as the Central Government, the National Parliament, House of Representatives, Research and Academic Institutions Private Sector and Civil Society.

I am delighted to state that Tanzania has in year 2021 made significant achievements in all seven (7) aspirations of Agenda 2063 and its accompanying 20 goals. The Agenda 2063 main goals achieved include a high standard of living, quality of life and wellbeing for all; well educated citizens and skills development underpinned by science, technology and innovation; healthy and well-nourished citizens; transformed economies and job creation; modern agriculture for increased productivity and production; optimal blue economy for accelerated economic growth; environmentally sustainable climate resilient economies and communities, democratic values, practices, universal principles of human rights, justice and the rule of law entrenched; peace, security and stability is preserved and full gender equality in all spheres of life.

The achievements made in implementing Agenda 2063 were attributed to several factors. Robust social economic systems, strategies and plans, and legal enactments, for instance, have facilitated progress made in achieving goals related to ending Gender-Based Violence (GBV); maintaining peace and security and national unity; good governance and the rule of law; well - educated and learning society; and a resilient and

competitive economy. In addition, the abundant natural wealth, strategic geographical location, peace and security, and political stability provide the necessary conditions to fast-track the realization of Agenda 2063.

Successful implementations and achievements of the national development plans, programmes, projects and regional development Agenda have resulted into strong positive income growth over the past years. On the 1st July 2020, the World Bank announced that Tanzania's Gross National Income (GNI) per capita to have increased to USD 1,080 in 2019 from USD 1,020 in 2018, exceeding the 2019 threshold of USD 1,036 for Lower Middle-Income status. Currently, the United Republic of Tanzania (URT) has an estimated population of 61 million people (2021). The average projected life expectancy in 2021 stands at 66.7 years (64.2 years for males and 69 years for females). The current URT social, economic and political status will further motivate progress towards a *competitive economy and industrialization for human development*, which is a necessary impetus to attain the Tanzania Development Vision 2025 and the goals of Agenda 2063. The URT is, therefore, well-positioned to achieve the aspirations of Agenda 2063.

Like other African countries, Tanzania is exposed to both negative and positive external factors affecting nature, character and progress of future social economic developments. Major negative external factors or challenges included shortage of qualified human capital, equipment, ICT and financial resources in many social economic sectors. The positive and important opportunities included increased international trade, globalization and effective utilization of advanced technologies that altered social economic systems, product and services.

Two dashboards for Mainland Tanzania and Zanzibar are attached to this report for easy reading.

To that end, I call upon all stakeholders to consider this report in improving the social economic welfare of our people, nation and our rich African Continent. I am confident that the report will motivate everyone to participate and fully support the implementation of Agenda 2063.

Emmanuel M. Tutuba

Permanent Secretary for the Ministry of Finance and Planning,
October, 2021

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ACRONYMS

ACB	African Central Bank
ACRP	Agriculture Climate Resilience Plan
AfCFTA	African Continental Free Trade Area
AMF	African Monetary Fund
ASBUs	Aviation System Block Upgrade
ASDP	Agriculture Sector Development Programme
ATCL	Air Tanzania Company Limited
AU	African Union
AUC	African Union Commission
CBOs	Community-Based Organizations
CCF	Climate Change Fund
COBET	Complementary Basic Education and Training
COVID –19	2019 Corona Virus Disease
COWABAMA	Collective Warehouse Based Marketing Schemes
DADPs	District Agricultural Development Plans
DASIP	District Agricultural Sector Investment Project
DPs	Development Partners
DRC	Democratic Republic of Congo
EAC	East African Community
EFD	Electronic Fiscal Device
ERPP	Expanded Rice Productivity Project
FAO	Food and Agriculture Organisation
FGM	Female Genital Mutilation
FP	Financial Planning
FTYIP	First Ten-Year Implementation Plan (2013-2023)
FYDP	Five-Year Development Plan
GASR	Global Aviation Safety Roadmap
GBV	Gender-Based Violence
GDP	Gross Domestic Product
GePG	Government Electronic Payment Gateway System
GNI	Gross National Income
GoT	Government of Tanzania
GPI	Gender Parity Index
GRT	Gross Registered Tonnage
HIV	Human Immunodeficiency Virus
HoRs	House of Representatives
ICAO	International Civil Aviation Organization
ICBAE	Integrated Community Basic Adult Education

ICT	Information and Communications Technology
IJC	Integrated Justice Centres
ILFS	Integrated Labour Force Survey
ISTA	International Seeds Testing Association
JNIA	Julius Nyerere International Airport
JoT	Judiciary of Tanzania
KIA	Kilimanjaro International Airport
KWh	Kilowatt Hour
LAPs	Legal Aid Providers
LGA	Local Government Authority
MATT	Multi-Agency Task Team
MDAs	Ministries, Departments and Agencies
MPAs	Marine Protected Area
MPRU	Marine Parks and Reserves Unit
mRDTs	Malaria Rapid Diagnostic Tests
MSDQI	Malaria Service and Data Quality Improvement
MTDS	Medium Term Development Strategy
MW	Mega Watt
NAP	National Adaptation Plan
NBS	National Bureau of Statistics
NCDs	Non-Communicable Diseases
NEPAD	African Union Development Agency
NFRA	National Food Reserve Agency
NPA-VAWC	National Planning Action on Violence Against Women and Children
NPS	National Prosecutions Service
NSDP	National Skills Development programme
NSS	National Statistical System
NTBs	Non -Tariff Barriers
OAG	Office of Attorney General
OCGS	Office of Chief Government Statistician
ODA	Official Development Assistance
OECD	Organization for Economic Cooperation and Development
PCCB	Prevention and Combating of Corruption Bureau
PGCD	Police Gender and Children's Desk
PO – PSMGG	President Office, Public Service Management and Good Governance
PPP	Public Private Partnership
PTR	Pupil Teacher Ratio
R&D	Research and Development

REZA	Renewable Energy Zanzibar Association
RGoZ	Revolutionary Government of Zanzibar
SADC	Southern Africa Development Community
SAM	Strategic Adaptive Management
SDGs	United Nations Sustainable Development Goals
SME	Small and Medium Enterprises
SMIDA	Small Medium Industrial Development Authority
SSR	Self-Sufficiency Ratio
TDV 2025	Tanzania Development Vision 2025
TIB	Tanzania Investment Bank
TOSCI	Tanzania Official Seed Certification Institute
TPA	Tanzania Ports Authority
TPF	Tanzania Police Force
TRC	Tanzania Railway Corporation
TSMP	National Strategy for Development of Statistics and Statistical Master Plan
TZS	Tanzanian Shilling
UBE Policy	Universal Basic Education Policy
UNECA	United Nations Economic Commission for Africa
URT	United Republic of Tanzania
USD	United States Dollar
VICOBA	Village Community Bank
WHO	World Health Organization
ZDV 2050	Zanzibar Development Vision
ZSDS	Zanzibar Strategy for the Development of Statistics
ZSGRP	Zanzibar Strategy for Growth and Reduction of Poverty

EXECUTIVE SUMMARY

This Second Biennial Country Report on the implementation of Agenda 2063 of 2021 presents registered progress in priority areas of the aspirations. The report marks the cumulative eight years of implementing the First Ten Years Implementation Plan of Agenda 2063. It provides a comprehensive review of status and progress on priority areas through all indicators as implemented by different sectors and at national level during the same period.

The United Republic of Tanzania (URT) and the Revolutionary Government of Zanzibar (RGoZ), have put in place structured national-level long-term development plans, medium term plans, and annual frameworks to help in steering and guiding national efforts on attaining sustainable and inclusive growth and development. Successful implementations of the national development plans and regional development Agenda resulted in strong income growth over the past years. On 1st July 2020, the World Bank announced that Tanzania's Gross National Income (GNI) per capita had increased to USD 1,080 in 2019 from USD 1,020 in 2018, exceeding the 2019 threshold of USD 1,036 for Lower Middle-Income status. Currently, the URT has an estimated population of 61 million people (2021). The average projected life expectancy in 2021 stands at 66.7 years (64.2 years for males and 69 years for females).

This report has been prepared based on the Technical Guidance Note developed by a technical working group of monitoring and evaluation experts from the African Union Commission (AUC), the African Union Development Agency (AUDA-NEPAD), and the United Nations Economic Commission for Africa (UNECA). After the adoption of Agenda 2063 and its First Ten-Year Implementation Plan (FTYIP), AU Summit requested member states and Regional Economic Communities (RECs) with the support of African Union Commission (AUC) to take measures to domesticate Agenda 2063 into their development plans at national and regional level.

In the United Republic of Tanzania, the Ministry of Finance and Planning is responsible for coordinating the implementation of the Agenda 2063. The implementation and coordination of this agenda is done in collaboration with key stakeholders, such as the Ministry of Foreign Affairs and East African Cooperation, Zanzibar Planning Commission (ZPC); National Bureau of Statistics (NBS); Office of the Chief Government Statistician Zanzibar (OCGS); as well as all Ministries.

Following AUC's efforts in training, advocating, and awareness rising on domestication among member states, including the URT, there has been significant improvement in the domestication of the Agenda as well as the quality of the reporting.

The following are major national achievements on desired Agenda 2063 indicators, experience acquired, challenges and opportunities encountered during the implementation of the agenda.

Aspiration 1: A Prosperous Africa Based on Inclusive Growth and Sustainable Development

Goal 1: A High Standard of Living, Quality of Life and Well Being for All

The URT is among the fast-growing economies in Africa. From 2010 to 2019 it recorded an impressive economic growth with between 6 and 7 percent annual gross domestic product (GDP). Notwithstanding the high economic growth, Mainland Tanzania registered 10.3 percent of unemployment rate as evidenced in the Integrated Labour Force Survey of 2014 and the projections indicated that the rate was maintained at a single digit from 9.7 in 2018 and slightly dropped to 9.5 percent in 2020. Similarly, Zanzibar recorded 6.8 percent of unemployment rate in 2020 compared to 5.2 recorded in 2018, suggesting that the country has attained improved quality of life and well-being for the people of Zanzibar.

Goal 2: Well Educated Citizens and Skills Development Underpinned by Science, Technology and Innovation

The Government has ensured equitable access to education and training for all, including participation in and completion of free basic education for all, with particular attention to marginalized groups, children with disabilities and out-of-school children.

Goal 3: Healthy and Well-Nourished Citizens

The country has made great achievement in ensuring provision of better health services to its citizen. This is mirrored in notable improvements in health-related indicators in the country, including rates of maternal mortality, neo-natal mortality, under-five mortality, births attended by skilled health workers, and HIV prevalence. The intervention made by the Government in improving health services include strengthening health systems equipping in district, regional and referral hospitals with modern equipment; training health staff (through short and long courses); management of non-communicable diseases; and improving working environment for health personnel.

Goal 4: Transformed Economies and Job Creation

In both Mainland Tanzania and Zanzibar, high growth rates of around 7 percent have been sustained over the past decade. Reflecting a strong income growth over the past decade, on 1st July 2020, the World Bank included Tanzania on the list of countries with lower middle-income status after reaching a Gross National Income (GNI) per capita of USD 1,080 in 2019, and exceeding the threshold for lower middle-income status. The

economic growth and increased job creation were attributed to continued efforts to strengthen the mining sector; and improved energy and transportation systems.

Goal 5: Modern Agriculture for Increased Productivity and Production

The agricultural sector in Tanzania is the second in terms of contributing to the growth of the economy after the services sector, which accounted for about 26.9 percent of GDP in Mainland Tanzania and 22.8 percent of GDP of Zanzibar in 2020. The sector accrued about 24 percent of export earnings in the year 2020, and provides about 65 percent of raw materials to local industries. It is also a source of food supplies, and source of employment and livelihood to majority rural population. In recent years, employment in agriculture has declined from 75 percent to 58 percent due to increased productivity and modernization. Annual real agricultural growth rate has averaged 5.4 percent for over seven years (2013/14-2020/21).

Goal 6: Blue Economy for Accelerated Economic Growth

The URT has huge treasures of water bodies (lakes, rivers, dams, and ocean) which are suitable for sustainable use. The total inland water surface area covers 61,500 square kilometres which is 6.5 percent of the total land area of 947,300 square kilometres. In the marine side, the country has a coastline of 1,424 km stretching from the border with Kenya in the north to the border with Mozambique in the South, a Territorial Sea estimated at 64,000 square kilometres, and the Exclusive Economic Zone (EEZ) estimated at 223,000 square kilometres. Various measures have been taken by Tanzanians to conserve and promote sustainable use of the oceans, seas and marine resources to accelerate economic growth and sustainable development.

Goal 7: Environmentally Sustainable and Climate Resilient Economies and Communities

The URT and RGoZ governments have intensified conservation of biodiversity, as this is critical to the national economy - it contributes more than three quarters of the national GDP and sustains livelihoods of majority of Tanzanians. The dependency on biodiversity for socio-economic development in Tanzania is underscored by the rendered ecological services, source of food and medicines, source of building materials and energy as well as perpetuation of nature as decomposers of organic wastes and enrichment of soils and aquatic environment. Thus, the conservation of biodiversity is vital to economic and social development of the country. The integrity of biodiversity determines the wellbeing and extent of wildlife stability in a particular locale. Alteration of the integrity of biodiversity at any level impairs the wellbeing of both humans and wildlife.

Aspiration 2: An integrated Continent, Politically United and Based on the Ideals of Pan-Africanism and a Vision of African Renaissance

Goal 8: United Africa (Federal or Confederate)

On 9th September 2021, the United Republic of Tanzania ratified the Agreement for Establishing the African Continental Free Trade Area (AfCFTA). Towards realizing the operationalization of AfCFTA, member states are expected to undertake work at the National and Regional Economic Community levels to finalise their tariffs offer and initial schedule of specific commitments for trade in services. The URT has made a positive progress in intra-EAC trade. There has been tangible progress in the implementation of the Customs Union and Common Market Protocols.

Goal 9: Continental Financial and Monetary Institutions are established and Functional

URT recognizes the important role that the African Union financial institutions can play in the implementation of African Continental Free Trade Area (AfCFTA) and the continental integration Agenda. Article 19 of the AU Constitutive Act provides for three specific financial organs to be created, namely the African Central Bank (ACB), African Investment Bank (AIB) and African Monetary Fund (AMF). The role of these institutions is to implement the economic integration called for in the 1991 Treaty for establishing the African Economic Community (Abuja Treaty). Tanzania has neither signed nor ratified the documents for the establishment of these institutions. Currently, consultations are ongoing at experts' level. Given the time that has elapsed, some of the economic, political and social parameters contained in the protocols have substantially changed.

Goal 10: World - Class Infrastructure Connecting Africa

The Government has been implementing strategies to connect the country with neighbouring countries by constructing roads identified in the Development Corridors, especially highways at the asphalt level. To facilitate the construction of these roads, the Government has set aside nine (9) Transport Corridors for economic growth in the fields of tourism, agriculture, mining, fisheries, ports, factories, energy sources, etc. In addition, the Government has put in place strategies to connect regional headquarters with paved roads with the aim of facilitating domestic transport in order to reach areas with productive and social services easily.

In Zanzibar, the rate of construction, upgrading and rehabilitation of various roads, including paved and unpaved roads has increased. In Zanzibar, the construction of Terminal III passenger building and the expansion of runway to 3,022 meters with 45 meters width; and the construction of an apron and taxi way at the Abeid Aman Karume

International and Pemba Airports have increased the capacity of the airport to service more passengers.

Aspiration 3: Africa of Good Governance, Democracy, Respect for Human Rights, Justice and the Rule of Law

Goal 11: Democratic Values, Practices, Universal Principles of Human Rights, Justice and the Rule of Law Entrenched

The URT has taken effective measures in building institutions; reviewing existing laws and enacting some new ones; and carrying out reforms in order to achieve good governance, accountability, transparency and rule of law in all its functions. The Office of Attorney General (OAG) ensures that all the National and International laws, conventions, treaties and standards that promote the justice, rule of law and good governance are adhered to by drafting and translating laws in the Kiswahili language, revising out-dated laws, providing legal advices to MDAs, LGAs and the general public; and vetting, negotiating and reviewing bilateral and multilateral contracts.

Goal 12: Capable Institutions and Transformed Leadership in Place at all Levels

The URT is formed by strong institutions that are corruption-free and value professionalism, efficiency, accountability, transparency, and justice. The government has been working in a coordinated and linked manner through the Executive, Parliament and Judiciary systems. The Parliament is responsible for enacting laws and approving plans and budgets. The Judiciary translates laws and dispense justice with equity while the Executives, through MDAs and other institutions, formulates and implements the plans to ensure that the socioeconomic and cultural well-being of all the citizens is achieved in a peaceful means.

Aspiration 4: A Peaceful and Secure Africa

Goal 13: Peace, Security and Stability is Preserved

The URT and RGoZ continued to enjoy peace and stability during the period under review, underpinned by the existence of a relatively favourable social, political and economic environment. Despite ethnic, religious as well as other forms of social diversity, the country remained free of endemic conflicts. The Governments have continued to observe the principles of good governance, laying strong emphasis on upholding the rule of law, enhancing transparency, accountability and responsiveness to the needs and expectations of the public. Likewise, the government continued to improve citizens' participation in social, economic and political undertakings; implementing policies and interventions aimed at promoting equity and inclusiveness; and streamlining administrative operations to increase its effectiveness and efficiency.

Goal 14 and Goal 15: A Stable and Peaceful Africa

The URT's efforts for a stable, peaceful United Africa emanates from her long history of supporting Pan-Africanism, African liberation struggles and the fight against apartheid between 1960s and 1990s. In the period under review, the URT continued to be an active participant in regional, continental and multilateral efforts for bringing about peace, security and stability on the African continent. The URT maintained its contribution of civilians and troops to six (6) United Nations (UN) peacekeeping missions in different African countries.

Aspiration 5: Africa with a Strong Cultural Identity, Common Heritage, Values and Ethics season

Goal 16: African Cultural Renaissance is Pre – eminent

Tanzania is a country with remarkable variety of cultural heritage resources which include ethnographical, paleontological, archaeological and historical. This heritage portrays a wider array of heritage spanning from the period of Dinosaur to the very recent period of Homo sapiens of our time. The rich and unique culture of Tanzania emerged from this history. Tanzania is renowned as an Island of peace and harmony which is attributed to culture of the Tanzanians who are united by Kiswahili, the national language. To safeguard its rich and diversified culture, the country has established different institutions to promote the cultural sector.

Aspiration 6: An Africa whose Development is People-Driven, Relying on the Potential of the African People

Goal 17: Full Gender Equality in All Spheres of Life

Women participation in various spheres is vital in ensuring sustainable development so as to achieve gender equality and eliminate gender-based violence. The URT and RGoZ have continued to implement various programmes to empower women with the aim of increasing economic opportunities and building business capacity, access to capital, markets, credit facilities and mainstreaming of gender issues into politics, policies, plans and budgets.

Goal 18: Engaged and Empowered Youth and Children

Youth employment is about 57.1 percent of the national labour force and has been growing yearly. It is also informed that about 48 percent of all micro, small and medium enterprises (MSMEs) in Tanzania are owned by youths. In recognition of the contribution of young men and women in socio-economic development, the Government, in collaboration with various stakeholders, has undertaken a number of initiatives to empower the youths. Zanzibar has made several efforts to strengthen the

business environment by implementing youth programs, projects, and initiatives at all levels. These allowed the private sector and investment to thrive responsibly and create decent work for all vulnerable groups including persons with disability, the elderly, youths, women, and men. The RGoZ has managed to create a total of 13,196 employment opportunities for youths outside and inside the country over the years from 2015/16 to 2019/20 (8,553 and 4,643 inside and outside employment respectively).

Aspiration 7: Africa as a Strong and Influential Global Partner

Goal 19: Africa as a Major Partner in Global Affairs and Peaceful Co-existence

Tanzania has adopted new Act, the Statistics Act No. 9 of 2015 which is operational, designating National Bureau of Statistics, (NBS) as an autonomous public office and was given mandate to provide official statistics to the Government, business community and the public at large. In addition, the NBS has been mandated to play the role of a co-ordinating agency, within the NSS to ensure that quality official statistics are produced. Also, the Office of Chief Government Statistician (OCGS) was established Act no.9 of 2007. The OCGS is the Zanzibar Government agency responsible for the development and management of official statistics and the authoritative source and custodian of official statistics in Zanzibar.

There are Formal institutions and Institutional Arrangements for the Coordination of the Compilation of Official Statistics. Being the authoritative source of official statistics in Tanzania, the NBS produces around 85 percent of official statistics. All statistics published by the NBS are official statistics, with the exception of certain pilot surveys, which upon the approval of the Statistician General, can be published through reports, statistical newsletter etc., provided that such pilot statistics are published on a one-off basis. In Zanzibar, the OCGS plays the authoritative source of official statistics.

Goal 20: Africa Takes Full Responsibility for Financing her Development

The Governments continue with robust efforts to uncover tax evasions and further rolling out of digital technology in tax and non-tax collections, attract private capital into Public-Private Partnerships (PPPs), use Official Development Assistance (ODA) to leverage other financial sources and accelerate the introduction of innovative financing mechanism. During the last seven years, Tanzania Tax revenue increased from 9.0 trillion shillings in 2013/14 to 17.6 trillion shillings in 2019/20 at an average growth rate of 11.5 percent. This is attributed by the use of Electronic Fiscal Devices (EFD) for both Value Added Tax (VAT) and non-VAT registered traders. On the other hand, Tanzania realised a potential in non-tax revenue to contribute to the national development and made it mandatory the use of technology in Government Institutions through Government Electronic Payment Gateway System (GePG). As a result, non-tax

revenues increased from 572.8 billion shillings in 2013/14 to 2.7 trillion shillings in 2019/20. Thus, domestic revenue has been increasing consistently though below the set annual target and its percentage to GDP increased from 13.1 percent in 2013/14 to 14.7 percent in 2019/20. Also, the degree to which the government controls the economy's resources has increased from 11.9 percent in 2013/14 to 12.2 percent in 2019/20. Despite the increase, a trend of tax revenue-to-GDP ratio shows an upward and downward movement implying no radical improvement.

In Zanzibar, significant improvement has been made in allocating funds to development programs and projects. The total tax revenue as to percent of GDP shows the performance rate of 15 percent of the expected target. This is mainly attributed to a number of interventions, like strengthening of the revenue collection system by introducing the e-tax system; reviewing the tax collection system; improving tax compliancy; enhancing the collection of non-tax revenue; ensuring timely audit of public sectors and issuance of audit reports to clients and stakeholders; strengthening of internal audit system and promoting special banking products for Diaspora. The implementation of the above interventions has resulted in the increase of revenue-to-GDP ratio from 18.1 percent in 2015 to 22 percent in 2020. There is also an increase in the collection of domestic revenue from TZS 428.5 billion in 2015 to TZS 787.5 billion in 2019.

Apart from deriving the mentioned achievements, the URT has not been unique amid the COVID-19 pandemic and experienced socio-economic impacts of the pandemic. Since the first case was announced in March 2020, several thousand cases have been confirmed with several hundred deaths (real-time data). There were a number of transmitting factors and effects that exposed Tanzanian national economic sectors, markets and revenue systems to great economic risk if COVID-19 was not well managed.

For instance, tourism and hospitality industry are one of the major sources of employment, tax revenue, and foreign exchange earnings to Mainland Tanzania. In the 2019, the total value of foreign exchange earnings generated from tourism amounted to USD 2.557 billion¹. This represented 25.79 percent of all goods and service exports and 61.4 percent of service exports. The sector is more important for Zanzibar as it accounts for about a third of its GDP, 80 percent of its revenue, and remains the biggest employer in the island. In this regard, the onset of COVID-19 has substantially disrupted the growth and progress of a key contributor to the national economy.

Moreover, one of the most difficult challenges the Government has faced and will continue to experience is increased spending on social service delivery during and after

¹Bank of Tanzania Quarterly Economic Report 2019

the COVID-19 crisis. The pandemic has increased demand for public expenditure on health mainly in procurement of medicines, medical equipment and gadgets/ventilators, beds etc., spending on preventive measures, public health measures, among others. As COVID-19 spreads, treatment costs on more patients have increased. Beyond health, the Government of Tanzania will have challenges with generating revenues to support its development agenda and priorities at a time when resources are most needed to accommodate the pandemic.

On the other hand, Zanzibar has been also affected economically and socially by COVID-19 both direct and indirect and specifically was realized across economic agents, households, firms and government/public sector. At household level, direct impact ranged from loss of income due to illness and quarantine, increase in cost on medical or hygiene related items like water containers/buckets and soap/detergents; and loss of jobs. The impact that occurs in partner countries such as United Kingdom, Italy, United States, and United Arab Emirates including migrant workers in these countries losing their jobs is also likely to affect some households in Zanzibar that depend on remittances. As at firm level, production especially on goods related to tourism business declined, while at macro level, there is decline of Government revenue and increased expenditure in medical related services and subvention to semi-autonomous institutions that relied on fees and charges from tourist arrivals to execute their mandate including Zanzibar Airport Authority (ZAA).

The major challenges that impeded the URT progress during the period under review include: (i) shortage of adequate and qualified human resources in many social economic sectors; (ii) Insufficient capital equipment, machineries, basic inputs and services in the education, hospitals and health centres. There is low level of technology application and ineffective mechanisms for technology transfer and commercialization of research results; (iii) insufficient financial resources, budgetary allocation for the implementation of research, conservation and promotion activities of natural and cultural resources; (iv) inadequate strategic inputs or factors of production such as intermediate and raw materials; and (v) rapid global technological changes; inadequate financial capital resources; low commercial banks credit.

Despite challenges mentioned, there are notable opportunities for the country. These opportunities comprise: (i) the URT to establish special and dedicated schools with curriculums that prepare youths as responsible citizens pleased with the African way of working and living. The country has human resources with potentials, creative thinkers, and actors but these remain untapped due to the lack of grassroots-based programs to identify and harness creative individuals from their early years of life in schools and villages/streets and (ii) Increased globalization and effective utilization of advanced technologies that altered financial systems, product and services to attract more unbanked population of both urban and rural area of the country. The Tanzanian

population is potential for mobile banking and integration of mobile financial services to the banking system.

CHAPTER ONE

INTRODUCTION

1.1. Background

The United Republic of Tanzania (URT) prepared and submitted the First Biennial Country Report to the African Union Commission (AUC) and African Union Development Agency (AUDA-NEPAD) in 2019. In the report, all 20 goals recorded some achievements during the implementation of priority areas. Most achievements were recorded in goals related to economic growth; education; health and nutrition; trade; gender equality and equity; communications and infrastructure connectivity; operation of national statistical system; and reduction of aid in national budget financing. The progress realized was attributed to a combination of robust plans and strategies as well as legal enactments to back up successful implementation of the Agenda 2063.

The Second Biennial Country Report on the implementation of Agenda 2063 of year 2021 presents progress registered in priority areas of the aspirations. The current report marks the cumulative eight years of implementing the First Ten Years Implementation Plan of Agenda 2063. It provides a comprehensive review of progress and status on priority areas through indicators as implemented by sectorial and national interventions in the country during that period. Therefore, it offers important reflections on comparative progress made Tanzania following submission of the first biennial report in 2019.

1.2. Socio – Economic Status

Tanzania, like many other countries, is facing a subdued economic growth following the outbreak of the Corona Virus Disease in 2019 (COVID-19). As a result, the economic growth in Mainland Tanzania declined from 6.8 percent in 2019 to 4.8 percent in 2020. Similarly, in Zanzibar, the economic growth declined from 7.0 percent in 2019 to 1.3 percent in 2020. The situation was associated with inadequate performance in various sectors such as tourism, industrial and manufacturing; agriculture; trade; and construction. The low performance of these sectors was due to measures taken by other countries, including lockdown and travel restrictions.

Implementation of development projects and delivery of essential social services by the government has also been negatively affected as the pandemic continues to cause a shrinking of the existing limited fiscal space. Similarly, the progress of a number of key development projects was curtailed due to delays in imports of intermediate inputs, equipment and raw materials as well as travel restrictions on foreign experts. Despite the slowdown in economic growth and the impacts of COVID-19, Mainland Tanzania

managed to achieve a positive growth and stable inflation rate at 3.3 percent in 2020 while in Zanzibar, inflation rate dropped to 3.4 percent in 2020 from 6.7 percent in 2016.

In Tanzania Mainland, the proportion of the population living below the basic needs poverty line declined from 28.2 percent in 2011/12 to 26.4 percent in 2017/18 and was projected to decline up to 25.7 percent in 2019/20 while in Zanzibar the proportion of people living below basic needs poverty declined from 30.4 percent in 2014/15 to 25.1 percent in 2019/20. The recorded situation followed the adverse impact of the pandemic on sectors reliant on global demand and with high employment potentials, particularly agriculture and manufacturing. Initially, it was estimated that the pandemic would push an additional 500,000 Tanzanians below the poverty line, but recent forecasts indicate that the figure could be surpassed if the pandemic prolongs. Hence, growing unemployment and impoverishment of vulnerable communities raises a risk of widening inequality.

1.3. National Development Planning Frameworks

The URT has put in place structured national-level development frameworks to help in steering and guiding national efforts on attaining sustainable and inclusive growth and development. Despite each part of the Union maintaining its own planning framework, programmes and interventions, they all aim to achieve the country's long-term prosperity objective. The development agenda in Mainland Tanzania was adopted back in 1999 through the Tanzania Development Vision 2025 (TDV). The TDV 2025 aims at transforming Tanzania into a semi-industrialized and middle-income economy by 2025. Initial implementation of the Vision was through the Poverty Reduction Strategy (PRS) 1999/20 - 2004/05, prepared under the Heavily Indebted Poor Countries (HIPC) Initiative. PRS was preceded by the National Strategy for Growth and Reduction of Poverty (NSGRP I) 2005/06-2009/10 and NSGRP II 2010/11-2014/15.

Following extensive evaluations and countrywide consultations which revealed that with implementation trajectory the country was at risk to realize the Vision aspirations, the Government restructured implementation of development frameworks and reverted to the Long-Term Perspective Plan (LTPP) 2011/12 – 2025/26. The LTPP is executed through three Five-Year Development Plans (FYDPs); each with a theme that underpins its priority orientation. The first, FYDP I (2011/12-2015/16) had a theme of “Unleashing Tanzania’s Latent Growth Potential”. It was succeeded by FYDP II (2016/17-2020/21) with the theme of “Nurturing Industrialization to Foster Economic Transformation and Human Development”. This was followed by FYDP III (2021/22-2025/26) which is currently being implemented by the country with a theme of “Realising Competitiveness and Industrialisation for Human Development”. Generally, to operationalize these medium-term development frameworks, FYDPs are translated into Annual Development Plans (ADPs) as well as national and sub-national budgets for effective implementation.

In Zanzibar, development priorities are currently anchored in the Zanzibar Development Vision 2050 (ZDV 2050). The Vision's long-term goal is structural transformation of Zanzibar's productive capabilities through economic modernization and diversification. The ZDV 2050 was adopted in 2020 as a successor vision to Zanzibar Development Vision 2020 (ZDV 2020), which covered a 20-year period from 2000 to 2020. The ZDV 2020 was implemented through a series of three five-year Zanzibar Strategies for Growth and Reduction of Poverty (ZSGRP), the last one being ZSGRP III 2016-2020. ZSGRP III has been succeeded by Medium Term Development Strategy 2021 – 2025 (MTDS 2021 – 2025). MTDS with a theme of “Blue Economy for Inclusive Growth and Sustainable Development” is the first in a series of five-year development plans envisaged to implement the recently inaugurated ZDV 2050. The strategy also takes cognizance of government's flagship programs and projects by the rational utilization of national resources. The new strategy has embraced international agendas, including the Agenda 2063.

1.4. Methodology and Process for Preparing the Agenda 2063 Progress Report

The current report marks the Second Biennial Country Report for URT on the implementation of Agenda 2063. It informs the progress made and implementation status of the Agenda aspirations and targets endorsed in the First Ten Year Implementation Plan 2013-2023. The report also shares experiences gained, challenges and best practices encountered during the implementation.

The report has been prepared following the Technical Guidance Note developed by a technical working group of monitoring and evaluation experts from the African Union Commission (AUC), the African Union Development Agency (AUDA-NEPAD), and the United Nations Economic Commission for Africa (UNECA). The stages and procedures involved in preparing the report are as follows:

- (i) **Pre-Development Stage:** Involved composing a National Technical Team to review key documents and literature as well as drafting the report;
- (ii) **Development Stage:** Involved consultation between the National Technical Team and Ministries, Independent Departments and Executive Government Agencies (MDAs) to collaboratively develop the first draft Progress Report of Agenda 2063;
- (iii) **Validation Stage:** Key stakeholders including senior government officials, Parliament, private sector, civil society, academia, think tanks and the general public were involved to validate data and information used in the report;
- (iv) **Finalising Stage:** This included incorporating comments/feedback from key stakeholders into the report, updating Tanzania Dashboard Matrix and final report approval procedures within the Government machinery; and
- (v) **Submission Stage:** Submission of Agenda 2063 Progress Report to the AUC.

1.5. Limitations on Implementation and Monitoring of Agenda 2063

Availability of quality data is vital for appropriate monitoring, evaluation and reporting of the implementation of Agenda 2063. During implementation, monitoring and reporting of Agenda 2063, the Government noted various challenges on capturing necessary information of indicators. This situation calls for the Government of URT to emphasise on improving systems of data collection at all levels.

The Government expects to address the challenge of unavailability of quality data to all indicators after completion and fully operationalization of the National Strategy for Development of Statistics (NSDS) usually known as Tanzania Statistical Master Plan phase II (TSMP - II). The initiative aims at strengthening the National Statistical System (NSS). Other initiatives undertaken by the URT include conducting a data mapping exercise to address data limitation in tracking progress for the international development agendas, including Agenda 2063 indicators. Furthermore, the Government is currently developing a National Monitoring and Evaluation Framework that intends to provide clear instructions on how to monitor different development interventions; enhance technical capacities; and properly allocate funds, equipment and human resources.

Apart from data limitations, the URT experiences inadequate financial, human and equipment resources necessary for facilitating appropriate interventions to achieve Agenda 2063 goals. In addressing this challenge, the Government will continue to mobilize financial resources with emphasis on innovative financing sources.

1.6. Structure of the Report

The report is organized as follows: Chapter One has been the introduction. Chapter Two informs about the key strategies for domesticating and implementing the Agenda 2063. Chapter Three highlights the country's progress in the implementation of Agenda 2063. Chapter Four addresses the lessons learnt, and briefly explain the impact of COVID-19 on the URT's economy. Lastly, Chapter Five summarizes the general achievements, challenges, areas for further support and concluding remarks regarding the implementation of Agenda 2063.

CHAPTER TWO

STRATEGIES FOR IMPLEMENTING AGENDA 2063

Overview

This chapter addresses Tanzania's Strategies to implement in terms of internalization and mainstreaming of Agenda 2063 into National Development Plans, Programmes and other planning instruments. It also provides details on institutional mechanism used in monitoring and reporting the implementation of the Agenda.

2.1 Domestication and Mainstreaming of Agenda 2063

2.1.1 Domestication

Following adoption of Agenda 2063 and its First Ten-Year Implementation Plan (FTYIP), the AU Summit requested member states and Regional Economic Communities (RECs) with the support of African Union Commission (AUC) to take measures to domesticate Agenda 2063 into their development plans at national and regional levels. In response to this, AUC has been carrying out domestication missions to AU member states with the objective of building awareness and strengthening citizens' engagement in Agenda 2063, leading to informed inclusion of its goals, priorities and targets into legislative, policy, institutional planning, programming and budgetary processes of member states. Amidst the COVID-19 pandemic, the AUC continued to train member states virtually on Agenda 2063 domestication, monitoring and reporting. In July 22, 2021, the AUC organized and delivered a virtual training on all aspects of the Agenda 2063 reporting guidance, procedures, steps, outlines, logical framework starting from the 7 aspirations, 20 goals, priority areas and up to the 70 core indicators and how to fill the data entry template.

Following the AUC's efforts in training, advocacy and awareness raising on domestication to member states including the URT, there is huge improvement in the domestication of the Agenda as well as the quality of the reporting as compared to the previous report of 2019. The Government is highly committed in the implementation of the Agenda 2063 by mainstreaming relevant interventions and dedicating necessary resources in adherence to its implementation through national plans.

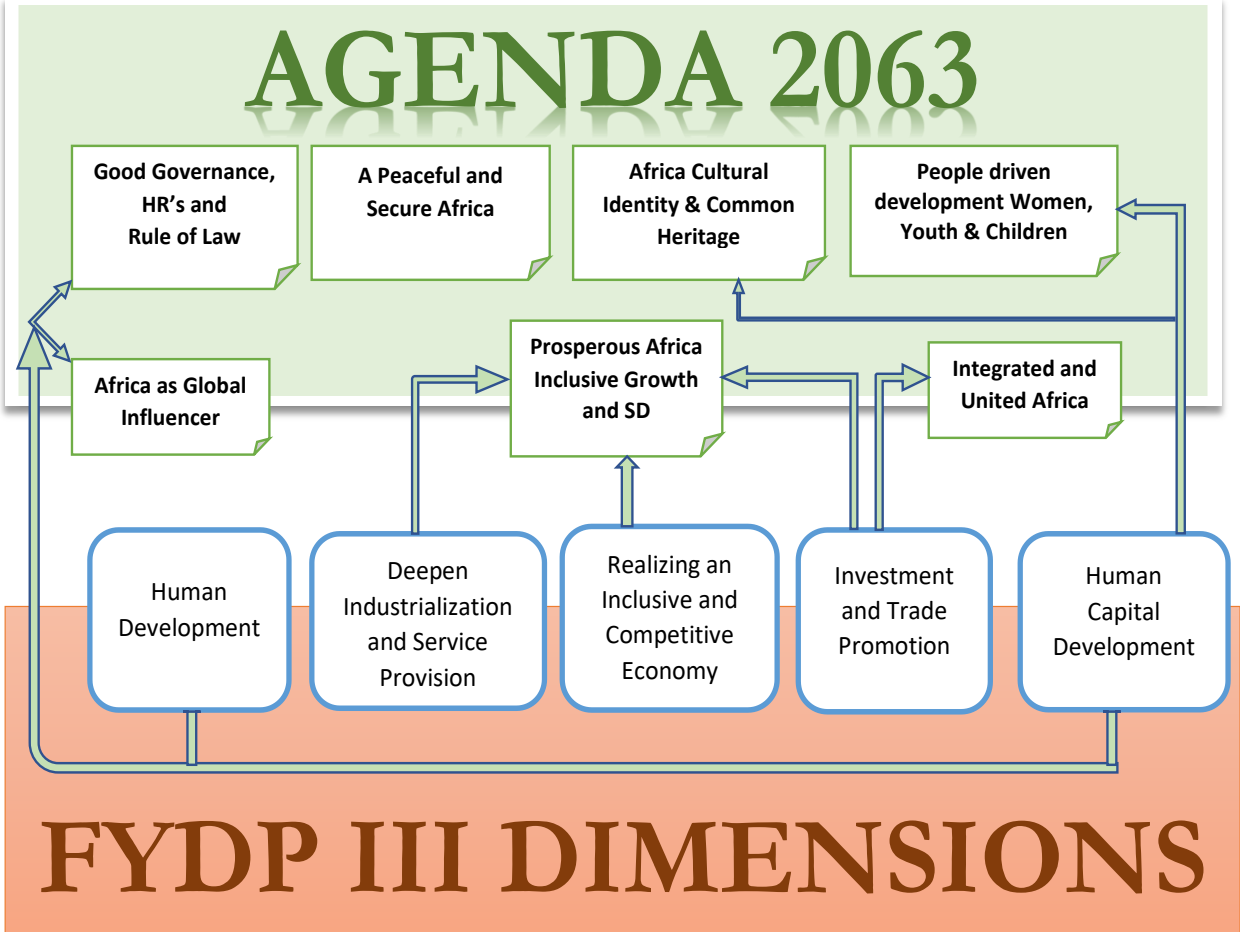
2.1.2 Mainstreaming/Alignment of Agenda 2063

The national development agenda in Tanzania is divided between Mainland Tanzania and Zanzibar - each part of the Union develops its own development plans. Mainland Tanzania is currently implementing its third Five Year Development Plan (FYDP III) 2021/22 – 2025/26 which is the last medium term development plan towards the end of Tanzania Development Vision 2025. Likewise, Zanzibar is implementing Medium Term Development Strategy (MTDS) to realise the Zanzibar Development Vision 2050, whose

main theme is “Blue Economy for Inclusive Growth and Sustainable Development”. It aims at transforming the livelihoods of the people through the comparative advantages of Zanzibar as an Island.

Mainland Tanzania and Zanzibar continue to adopt and mainstream Agenda 2063 into their development plans and vision. Therefore, the development frameworks serve the multifaceted roles nationally as a blueprint to coordinate national efforts in realizing the goal for ending poverty and socioeconomic wellbeing, and internationally, as a link with the global agenda which the country has adopted, domesticated and ratified. With respect to that, monitoring of the implementation of Agenda 2063 is done through Strategies for Monitoring and Evaluation of country’s medium term development plans. Therefore, the FYDP III Monitoring and Evaluation Strategy and MTDS Monitoring and Evaluation System are tools that are being used to monitor and evaluate the implementation of Agenda 2063. The level of integration of Agenda 2063 in FYDP III and MTDS is depicted in *Figure 2.1* and *Figure 2.2*.

Figure 2.1: Alignment between FYDP III Interventions and Agenda 2063



Source: FYDP III and Agenda 2063

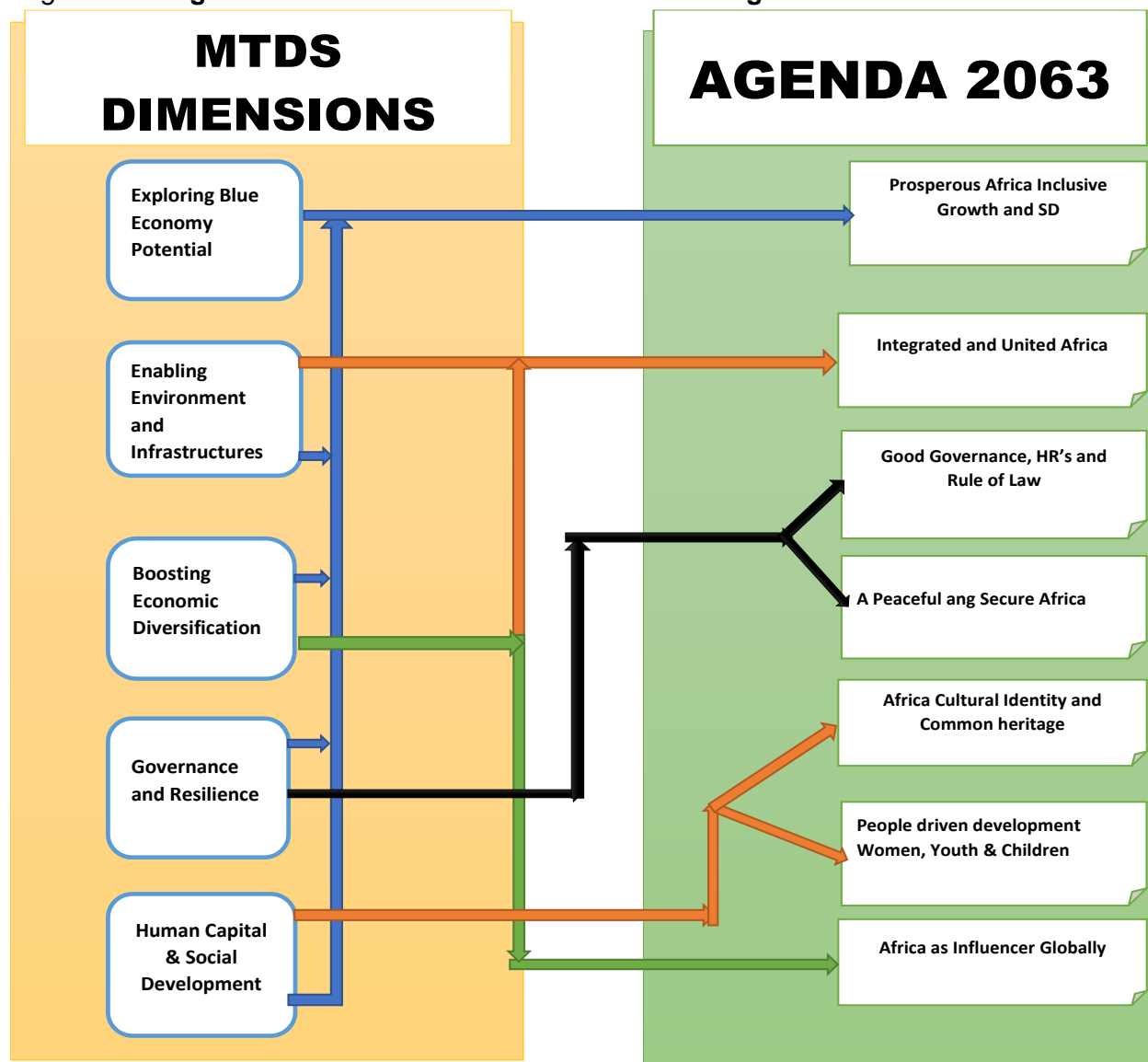
As shown in *Figure 2.1* the alignment between seven (7) aspirations of Agenda 2063 and five priority areas of FYDP III are as follows:

- (i) **Realizing an Inclusive and Competitive Economy:** This focuses on building a society that can compete regionally and internationally; macroeconomic stability; strengthening investment and trade environment; promoting innovation and transfer of foreign technology; and developing infrastructure and services for railways, roads, bridges, marine and air transport, ICT, energy, ports and airports. The implementation of this priority area of FYDP III accomplishes aspiration of Agenda 2063, namely *a prosperous Africa based on inclusive growth and sustainable development* which has seven goals (goals 1 -7).
- (ii) **Deepening Industrialization and Service Provision:** The area aimed at value addition on agricultural products, livestock, fisheries and minerals as well as production of products that will use raw materials and resources available in the country. This area further aims at improving tourism, finance and insurance services. Thus, successful attainment of this priority area of FYDP III ensures realisation of aspiration that aims to have *A Prosperous Africa Based on Inclusive Growth and Sustainable Development*.
- (iii) **Investment and Trade Promotion:** This area includes programs that will strengthen domestic markets and take advantage of regional and international market opportunities in promoting trade. In addition, targeted markets are those that will provide opportunities for locally produced goods, including products from agricultural, livestock, fisheries and forests. This area of FYDP III aspires the attainment of two aspirations of Agenda 2063 namely, (i) *a prosperous Africa based on inclusive growth and sustainable development*, and (ii) *an integrated continent, politically united and based on the ideals of Pan-Africanism and a vision of African Renaissance which has three goals (goals 8, 9 and 10)*.
- (iv) **Human Development:** This area includes the implementation of projects that focus on improving people's lives, such as education and training in general; health and social welfare; social protection; water and sanitation services; urban planning, housing and human settlement; and the impact of climate change. This area of FYDP III supports the achievement of four (4) aspirations of Agenda 2063, which are (i) *Africa of good governance, democracy, respect for human rights, justice and the rule of law (goals 11 & 12)*; (ii) *Africa with a strong cultural identity, common heritage, values and ethics season (goal 16)*; (iii) *the Africa whose development is people-driven, relying on the potential of the African people (goals 17 & 18)*; and (iv) *Africa as a strong and influential global partner (goals 19 & 20)*.

- (v) **Human Capital Development:** This area aims at developing knowledge and skills of human resources in the country, from pre-primary to tertiary education including enabling the youth to become self-employed. This priority area also ensures achievements of four (4) aspirations of Agenda 2063 as highlighted in (iv) above.

The alignment between seven (7) Aspirations of Agenda 2063 and five priority areas of MTDS are depicted in *Figure 2.2*.

Figure 2.2: Alignment between MTDS Interventions and Agenda 2063



Source: MTDS and Agenda 2063

As shown in *Figure 2.2* the alignment between seven aspirations of Agenda 2063 and their corresponding goals, and five priority areas of MTDS are as follows:

- (i) **Exploring Blue Economy Potentials:** Among the main activities that make up the blue economy are sea related activities, including fisheries and aquaculture; shipping and maritime transport; seaport activities and bunkering; coral farming and rehabilitation; coastal and marine tourism; marine (renewable) energy; deep sea fishing; and offshore extractive industry. The interventions of this area of MTDS accomplishes one aspiration of Agenda 2063, namely *a prosperous Africa based on inclusive growth and sustainable development* which has seven goals (goals 1 -7).
- (ii) **Enabling Environment and Infrastructure Development:** This area focuses on building quality, modern and accessible infrastructure to increase competitiveness and attain a high standard of living. Infrastructure needs to have the capacity to support and grow the businesses and to ensure a well-connected inclusive transportation and digital network, reliable and uninterrupted electricity and infrastructure-ready industrial sites. This area aspires the achievements of two aspirations of Agenda 2063, namely (i) *a prosperous Africa based on inclusive growth and sustainable development*, and (ii) *an integrated continent, politically united and based on the ideals of Pan-Africanism and a vision of African Renaissance which has three goals (goals 8, 9 and 10)*.
- (iii) **Boosting Economic Diversification:** Economic diversification is a potential for future economic drivers on development of domestic investment, trade openness, light manufacturing, tourism, transport, and logistics. Hence, successful implementation of this priority area of MTDS ensures realisation of aspirations on (i) *a prosperous Africa based on inclusive growth and sustainable development (goals 1-7)*; (ii) *an integrated continent, politically united and based on the ideals of Pan-Africanism and a vision of African Renaissance which has three goals (goals 8, 9 and 10)*; and (iii) *Africa as a strong and influential global partner (goals 19 & 20)*.
- (iv) **Governance and Resilience:** This focuses on protecting the environment from degradation, enhancing sustainable consumption and production, promoting sustainable utilization and management of natural resources including land management, and taking urgent action to mitigate the impact of climate change. Governance is therefore about accountability, transparency, peace and security, disaster, and human rights, along with enabling citizens to have the requisite knowledge to demand and create positive change. This area of MTDS supports the achievement of three (3) aspirations of Agenda 2063, which are (i) *a prosperous Africa based on inclusive growth and sustainable development (goals 1-7)*; (ii) *Africa of good governance, democracy, respect for human rights, justice*

and the rule of law (goals 11 & 12); and (iii) a peaceful and secure Africa (goals 13, 14 & 15).

- (v) **Human Capital and Social Development:** Human capital consists of the knowledge, skills, and health that people invest in and accumulate throughout their lives, enabling them to realize their potential as productive members of society. Investing in people through nutrition, health care, quality education, jobs and skills helps develop human capital, and this is a key to ending extreme poverty and creating more inclusive societies. Addressing social development issues can improve and sustain human development. The interventions of MTDS under this area ensure the achievement of three (3) aspirations of Agenda 2063, which are related to (i) *a prosperous Africa based on inclusive growth and sustainable development (goals 1-7); (ii) Africa with a strong cultural identity, common heritage, values and ethics season (goal 16); and (iii) the Africa whose development is people-driven, relying on the potential of the African people (goals 17 & 18).*

2.2 Coordination of Agenda 2063 in the Country

In the United Republic of Tanzania, the Ministry of Finance and Planning is responsible for coordinating the implementation of the Agenda 2063. The implementation and coordination of this agenda is done in collaboration with key stakeholders, such as the Ministry of Foreign Affairs and East African Cooperation, Zanzibar Planning Commission (ZPC); National Bureau of Statistics, (NBS); Office of the Chief Government Statistician, Zanzibar, (OCGS); as well as other Ministries, Departments and Agencies (MDAs).

CHAPTER THREE

COUNTRY LEVEL STATUS ON THE IMPLEMENTATION OF AGENDA 2063

Overview

Chapter Three highlights key achievements of Agenda 2063 indicators, experience acquired, challenges and opportunities encountered during the implementation of the Agenda 2063. The chapter provides an overview of the status of seven (7) aspirations covering all goals² with their respective targets and indicators as implemented by the URT.

3.1 Aspiration 1: A Prosperous Africa based on Inclusive Growth and Sustainable Development

3.1.1 Goal 1: A High Standard of Living, Quality of Life and Well Being for All

The URT is among the fast-growing economies in Africa. From 2010 to 2019, the country has recorded an impressive economic growth with nearly 7 percent annual gross domestic product (GDP). However, in 2020, Mainland Tanzania and Zanzibar experienced a sharp drop to 4.8 percent and 1.3 percent respectively. The drastic change in GDP was caused by COVID-19 pandemic, which affected most of the economic activities, especially sectors reliant on global demand such as tourism and trade.

Despite the slowdown in growth and the impact of COVID-19, the country has achieved a positive growth due to various initiatives taken to control the spread of the disease. According to the 2020 Economic Survey, on 1st July 2020, the World Bank reclassified the URT as a Lower-Middle-Income Country. This achievement has been geared by economic growth averaging 6.9 percent while the average per capita income (GNI) reached USD 1,080 in 2019, a level that is above the set lower threshold of USD 1,036.

The performance was attributed to effective implementation of flagship and strategic projects, including mega infrastructure projects, particularly in transport and energy sectors; measures taken by the Government to improve management of the mining activities aiming at streamlining operations and curbing illegal and under declaration of minerals; enhanced efficiency in revenue collection and expenditure management; as well as improved performance of the agriculture sector due to favourable weather conditions.

² The statistics provided on each goal are disaggregated for Mainland Tanzania and Zanzibar depending on the availability of data. However, in some cases, the provided data are reported on the indicators that are implemented at URT level.

Notwithstanding the high economic growth, Mainland Tanzania registered 10.3 percent of unemployment rate as evidenced in Integrated Labour Force Survey of 2014, and the projections indicated that the rate was maintained at single digit from 9.7 in 2018 and slightly dropped to 9.5 percent in 2020. Meanwhile, Zanzibar recorded 6.8 percent of unemployment rate in 2020 compared 5.2 recorded in 2018.

Poverty, Inequality and Hunger

To ensure inclusive growth, the Government has continued to make various efforts, including continuing to invest in flagship³ and strategic⁴ projects as well as social service programs such as health, education, water and sanitation. These projects and development programs have directly contributed to the economic growth and reduction of unemployment that ensured employment creation for youth, women and persons with disabilities; and improving people's livelihood, thus, adhering to the principal of "*Leaving No One Behind*".

This is justified by the progress on indicators related to human development. In the Household Budget Survey (HBS) 2017/18, Mainland Tanzania recorded a decline of proportion of the population living below the basic needs poverty line to 26.4 percent in 2018 from 28.2 percent recorded in 2012. This implies an increase in the number of people with access to basic needs, including foods, education and health services. Additionally, the proportion of urban population living in informal settlements decreased to 65 percent in 2021 from 75 percent in 2013. The decrease was attributed to different Government efforts to formalize land ownership, including implementation of Tanzania Regularization Programme (2013 – 2023) and Planning, Surveying and Land Titling Programme 2017/18.

According to the Zanzibar Household Budget Survey of 2019/20, the proportion of people living below basic needs poverty line decreased to 25.1 percent in 2019/20 from 30.4 percent in 2014/15. This means that, for every 100 people, 75 people managed to acquire their daily basic needs, which is the performance rate of 73 percent.

Various measures have been taken to improve living conditions. These measures include construction and rehabilitation of health facilities; improvement on health services; construction and rehabilitation of water supply infrastructures and sanitation facilities; and construction of power generation, transmission and distribution of electricity infrastructures; and provision of education. These resulted in increase in access to basic services and improvements in human capital development, which in turn have helped to reduce poverty.

³ Flagship Projects are projects with large positive multiplier effects to the rest of the economy, particularly for the areas that can catalyze the aspired transition towards a competitive led export economy.

⁴ Strategic Projects are projects with impacts to the economy and their implementation results to realization of sectors' objectives and ambitions.

Mainland Tanzania recorded a rise in income inequality as measured by Gini coefficient of 0.38 in 2017/18 compared to 0.30 reported in 2011/12. The 2019/20 HBS for Zanzibar reported a Gini coefficient to have risen by 0.01 percent points from 0.30 percent in 2014/15 to 0.31 percent in 2019/20.

In order to cope with population growth and income inequality, in 2019, the Government in Mainland Tanzania introduced regulations to support the implementation of the Local Government Finance Act cap 290 and guide LGAs on how to manage the funds. Between 2015 and 2020, loans amounting to TZS 93.3 billion were provided to groups of women, youths, and people with disabilities. The loans have improved access to capital for small businesses and facilitated poverty reduction through promoting income-generating activities in order to reduce gender and income inequality.

Women, youths and people with disabilities in Mainland Tanzania and Zanzibar have also benefited from TASAF III programme, which transferred cash to very poor households with vulnerable children. A total of TZS 27.84 billion (TZS 15.17 billion in Unguja and TZS 12.68 billion in Pemba) was paid. The TASAF programme facilitated 33,532 households (18,844 Unguja and 14,688 Pemba) under TASAF III. Other interventions include implementation of different development projects which create an enabling and conducive environment to facilitate trade and promoting economic development to sectors which engage most of Tanzanians, including agriculture, fishing, mining and animal husbandry, and in small and medium-sized enterprises resource distribution between urban and rural areas.

To reduce the challenge of stunting and malnutrition, the Government continued to effectively invest efforts to alleviate stunting. Such efforts include strengthening health systems and integrated management of childhood illnesses, immunization and vitamin A supplementation and advocacy for improving infant and young children feeding practices, including exclusive breastfeeding. As a result, prevalence of undernourishment decreased to 31.7 percent in 2020 from 34.7 percent in 2013. In addition, the government continues to implement the National Multi-sectoral Nutritional Action Plan (NMNAP 2016-2021) as guided by the National Nutrition Strategy to reduce the effects of malnutrition and promote good physical and mental growth for children in the country.

In 2020, more than 90 percent of the 9 million children under the age of five (5) were given Vitamin A drops and 90 percent of the new-born in health care were breastfed within one hour. Similarly, the percentage of children under the age of five who are underweight has decreased from 13 percent in 2015 to 10 percent in 2020, while the number of children born underweight at less than 2.5 kg has also declined from 6.5 percent in 2015 to 5.6 percent in 2020. This is attributed to the continuous awareness promotion programmes on nutrition to the community. Furthermore, the Government has been implementing a multi-sectoral nutrition response, and has been scaling up

high impact intervention to community through agriculture sector and other sectors of the economy to improve food and nutrition security in the country.

Box 3.1: Best Fit Case from Zanzibar’s Successful Universal Pension Scheme for Elderly Persons

The Revolutionary Government of Zanzibar (RGoZ) has established a social protection mechanism to improve social protection services aimed at promoting inclusive economic growth and reducing vulnerabilities to economic shocks. The policy which recognizes the need to establish a universal non-contributory pension to address poverty was approved in 2014 and in April 2016, history was made when RGoZ started to implement the Zanzibar Universal Pension Scheme (ZUPS). ZUPS is the first social pension scheme in East Africa to be fully financed by the Government. The RGoZ enacted the Elders Persons Affairs Act 2 of 2020 to secure the sustainability of the program and to establish the Management Information System. The policy sits within Zanzibar’s Vision 2020, which has the objective of eradicating absolute poverty in the society. In March 2015, the Government announced that it would introduce a universal pension as part of the 2015/16 budget, and the first payment was made in April 2016. All Zanzibar citizens over the age of 70, or other residents who pass the age and residency criteria receive a monthly non-contributory pension of TZS. 20,000. The number of elders aged 70 and above who have benefited from the program has increased from 18,389 in 2016 to 27,907 in 2019.

The Zanzibar Universal Pension Scheme case study indicates that the population growth rate compared to poverty has been declining (see box 3.1). The declining poverty trend is not only experienced in Zanzibar but also in Mainland Tanzania. The Government in collaboration with different stakeholders developed and is implementing a number of Programmes such as Productive Social Safety Net Programme (PSSN) aiming to reduce inequality. The PSSN programme is coordinated by Tanzania Social Action Fund (TASAF). In connection to “Best Fit Case from Zanzibar”, various initiatives are underway to enable the introduction of Universal Pension Programme in Mainland Tanzania.

Modern and Liveable Habitats and Quality Basic Services

Electricity Services

In recognizing the importance of the energy sector to the economy and as a catalyst for development, the Government continued to improve and increase the access to electricity in both rural and urban areas through implementation of various power generation and transmission line projects, including the Julius Nyerere Hydropower Project (2.115MW), Rusumo Hydropower Project (MW 80), Kinyerezi Complex (398 MW), and distribution project such as Rural Electrification under the Rural Energy Agency (REA). These have resulted in the increase in access to electricity in Tanzania from 43 percent in 2013 to 78.4 percent in 2019/20⁵. In Rural areas access increased from 16.9 percent to 49 percent, while in urban areas from 65.3 percent to 97.3 percent

⁵ The Energy Access and Use Situation Survey II in Tanzania mainland, 2019/20

over the period which has an impetus to the improved socio-wellbeing of the majority living in rural and urban areas. Moreover, Tanzania's decision to implement the Julius Nyerere Hydropower Project has added an extra motivation towards implementation of Interconnector projects that will connect EAC and SADC countries.

The contribution of electricity and gas to Zanzibar GDP has increased from 0.6 percent in 2013 to 1.4 percent in 2020. The Renewable Energy Zanzibar Association (REZA) has been launched so as to promote renewable energy use. In 2018, about 987 households were connected to solar electricity in Zanzibar in nine villages. Based on 2019/20 Zanzibar HBS, about 63.1 percent of the population in 2019/20 use electricity from either Zanzibar Electric Corporation (ZECO) or Solar Panels as the main source of energy for lighting and cooking compared with 45.1 percent in 2014/15. The performance rate reached 100 percent of the expected target of Agenda 2063.

Liveable Habitats

The RGoZ has been implementing several development programs and projects to provide an adequate and sustainable habitat as well as to ensure that cities and urban areas are inclusive, safe, resilient and sustainable with a view to improving the condition of human settlement. The construction of modern multiple storey houses has been taking place in various parts of Zanzibar, including 15 blocks with 14 houses each at ZSSF Mbwani Housing Estate, and three blocks with 76 houses at Kwahani Mji Mpya. (See *Picture 3.1*)

Picture 3.1: Access to Decent and Affordable Housing in Zanzibar



Water and Sanitation

In fostering development, availability of adequate clean, safe and affordable water and sanitation services in a country has a big impact on improving the standard of living of people as well as contributing to economic growth and environmental sustainability through ecosystems regenerations. The Government continued to invest in the development of water resources and increasing access to safe and clean water as part of a broader development strategy.

In Mainland Tanzania, the proportion of population with access to safe drinking water in regional centres increased from 67.68 percent in 2015 to 86 percent 2020. Similarly, rural population with access to clean and safe water increased from 51 percent in 2013 to 72.3 percent in 2020. This increase was contributed by completion of 355 water projects with a total of 6,687 water points and 67 water projects in different regional centres. In addition, conserving natural ecosystems as water sources is a necessary measure to ensure efficient utilisation of water resources for agriculture, industry and improving access to water supply and sanitation services in rural and urban households.

On the other hand, access to and use of sanitation facilities and services for the safe disposal of human waste have increased due to increased awareness of society about hygiene and management of sewage system. The overall average sewage coverage has increased to 13.4 percent in 2020 from 12.1 percent in 2017. Also, the sewerage connections have increased to 51,394 connections in 2020 from 46,432 connections in 2017. In Zanzibar, the percentage of households with toilet facilities increased to 87.3 percent in 2019/20 from 83.7 percent recorded in 2014/15. The observed improvements are attributed to the investments in water sector through various programs such as the Rural Water Supply and Sanitation Program (RWSSP) and construction of sewerage treatment plants, storage, treatment ponds, and sewer lines.

Internet Services

In transforming Tanzania's economy into digital economy, the use of Information and Communication Technology (ICT) is fundamental. The Government has continued to improve communication services. As a result of Government's efforts, the population with access to internet services has increased to 49 percent in 2021 compared to 20.6 percent in 2013. Furthermore, efforts have been made to upgrade internet network from 3G to 4G to enable citizens to access internet services easily through the Universal Communication Access Fund (UCSAF). The expansion in telecommunication services has enabled the wider provision of services including mobile money, payment of bills such as water and electricity, payments for various subscriptions, and money transfers.

The growth of communication services has enhanced efficiency in revenue collection through the Government e-Payment Gateway (GePG). In addition, the number of internet users increased to 28.5 million in 2020 compared to 25.8 million recorded in 2019.⁶ Postal service operators have also increased from 30 in 2013 to 92 in 2020. Furthermore, the number of radio broadcasting centres, including Digital Terrestrial Television (DTT), Digital to Home (DTH), and Television (TV) stations increased to 183 in 2020 while that of TV broadcasting centres increased to 37 in Mainland Tanzania. In Zanzibar, the proportion of the population who used internet for the past three months were 16.8 percent while the number of radio stations has increased from 18 in 2012 to 30 in 2020 and the number of television stations from 8 to 17.

Challenges

Despite the good economic growth and achievements made, poverty, inequality and unemployment still persist in the URT, particularly in rural areas among youths, women and people with disability. Some of the limitations include slow growth in the formal sector; too large informal sector, which causes unpredictable incomes; and unorganised informal saving mechanisms. Other challenges include high reliance on low productivity, slow growing agriculture attributed to insufficient investment in agriculture infrastructure, insufficient access to credit/working capital for both small holders and micro entrepreneurs, and technological gaps and constraints in accessing modern production methods. Moreover, uncoordinated policies and ineffective measures to combat unforeseen events such as communicable diseases like COVID – 19 seriously affect the economy and livelihood.

3.1.2 Goal 2: Well, Educated Citizens and Skills Revolution Underpinned by Science, Technology and Innovation

In Mainland Tanzania, enrolment at pre-primary education has decreased by 3.6 percent between 2019 and 2020 (from 1.4 million pupils to 1.3 million pupils, respectively). The deficit was contributed by the continuing implementation of free basic education policy where many students joined preliminary education since the start of the implementation of the Policy in 2016. Net Enrolment Rate (NER) at pre-primary school has also declined from 38.7 percent in 2019 to 35.9 percent in 2020 with gender disparities of 50.7 percent for boys and 49.3 percent for girls. Gross Enrolment Rate (GER) was recorded at 78.5 percent in 2020.

In Zanzibar, the enrolment rate for early childhood/pre-primary schools' education is reported to have increased from 63.2 percent in 2019 to 67.6 percent in 2020 (from 85,974 to 92,098 pupils respectively). The implementation of the free education initiative in Zanzibar has led to an increase of inclusive and equitable access to quality education which has resulted in a significant increase in enrolment. NER at early childhood

⁶ Economic Survey 2020

education has increased from 27.5 percent in 2016/17 to 46.8 percent in 2020/21 while the GER was recorded at 81.4 percent in 2019.

In Mainland Tanzania, enrolment at primary education level increased from 10.6 million pupils in 2019 to 10.9 million pupils recorded in 2020. The Gender Parity index (GPI) for net enrolment at primary school levels stands at 1.0 for gross enrolment. The slight increase is emanated from improved learning and teaching environment including implementation of fee free basic education policy and construction of school infrastructures such as classrooms and toilets. Furthermore, the Government continued to sensitize the public on the importance of education in attaining development aspirations by ensuring that all pupils attend classes.

In Zanzibar the NER in primary schools has increased to 98.4 percent in 2020 from 82 percent in 2013. The NER for secondary school decreased from 65.4 percent in 2013 to 51 percent in 2020. Performance rate of teachers who have received at least minimum organized teacher training reaches 19 percent of the expected target. The Gross Enrolment Rate (GER) was recorded at 118.1 percent in 2019.

In Mainland Tanzania, the enrolment trend in secondary education has been stable in recent years due to high enrolment recorded in the period from 2016 to 2020. However, total enrolment has increased from 1.67 million students to 2.3 million students, respectively where the change in enrolment in secondary school is 6.3 percent with the Net Enrolment Ratio of 36 percent in 2020.

The comparison between total enrolment and GER is illustrated in Table 3.1, which shows that female enrolment has overtaken male enrolment from 2016 to 2020, both in actual numbers and in GER. The Gender Parity Index (GPI) in lower secondary education in 2020 stands at 1.1 while the total number of students enrolled is 2.3 million students, 1.1 in GER and 1.2 in NER. A higher GPI for NER than for GER indicates that a greater proportion of lower secondary school girls are in the correct age range compared to boys. Moreover, the Pupil Teacher Ratio (PTR) at secondary level in government schools has remained the same at 1:26 in respective years (2013 and 2020) despite the increased number of students.

Table 3.1: Students Enrollment by Sex in Lower Secondary Education

Year	Male	Female
2016	824,767	850,826
2017	863,718	904,172
2018	965,305	1,025,716
2019	1,045,441	1,139,596
2020	1,103,810	1,218,449

Source: BEST 2020 National Data (MoEST)

The national PTR has improved from 1:114 in 2016 to 1:104 in 2020, which is considered optimal. This improvement is a result of an increase in the number of pre-primary teachers from 10,991 in 2018 to 13,227 in 2020. In primary education, PTR declined from 1:42 in 2016 to 1:56 in 2020. The decline in PTR is attributed to the decrease in total number of teachers by 5.8 percent from 206,806 teachers in 2016 to 194,736 teachers in 2020. However, the situation is expected to improve on account of the 13,000 newly employed teachers in October 2020. Since 2014, the RGoZ has improved important infrastructures needed for the provision of the education.

Challenges

The challenges in the education sector in both Mainland Tanzania and Zanzibar are as follows:

- i. Shortage of both pre-primary and primary school teachers, and shortage of mathematics and science teachers in secondary schools;
- ii. Inadequate school infrastructures due to implementation of Fee-Free Basic Education Programme; and
- iii. Eruption of COVID-19 pandemic which has hindered the implementation of some education programmes.

Opportunities

Ensuring equitable access to education and training for all, including participation and completion of free basic education for all, with particular attention to marginalized groups, children with disabilities and out-of-school children; and

Development of Education infrastructure: Government's commitment to improving education facilities as well as implementing the free basic education programme has increased pupils' and students' enrolment. During this period, 27,000 new classrooms for pre-primary and primary schooling were constructed. Similarly, at the secondary level, 2,700 classrooms were constructed.

3.1.3 Goal 3: Healthy and Well-Nourished Citizens

The country has made great achievement in ensuring better health services to its citizens. This is mirrored in notable improvements in health-related indicators in the country, including rates of maternal mortality, neo-natal mortality, under-five mortality, births attended by skilled health workers and HIV prevalence. The intervention made by the Government in improving health services include strengthening health systems (primary and referral), equipping district, regional and referral hospitals with modern equipment, training health staff (through short and long courses), management of non-communicable diseases, and improving working environment for health personnel (commensurate remuneration, housing in close proximity to work premise).

These interventions among other things led to the decrease in neo-natal mortality and under-five year mortality rates to 50 deaths per 1,000 live births in 2020 from 67 deaths per 1,000 live births in 2015. Furthermore, the number of health facilities in the country has increased from 7,014 in 2015 to 8,783 facilities in 2020. A total of 1,198 dispensaries, 487 health centres, 99 district council hospitals and 10 referral hospitals were constructed and rehabilitated. Other factors include increased provision of equipment, medicines and supplies as well as deployment and increase in health sector providers. Also, Mainland Tanzania has continued to be one of the leading countries in Africa in vaccinating children aged below one year as evidenced in 2020, when 98 percent of all children aged below one year were vaccinated, compared to 82 percent in 2015/16, thus exceeding the 90 percent target set by the World Health Organisation (WHO).

Progress in reducing maternal-related deaths has been improved. As a result, maternal mortality ratio declined from 432 in 2015 to 321 deaths per 100,000 live births in 2020. In addition, the percentage of pregnant women who attended antenatal clinics four times or more increased to 81 percent in 2020, compared to 39 percent in 2015, implying that more pregnant women receive quality care and advice on safe birth control methods. The number of pregnant women giving birth at health facilities also increased from 64 percent in 2015 to 83 percent in 2020.

In Zanzibar, efforts to reduce maternal mortality rate have been made during this period. Maternal mortality ratio has been captured at facility level. In 2018 there were 155 deaths per 100,000 live births while in 2019 a total of 166 deaths per 100,000 live births were recorded. This achievement is attributed to several interventions including sensitization and awareness campaign through meetings, social media, as well as radio and TV programs. The trend of maternal mortality ratio from 2017 to 2019 seems to be fluctuating, but high mortality rates continued to be experienced in Pemba more than Unguja, according to the Zanzibar Health Bulletin 2019. Reduction of mortality rate in neonatal stage is attributed to initiatives by Government to continue to put more emphasis on the reduction of infant and under five mortality rates through a number of programs like Expanded Programme on Immunization. Immunization has been practiced at all levels, and its overall goal is to contribute to the reduction of the under-five morbidity and mortality with improvement to fight diseases preventable with vaccines.

Further, control of communicable diseases, especially malaria, tuberculosis and HIV/AIDS has been of paramount importance towards improvement of the health sector in the country. Deaths caused by malaria in all age groups have decreased by 67 percent, from 6,311 in 2015 to 2,079 in 2020. However, confirmed cases of malaria have increased from 2015 to 2020 due to constant availability of diagnostic facilities especially Malaria Rapid Diagnostic Tests (mRDTs) and the introduction of Malaria

Service and Data Quality Improvement (MSDQI) package, which has also increased the performance of the health facilities on malaria indicators. HIV prevalence rate declined from 5.1 percent in 2015 to 4.6 percent in 2020. By 2020, it was estimated that there are approximately 1.7 million people living with HIV in Tanzania. The prevalence of HIV/AIDS in the country shows a declining trend following improved prevention strategies, intensified HIV testing and counselling programmes as well as social and behavioural change programmes countrywide. Furthermore, the percentage of people who are eligible for treatment and who are receiving anti-retroviral therapy increased from 97 percent in 2015 to 98 percent in 2020.

In Zanzibar, there has been a significant progress in reducing the number of childhood diseases, including malaria, and thereby reducing child mortality rates. The Zanzibar Statistical Abstract, 2020 has shown that malaria cases per 1,000 people have declined from 0.25 in 2015 to 0.24 in 2020. This has been attributed to comprehensive awareness campaigns and other preventive measures like houses spraying programs implemented in both Unguja and Pemba.

Challenges

- i. Insufficient medicines, reagents and medical equipment in the hospitals and health centres;
- ii. Low enrolment in health insurance as only 33 percent of Tanzania's population is currently covered by some form of health insurance;
- iii. Long distances travelled to reach health facilities especially in rural areas;
- iv. Insufficient number of professional health workers in both urban and rural areas;
- v. Non-communicable diseases are still prevalent in Zanzibar. Hypertension and diabetes (new cases) are among the Non-Communicable Diseases (NCDs) affecting most of the elderly people; and
- vi. Substance abuse is still a public health problem in Unguja and Pemba. The coverage of treatment interventions (pharmacological, psychological and rehabilitation and aftercare services) for substance use disorders has been taking place, and there is a total of six male sober houses recorded in 2020 - four of them are located in Unguja and two in Pemba.

Opportunities

The Government has to prioritize the health sector to improve the sector and well-being of the people through recruiting new staff and specialists to cover the existing human resources gap. The growing demand has resulted from the new and improved health care facilities constructed, and from ensuring sufficient supply of medicines, reagents and medical equipment in the hospitals, health centres and dispensaries. Furthermore, the Government could consider employing community health workers (CHWs) to scale

up improvement in reproductive, maternal and child health care services at community level.

3.1.4 Goal 4: Transformed Economies and Job Creation

Sustainable and Inclusive Economic Growth

In both Mainland Tanzania and Zanzibar, high growth rates of around 7 percent have been sustained over the past decade. Reflecting a strong income growth over the past decade, on 1st July 2020 the World Bank included Tanzania on the list of countries with lower middle-income status after reaching a Gross National Income (GNI) per capita of USD 1,080 in 2019, and exceeding the threshold for lower middle-income status. The growth was attributed to continued efforts by the Government to strengthen the mining sector; improved transportation services; implementation of various development projects, including roads, railways, airports and electric power projects; and construction and maintenance of health facilities. The trend of GDP growth and per capita income for both Tanzania Mainland and Zanzibar is shown in *Table 3.2*

Table 3.2: Trend of GDP Growth and Per Capita Income from 2014 - 2020

Year	GDP Growth (percent)		Per Capita (GDP), Nominal (US\$)	
	Tanzania Mainland	Zanzibar	Tanzania Mainland	Zanzibar
2014	6.7	6.4	1,076.0	940.0
2015	6.2	6.2	977.7	834.0
2016	6.9	5.8	1,006.5	868.0
2017	6.8	7.7	1,044.1	946.0
2018	7.0	7.1	1,085.5	1,046.0
2019	7.0	7.0	1,118.9	1,115.0
2020	4.8	1.3	1,151.0	1,099.0

Source: National Account Tanzania Mainland Publication and Zanzibar Statistical Abstract, 2020

Tanzania solid macro-economic performance during COVID-19 pandemic has been affected by the ongoing effects of the pandemic, especially in sectors reliant on global demand. During the period of COVID -19, inflation has been low and stable, but GDP has grown by 4.8 percent in 2020 and is expected grow by 5.5 percent in 2021. A full recovery in 2021/22 requires reforms to improve the business environment as a key input to bolster recovery of the private sector. According to the World Bank Doing Business Report 2020, Tanzania ranks 141st out of 190 economies in ease of doing business, trailing Rwanda, Kenya, Uganda and Sub-Saharan peers like Zambia, Malawi and Mozambique.

For Zanzibar, performance rate of real GDP growth rate reaches -85 percent fall as compared to the target required. Zanzibar has made a substantial progress in maintaining sustainable economic growth for the last three years. For instance, in 2019, the GDP growth rate of Zanzibar was 7.0 percent. But in 2020 Zanzibar's economy

dropped due to the outbreak of the Corona Virus. The disease has affected a number of economic and social development projects, and has led to a number of deaths worldwide. For the first time in the last two decades, Zanzibar has reported a slow rate of growth of only 1.3 percent in year 2020.

Figure 3.1: GDP Growth of Zanzibar



Source: MKUZA III Evaluation Report, 2020

Over the review period, the growth was attributed to the Government's continued execution of major infrastructure projects, particularly in the transportation and energy sectors; measures taken by the government to improve management of mining activities with the goal of streamlining operations and reducing illegal and undeclared minerals; enhanced efficiency in revenue collection and expenditure management; as well as improved performance of the agriculture sector due to favourable weather conditions.

The sectors with highest annual average growth rates up to 2019 were construction (14.4 percent); manufacturing (8.3 percent); transportation and storage (8.2 percent); mining and quarrying (8.0 percent); and information and communication (6.2 percent). The share of agriculture in total GDP declined from 29.0 percent in 2015 to 26.6 percent in 2019. The decline of the share of agriculture in total GDP and the corresponding rise in the shares of 'modern sectors' apparently confirms that structural transformation is taking place in Tanzania.

Tourism

Tanzania is endowed with a variety of tourist attractions, including wildlife, forests, wetlands, cultural and historical sites, water bodies, beaches, islands, mountains and unique landscapes. The country has 22 national parks, 22 game reserves, 29 game-controlled areas, 38 wildlife management areas, 20 nature reserves, Ngorongoro Conservation Area, three Ramsar sites, more than 125 archaeological and historical

sites, over 1,400 km of coastline, three marine parks, 15 marine reserves, three Great Lakes of Africa, and the spice Island of Zanzibar. These attractions have often drawn a significant number of tourists from different parts of the world. For example, in 2020 Mainland Tanzania received 620,867 international visitors, which are equivalent to only 41 percent compared to 1,527,230 international visitors of 2019 as a result of COVID-19 pandemic. Similarly, revenue from tourism decreased by 27 percent from USD 2,604 million to USD 714.59 million during the same period.

The sector accounts for more than 17 percent of the National Gross Domestic Product (GDP) and is a major source of foreign exchange, contributing up to 25 percent of total export earnings and creating more than 1.5 million direct and indirect jobs. This makes tourism one of the fundamental economic sectors in the country. Notwithstanding all these attributes, tourism is the most volatile sector whose performance can easily be traumatized by the outbreak of natural, political and economic crises.

Table 3.3: International Visitor arrivals in Tanzania by months from 2016 to 2020

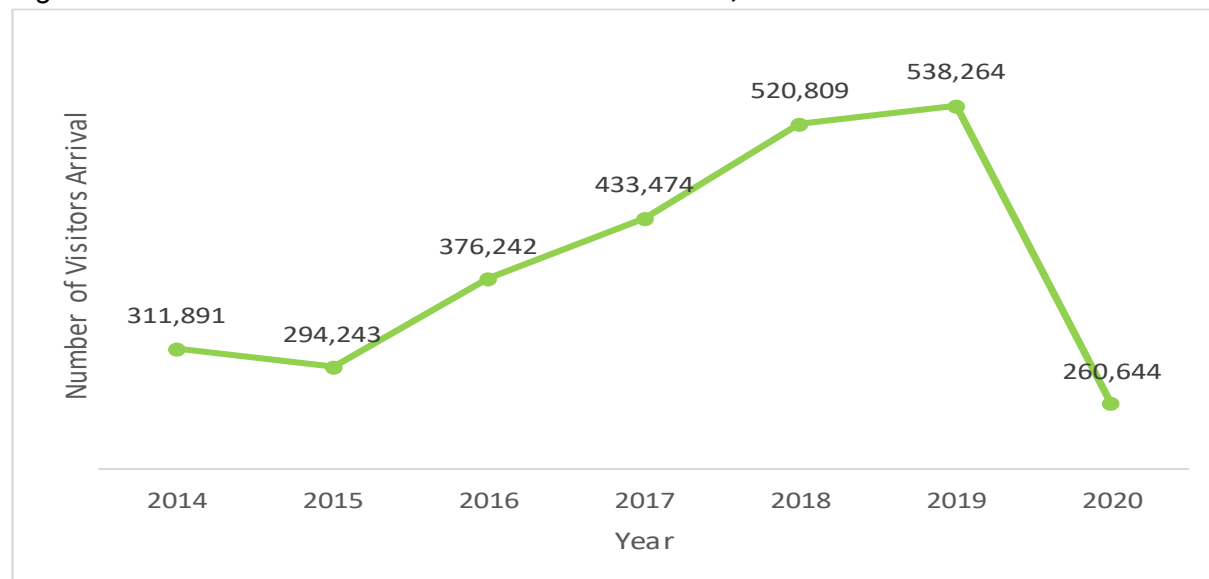
Month	Year					% Change Between 2019-2020
	2016	2017	2018	2019	2020	
January	95,127	121,280	133,795	120,503	132,684	10.1
February	92,475	101,168	107,835	122,929	137,204	11.6
March	94,345	98,295	123,256	108,323	66,581	-38.5
April	76,558	86,652	92,876	95,213	7,105	-92.5
May	76,770	78,016	91,374	87,407	5,529	-93.7
June	92,077	92,442	117,802	121,174	9,671	-92.0
July	119,140	131,583	148,557	156,838	17,136	-89.1
August	126,054	131,388	157,312	163,910	24,863	-84.8
September	122,350	110,962	150,953	147,877	29,566	-80.0
October	135,314	122,289	120,762	132,734	41,740	-68.6
November	123,895	109,211	111,859	124,852	61,183	-51.0
December	130,174	143,857	149,321	145,470	87,605	-39.8
Total	1,284,279	1,327,143	1,505,702	1,527,230	620,867	-59

Source: Ministry of Natural Resource and Tourism, (collected from Immigration Department)

The Tanzania tourism visitor arrivals data for the period of January to December 2020 showed that only 620,867 international tourists were received compared to 1,527,230 over the same period in 2019 (*Table 3.3*). The slight drop in the number of international tourist arrivals in Tanzania has implications in revenue and employment generated in the sector. While in Zanzibar, the value added of accommodation and food services is used as a proxy indicator for Tourism value added. This is because most of the Government earnings come from tourism sector. The performance rate of accommodation and food services as a proportion to GDP reached -35 percent of the required target. However, the number of tourists has declined in 2020 to 260,644 due to

outbreak of COVID-19 compared with 538,264 in 2019, which also decreased the shares in accommodation and food services (from 20.2 in 2019 to 15.8 percent in 2020).

Figure 3.2: Number of Tourists who Visited Zanzibar, 2014 - 2020



Source: Zanzibar Statistical Abstract, 2020

The success obtained in tourism sector has been contributed by (i) expanding the number of tourism assets; (ii) improving quality of tourist assets; (iii) promoting tourist attractions, targeting both international and domestic tourists; (iv) streamlining revenue collection and management systems; and (v) capacity building. During the period under evaluation, the number of national parks increased up to 22. The increase came from upgrading several game reserves, including Burigi, Biharamulo, Kimisi, Ibanda, and Rumanyika - Orugundu.

The Government also continued to invest in improving the quality of existing tourism assets, for example, (a) fencing selected national parks (e.g., Mkomazi); (b) importing black rhinos from South Africa; and (c) getting rid of invasive vegetation threatening the wildlife and their respective environment in Tarangire, Saadani, Arusha, Kitulo, Rubondo, Mahale, Lake Manyara, and Saanane. A number of tourist sites were also renovated, including the Dr Livingstone Museum in Ujiji Kigoma, the National Museum in Dar es Salaam; and the Arusha Declaration Memorial Monument.

Zanzibar has identified the tourism industry as one of the key economic drivers. Through the implementation of ZSGRP III, the RGoZ has made the tourism and hospitality sector competitive enough to inclusively provide the benefits to Zanzibaris and capitalize on the cultural heritage of Zanzibar. This achievement has been substantiated by the presence of well-designed and implemented flagship programs and projects. The implemented flagship projects include sites development and renovation

of historical buildings sites such as Kwa Bikhole, Palace of Mwinyimkuu Dunga, Mkamandume, Fukuchani, etc.; and the promotion of ecotourism related to botanical gardens and city parks (Masingini, Ngezi, and Jozani).

Strategic Actions to Stimulate Products Diversification and Development of Tourism Sector

- i. Deliberate Government efforts and strategies to incentivize private sector investments in the newly targeted tourism products (cable cars, wildlife orphanage tourism, zip line, virtual tourism, water spot tourism, canopy walk way and game viewing hides) that will ensure not only new products availability but also world-class high-quality services;
- ii. Enhancing existing tourism products such as wildlife and cultural tourism by developing new investment model (special concession) to boost investment in the less tourism utilized areas;
- iii. Developing conference, beach and cruise ship tourism as recommended in the recent report by MNRT titled 'Towards a Comprehensive Strategy for Tourism Diversification, Growth and Development in Tanzania: The Quick Wins';
- iv. Developing National Tourism Policy implementation tools including National Tourism Policy Implementation Strategy and National Tourism Development Program; and
- v. Enhancing quality control of the tourism products and services by conducting inspection of tourism agents and classification and grading of the accommodation facilities.

Challenges

The tourism sector in both Mainland Tanzania and Zanzibar faces the following challenges:

- i. Persistent poverty of local population in areas where tourists visit, thus calling for a strong linkage between the sector and local communities;
- ii. Presence of COVID – 19 pandemic which distracts tourism activities, especially movement of tourists;
- iii. The global structure of the sector where majority of tourists subscribes to package tours organized abroad;
- iv. Inadequate local community participation in conservation and management of natural and cultural resources;
- v. Illegal harvesting and unsustainable utilization of natural resources;
- vi. Conflict of interest among stakeholders on the extraction of natural resources;
- vii. Inaccessibility of most of the game reserves and antiquity sites due to poor infrastructure, particularly roads, bridges and airstrips;
- viii. Insufficient budgetary allocation for the implementation of research, conservation and promotion activities of natural and cultural resources; and

- ix. Limited linkage of the tourism magnets to local economy thus perpetuating enclave situation.

Industry

Tanzania has identified industrialisation a key driver of economic transformation. The economic transformation strategies included increasing use of domestic inputs, improving an enabling environment for private sector investment and mobilisation of Foreign Direct Investments (FDIs). During the implementation of FYDP II 8,477 industries were established, of which 201 were large-scale, 460 were middle-scale, 3,406 were small and 4,410 were micro enterprises. Also, in 2019/20 alone, 303 industries were established, of which 138 were large establishments (95 established under Tanzania Investment Centre - TIC). The establishment of these industries has led to the increase in the number of industries from 52,633 in 2015 to 61,110 industries in 2019. These establishments have increased the number of newly created jobs from 254,687 in 2015 to 482,601 in 2019. The contribution of industrial sector to GDP has increased from 7.9 percent in 2015 to 8.5 percent in 2019. The average growth of 8.3 percent in industrial sector has led to increases in the production of different manufactured goods. Overall, as of September 2020, Government achieved 75 percent of the targets set in 2015/16.

The other transformed sectors with highest annual average growth rates between 2016 and 2019 were construction (14.4 percent); manufacturing (8.3 percent); transportation and storage (8.2 percent); mining and quarrying (8.0 percent); and information and communication (6.2 percent). The share of agriculture in total GDP declined from 29.0 percent in 2015 to 26.6 percent in 2019. The decline of the share of agriculture in total GDP and the corresponding rise in the shares of 'modern sectors' apparently confirms that structural transformation is taking place in Tanzania.

Table 3.4: Trend of Contribution of Manufacturing Sector to the GDP

Year	2015	2016	2017	2018	2019	2020
Percentage	7.7	7.81	7.67	8.05	8.5	8.4

Source: National Bureau of Statistics

The manufacturing sector in Zanzibar is dominated by the SMEs contributing significantly to employment creation, income generation and stimulation of growth in both urban and rural areas. Furthermore, the Government has established Small Medium Industrial Development Authority (SMIDA) with the aim of strengthening capacity of entrepreneurship by building their capacities, guiding and monitoring their business and facilitating them to grow in the competitive business environment. The contribution of manufacturing sector to GDP was 8 percent in 2020 compared to the

contribution of 7.7 percent in 2013. This caused the performance rate to lag behind by nine percent (-9 percent) against the required target.

The RGoZ has identified four areas as industrial parks for the development of industries and enhancing processing of agricultural goods. The areas are Nungwi, Dunga and Nyamanzi in Unguja and Chamanagwe in Pemba. The Chamanagwe area has already been demarcated for small, light and heavy industries by fixing all necessary infrastructures (water, electricity, road etc.).

Job Creation

According to the FYDP III (2021) about 1,167,988 jobs were created between 2016/17 and 2018/19. It is noted that more jobs (i.e., about 451,464) were created in the private sector compared to the public Sector (i.e., about 112,645) implying the significance of the private sector in fighting poverty through employment creation. The increase in the number of formal employments created means more people are employed, social protection improved and the number of people who are marginalized reduced

Table 3.5: Jobs Created by Main Sectors from 2016/17 to 2018/19

Main Sectors	Number of Jobs Created
Public (Permanent Employment)	112,645
Public (Strategic Development Projects)	663,227
Private	451,464
Total	1,167,988

Source: Administrative Data, PMO-Labour, Youth, Employment and Persons with Disability

Challenges

Despite the noted achievements, challenges still exist. These include the following: In Mainland Tanzania, the challenges include (i) low levels of technology application; (ii) high costs of production; (iii) inadequate inputs and raw materials; (iv) rapid technological changes; inadequate capital; low commercial banks credit; (v) and challenges of connectivity among African countries.

In Zanzibar the challenges include (i) weak manufacturing/industrial entrepreneurship base; (ii) low productivity levels and high cost of utilities, and (iii) poor quality of goods and packaging, as well as low supply capacity. Other challenges include inadequate financial, human and technical resources, weak business and investment environment, low productivity, poor and inadequate infrastructure facilities, limited linkages between economic sectors, limited macro-micro linkages and weak implementation of national and sector development plans and subsequent sector.

Initiatives to address the above-mentioned challenges for Mainland Tanzania include adoption of the blueprint for business regulatory reform, implementation of the NSDS and capitalization of the Tanzania Development Bank.

Science, Technology and Innovation (STI) - driven Industrialization and Value Addition

The rapid development of innovation ecosystem has been noticed in Tanzania between 2013 and 2020. During that time, Tanzania climbed 35 positions from 123rd in 2013 to 88th in 2020. The STI has been driving factor of changes witnessed in financial agricultural, manufacturing and health sectors in Tanzania. Furthermore, the research and development expenditure as proportion of GDP increased from 1.2 percent in 2013 to 1.5 percent in 2020.

Challenges

Notwithstanding the above achievements, a number of challenges still remain. These include:

- i. Inadequate supportive environment for private sector involvement in research such as appropriate incentives and linking with Research and Development (R&D) institutions;
- ii. Ineffective mechanisms for technology transfer and commercialization of research results;
- iii. Limited funding for research activities, and where funds have been available, research focus has not been towards addressing societal problems especially on promoting industrialization; and
- iv. The administrative and legal framework to govern the equitable sharing of research benefits between foreign researchers and local researchers is still far from adequate.

Opportunities

- i. Abundance of natural resources – land, wildlife, minerals, forestry- high potential for diversification
- ii. Improvement of hard and soft Infrastructure systems and facilities: There are increasing opportunities for expansion in the infrastructural subsector: aviation, construction industry (roads, railways, ports, real estate and ICT backbone
- iii. Intensified Private Sector Facilitation
- iv. A high growing population which offers labour force, growing middle class as domestic market assured
- v. Strategic geographical location linking land-locked countries (EAC, SADC markets) and the rest of the world

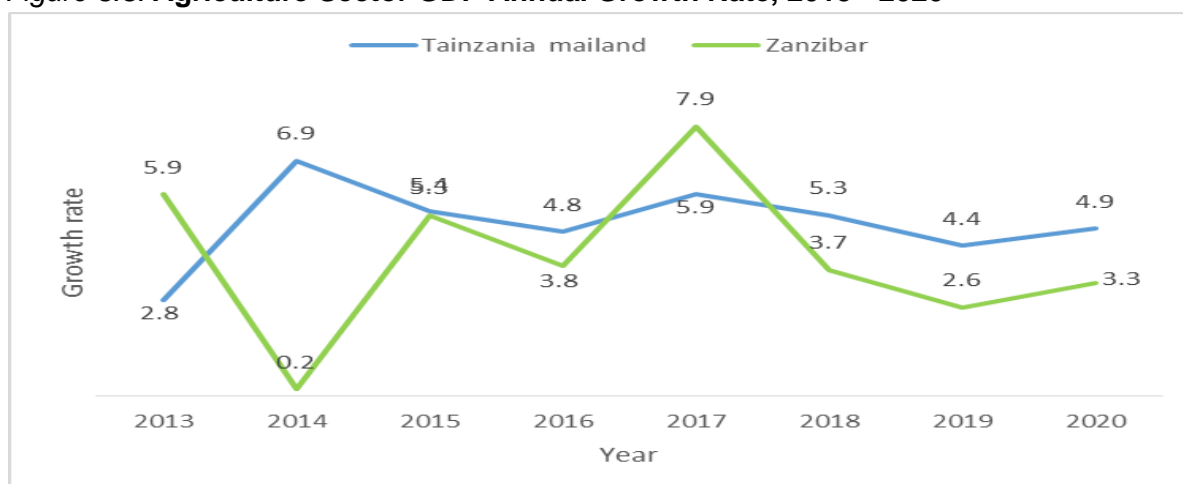
- vi. Further macroeconomic stability and economic diplomacy to win external market and attract foreign investments.

3.1.5 Goal 5: Modern Agriculture for Increased Productivity and Production⁷

The agricultural sector in Tanzania is the second in contributing to the growth of the economy after the services sector. In 2020, it accounted for about 26.9 percent of GDP in Mainland Tanzania and 22.8 percent of the GDP of Zanzibar. The sector contributed about 24 percent of export earnings in the year 2020, and provided about 65 percent of raw materials to local industries. It is also a source of food supplies, and source of employment and livelihood among the majority rural population.

In recent years, employment in agriculture has declined from 75 percent to 58 percent due to growth in the services and industrial sectors. Annual real agricultural growth rate has averaged 5.4 percent for over seven years (2013/14-2020/21) as shown in *Figure 3.3*.

Figure 3.3: Agriculture Sector GDP Annual Growth Rate, 2013 - 2020



Source: National Bureau of Statistics and Zanzibar Statistical Abstract

The growth of the sector is still below the national target of 7.0 percent and the African Union Comprehensive Africa Agriculture Development Programme (AU-CAADP) target of 6 percent per annum. The sector portrays compelling signs of agricultural transformation with the rise of yields in agricultural products produced in Tanzania, contributed by the SMART Agriculture initiatives that pioneer the use of improved machines, hybrid seeds, post-harvest measures, block farming and small farmers addressing their challenges collectively through cooperatives as shown in **Annex III**.

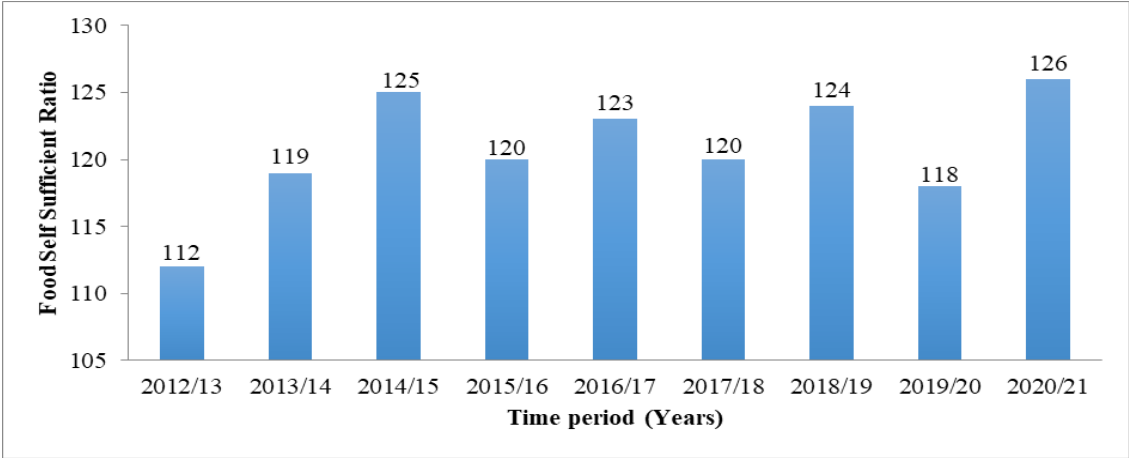
⁷ Note that due to lack of related data, the share of agriculture sector contribution to GDP and the overall agricultural sector performance are used to show progress of the implementation of this sector overtime (In a scope of 10 years)

During the implementation of the FTYIP, Goal 5 has been implemented in line with the SDG2, Malabo Declaration and other domestic and international plans and agreements. In the process of transformation towards modern agriculture for increased productivity and production, the country has also done the following:

(a) Improved Food and Nutrition Security

The country has been food secure with the Self-Sufficiency Ratio (SSR) raising from 105 percent (2013/14) to 126 percent (2020/21). This implies that Tanzania is food self-sufficient (*Figure 3.4*). The increased level of stocking by the National Food Reserve Agency (NFRA) has also contributed to ensuring food security in the country. Moreover, to further strengthen food security and address the possibility of food vulnerability, Tanzania has developed an Agriculture Climate Resilience Plan (ACRP) 2014-2019 and is currently developing the national strategy for climate change adaptation and resilience of dry land farming systems.

Figure 3.4: Tanzania Food Self-Sufficiency Trend 2010/11 - 2019/20 (Percent)



Source: Ministry of Agriculture, 2021

In addition, Tanzania is currently implementing the National Multi-sectoral Nutritional Action Plan (NMNAP 2016-2021). As a result, between 2015 and 2018, the proportion of children under five years of age who were stunted declined from 34 percent to 32 percent. Likewise, the percentage of children who were underweight dropped from 3.8 percent to 3.5 percent, and that of children who had anaemia from 44.7 percent to 28.7 percent.

(b) Increased Access to Quality Seeds

Access to quality seeds has increased substantially from 16,148 tons (2010/11) to 76,726 tons (2019/20) due to the improved seed systems in the country. In 2016, Tanzania joined the Organization for Economic Cooperation and Development (OECD) Seed Schemes, and, in 2018, the National Seed Testing Laboratory in Morogoro under the Tanzania Official Seed Certification Institute (TOSCI) was accredited by the

International Seeds Testing Association (ISTA). Consequently, the country can now participate in the international trade of seeds.

(c) Increased Availability of Fertilizer

The supply of fertilizer has increased from 302,200 tons (2010/11) to 604,978 tons (2019/20). The increase is an outcome of the improvement and application of the bulk procurement system, which reduces the cost of fertilizers and increases the availability, distribution and access to fertilizers by smallholder farmers.

(d) Mechanization

In Mainland Tanzania, the use of agricultural machinery in land cultivation has increased. The area cultivated by tractors increased from 12 percent in 2010/11 to 20 percent in 2019/20, while the area cultivated by draught animals increased from 24 percent to 27 percent over the same period. In Zanzibar, the Government's agency for tractors and farm machinery services has been established to increase the use of tractors and other extension services. Since its establishment, repairs and maintenance of agricultural machinery and equipment, including tractors, have been delivered on time. To meet the capacity required and farmers' demand, efforts are being made to raise the number of tractors in Zanzibar from 47 to 100.

(e) Irrigation

The country's surface and underground water resources have the potential to irrigate 2.3 million hectares. During the implementation period, some progress has been made but not to the desired level. Total area under irrigation has increased from 345,690 hectares to 694,715 hectares between 2010/11 and 2019/20. Zanzibar is currently implementing a paddy production improvement project, which is expected to expand the irrigation infrastructure coverage from the current area of 810 hectares to 2,457 hectares by 2024.

(f) Storage Facilities

Tanzania has been implementing various programmes and projects, including the Agriculture Sector Development Programme (ASDP), Sasakawa Global 2000, District Agricultural Development Plans (DADPs), and the District Agricultural Sector Investment Project (DASIP). Through these projects, a total of 3,864 storage facilities were constructed and/or rehabilitated. Also, through Collective Warehouse Based Marketing Schemes (COWABAMA), the country aims to increase smallholders' access to warehouse facilities, which, in turn, should scale down post-harvest losses. The initiative has demonstrated promising results. Other efforts include expanding paddy storage facilities through the implementation of the Expanded Rice Productivity Project (ERPP). The NFRA is also expanding its emergency food storage capacity from the existing 251,000 tons to 501,000 tons by the end of 2020.

Livestock Subsector

In the URT, the livestock subsector has been growing in terms of increasing production of livestock, milk, meat and eggs.

Livestock Production

The number of livestock population has been increasing, for example between 2015/16 and 2019/20 the number of cattle has increased from 25.8 million to 33.9 million, goats from 17.1 million to 24.5 million, and sheep from 4.8 million to 8.5 million. The increase in the number of livestock is a result of good animal husbandry and livestock diseases control, including enforcement of compulsory vaccination of livestock. Furthermore, the number of operating cattle dip tanks has increased from 2,428 to 2,526 between 2015/16 and 2019/20 respectively. Thus, Tanzania ranks second after Ethiopia in terms of cattle population.

Production of Milk

Production of milk has been growing significantly due to various interventions implemented in Tanzania for improving local animal breeds in favour of milk production that include use of artificial insemination through special designated camps for artificial insemination in order to access remote rural areas. As a result, production of milk has increased from 2.1 billion liters in 2014/15 to 3.1 billion liters in 2020/21.

Production of Meat

The production of meat has been increasing as a result of ongoing initiatives especially livestock fattening programmes, sensitizing livestock farmers to increase annual off take rates and establishment of modern abattoir. Production of meat has increased from 597,757 metric tons in 2014/15 to 738,166 metric tons in 2020/21.

Production of Eggs

The production of eggs has been increasing since 2016/17 due to sensitization of poultry farmers, and control of chicken diseases, especially Newcastle Diseases, by using locally produced vaccines (TEMEVAC Vaccine - Newcastle I-2 Vaccine). This is a thermostable live attenuated vaccine meant to control Newcastle disease (ND) in local chicken. Also, innovation of Three in One Vaccine for chicken famously known in local name as *Tatu Moja* in Tanzania is expected to increase production of eggs substantially. The vaccine contains a combination of three vaccines for the control of Newcastle disease, Fowl pox and Infectious coryza. In 2020/21, production of eggs amounts to 4.5 billion.

Opportunities

The measures taken to fight against COVID – 19 emphasized the consumption of local medicines and home remedies while using traditional crops like ginger, pepper, lemon, cardamom, onion and garlic. Tanzania and Africa in general can take advantage and advocate the production of such crops targeting potential markets of China and Malaysia. The growing opportunity to be tapped in Mainland Tanzania and Zanzibar includes improvement of storage facilities especially cold rooms. However, massive achievements have been accrued so far, including increases in yields of fruits and vegetables by 200 – 300 percent, increase in export earnings from USD 64 million in 2004 to over USD 779 million in 2019, instilled appropriate policy reforms for horticulture (over 50 issues addressed), the significant increase in private investment and support to the industry. Moreover, strengthening floriculture is a promising business as flower hectares worldwide are fast shrinking, and Tanzania can fill in the gap due to availability of land and favourable conditions for cultivation of flowering plants.

Challenges

Challenges that continue to constrain the development of URT's agriculture sector include the following:

- i. Low productivity due to limited use of technology and inadequate extension services;
- ii. Inadequate access to financial services, particularly in rural areas;
- iii. Dependence on rain-fed agriculture and continued reliance on hand-hoe driven agriculture;
- iv. Inadequate agricultural marketing infrastructure and weak agricultural marketing risk management systems;
- v. Inadequate infrastructure for agriculture development, including storage facilities, rural roads and irrigation infrastructure;
- vi. Low private sector investments in the agriculture sector; and
- vii. Poor quality of agricultural products.

Box 3.2: Best Fit Cases from Two Projects in Mainland Tanzania and Zanzibar

Increasing Productivity of Paddy/Rice Production

Tanzania has experienced a remarkable increase in productivity of rice, recording an increase from 2,229 tonnes in 2016 to 3,038 tonnes in 2020. The rice production has increased from an average of 1.8 – 2.0 tonnes per hectare in 2015/16 to an average of 4.0 - 5.0 per hectare in 2020/21. The increase is ascribed to the constructed irrigation infrastructures that increased to 2,777 irrigation schemes and the use of improved seeds that has been developed from the traditional/local breeds, including the most used and improved seed named Salo 5, TXD 306, TXD 88, Komboka, Tai, Supa and NERICA 1. Approximately 90 percent of the irrigation systems in Tanzania produce paddy, and the remaining 10 percent produce other crops such

as sugar cane and vegetables.

Moreover, the engagement in production of paddy through irrigation schemes has impacted small farmers who work in groups as cooperatives and produce in block farms that improve yields. However, the collective initiatives have improved farmer's access to extension services from Government and other stakeholders; market for their products; agricultural inputs; finances; and improved seeds. Example of rice producing irrigation schemes include Madibira (6600 ha), Ruvu (3400), Luanga Majengo (1300 ha), Dakawa (3000 ha), Kapunga (3200 ha), Mbarali (3000 ha), Bahi Sokoni (8000 ha), Mahurunga (3200), Lundo (3000), Nambendo (10,000), Peramiho (5000), Ruaha Mbuyuni (903) and Malagarasi (6000).

The Tanzania Government implemented the Expanded Rice Production Project (ERPP- 2015-2020) to enhance rice productivity. The programme selected pilot areas in Morogoro - mainland Tanzanian, and Zanzibar that impacted rice productivity, leading to improved rural incomes, food security, and climate change adaptation by supporting improved irrigation and water management systems.

The project carried out activities to ensure sustainable seed systems, improve crop productivity through better irrigation and crop management, employ innovative marketing strategies, efforts to manage the irrigation scheme as a block, facilitate bulk purchase of inputs, and coordinate crop sales through a warehousing program. Furthermore, the project promotes improved water use efficiency in irrigated rice production by supporting the System of Rice Intensification, which reduces water use by up to 50 percent; supports provisions of marketing infrastructure and strengthens market linkages and information; and trains farmers on paddy post-harvest activities and marketing.

For the case of Zanzibar, The Revolutionary Government of Zanzibar in collaboration with the World Bank and the EXIM Bank of Korea has invested about USD 70 million to develop irrigation infrastructure from 810 hectares in 2019 to 2,457 hectares in 2024 at Cheju, Kilombero, Kinyasini, Chaani and Kibokwa in Unguja and Mlemele and Makwararani in Pemba. This is expected to increase annual paddy production to 80,000 tonnes in 2024. A total of 20 tractors have been purchased and another 10 tractors have been received as support from Libya.

3.1.6 Goal 6: Blue/Ocean Economy for Accelerated Economic Growth

The URT has a huge treasure of water bodies (lakes, rivers, dams, and ocean) that are suitable for sustainable use. The total inland water surface area covers 61,500 square kilometres which is 6.5 percent of the total land area of 947,300 square kilometres. In the marine side, the country has a coastline of 1,424 km stretching from the border with Kenya in the north to the border with Mozambique in the South, a Territorial Sea which is estimated at 64,000 square kilometres, and the Exclusive Economic Zone (EEZ) which is estimated at 223,000 square kilometres. Various measures have been taken by the Government of Tanzania to conserve and promote sustainable use of the oceans, seas and marine resources to promote sustainable development in line with Goal 6 of the Agenda 2063.

The Government through Five Year Development Plan III (FYDP III) stipulates the need for intensifying the use of water resources in transforming the livelihood of the people and the economy at large. In realising the full potential of the blue economy, inclusion and participation of all affected social groups and sectors will be important. Given its diversity, while implementing FYDP III, each sector is required to prepare interventions to tap on these potentials in a sustainable manner. In the meantime, the Government will develop a National Blue Economy Strategy to guide in achieving the aspiration of FYDP III, and each sector will prepare interventions to tap on these potentials in a sustainable manner. The aim is to enhance maximum exploitation of the blue resources to contribute to the economic growth of the country, and to ensure that opportunities associated with the Blue Economy are fully utilized and challenges are being addressed. The plan is to develop a National Blue Economy Strategy.

Zanzibar has recently developed the Blue Economy Policy to formalise blue development as a growth generator for the next decade in the context of employment generation and poverty reduction. This policy defines the scope of the blue economy under four key areas, namely fisheries and aquaculture; marine trade; sustainable marine tourism and energy, comprising renewable energy (RE) and O&G. It also outlines the institutional framework, calling for a coordinating institution within the RGoZ to oversee blue economy related undertakings.

Overall, as Zanzibar further integrates into the Indian Ocean cluster of small island economies, a cohesive blue economy framework will become increasingly important as a means of strengthening linkages between the primary, secondary and tertiary sectors of the economy. This will involve the effective and sustainable coordinated management of Zanzibar's natural and human resources, both in the marine environment and on land.

Marine Resources and Energy

Marine Resources

The fisheries and aquaculture sectors are among the important economic sectors in Tanzania as they contribute to raising income, government revenue, employment, foreign earnings and food security. Average growth reached 6.7 percent, surpassing the target of 4.6 percent in 2020/21. This is due to increased activities by adopting fish breeding in private ponds and private investors in the sub-sector. However, the share of the sub-sector is 1.71 percent of GDP and short of the target of 3.3 percent in 2020/21.

Small fishermen dominate natural water fishing and contribute at least 95 percent of the total fish production in the country, while the remaining 5 percent is contributed by commercial/industrial vessels and long liners owned by Distant Water Fishing Nations

(DWFN) which operate under license in Tanzanian Economic Exclusive Zone (EEZ) targeting tuna and tuna like species.

In 2020, a total of 473,592 tons of fish worth 2.4 trillion shillings were harvested compared to 470,309.2 tons of fish worth 2.21 trillion shillings in 2019. Out of those, 409,828 tons were from fresh water and 63,764 tons were from marine water. The increase in the weight of fish harvested was attributed by continued effort to decrease illegal fishing.

In 2020, a total of 40,478.0 tons of fishery and 128,316 ornamental fish worth 386.4 billion were exported compared to 45,775 tons of fish worth 376.8 billion exported in 2019. Fish consumption per person per year in Tanzania has increased from 8.2 kilograms in 2016/2017 to 8.5 kilograms in 2019/2020. According to Food and Agriculture Organisation (FAO), an average of global fish consumption per person per year is 20.3 kilograms. The Government continues to promote fish consumption among Tanzanians.

Private sector has been encouraged to invest in the fishery sub-sector. As of December 2020, a total of 18 large fish processing factories, five (5) fish nets industries, and 90 fish warehouses were established. The fishing industry on Mainland Tanzania provides 202,053 direct employment and 4.5 million indirect employment opportunities.

Among the on-going initiatives in the fisheries sub-sector in the country are establishment of vibrant aquaculture systems and technologies that involve the adoption of cage fishing along the sea, lakes, dams, rivers and other water bodies; establishment of fish feed and fish processing industries; establishment of fish gears and boat making factories; establishment of hatcheries of fingerlings, and aquaculture training and demonstration centres; carrying out patrols and operations, including special operations under the Multi-Agency Task Team (MATT) in order to curb illegal fishing and trading of fishery products; strengthening fisheries institutional capacity, including revival of Tanzania Fisheries Corporation – TAFICO; and reviewing of policies and legal frameworks of fisheries and aquaculture.

In terms of conservation of ecosystem process and recovering of damaged resources, the Government through Marine Parks and Reserves Unit (MPRU) facilitated extensive enforcement and resources monitoring through Strategic Adaptive Management (SAM) approach where data obtained from monitoring are used to guide decision making and management interventions. Currently, Marine Protected Areas (MPAs) have coral cover of more than 35 percent, a value which is above 25 percent required by West Indian Ocean region. MPAs have become coral gardens which harbour variety of fisheries products as well as tourism attractions. Establishment of MPAs has caused tremendous increases in the number and size of fish. Fish from MPAs are so diversity, including those from coral reef and sea grass meadow. Biomass in the non-protected area is

attributed to spill over effect from the MPA. Moreover, MPRU attracts investment in hotel activities. As of December 2020, there were 22 tourist hotels in marine parks and reserves in Dar es Salaam Tanga and Mtwara.

In ensuring the contribution of marine parks and species in the blue economy, MPRU has continued to ensure that marine and coastal resources, including fisheries are conserved and serve as a source of nutrition and economic activity. MPRUs also encourage stakeholder participation in the conservation and management of fisheries and marine resources by building capacity, educating and collaborating in conflict resolution. The government will continue to protect breeding and nursery areas (fish banks) and to identify other areas that need to be protected in the oceans and fresh water.

In Zanzibar, the performance rate of the fisheries sector value added as a percent to GDP is about 40 percent, which is below the set target. This poor performance was contributed by a number of factors, including declines in catches from inshore fisheries due to limited stocks in coastal waters, increased fishing pressure, increased number of fishermen, and increase of the cost of fishing. Other factors include limited fish processing activities, and poor-quality control system that make it difficult to meet international export standard.

Picture 3.2: The Hatchery at Beit El Ras in Zanzibar



Zanzibar as an island economy has a good potential for foreign investment in offshore marine capture fisheries in aquaculture and in fisheries infrastructure. Fisheries resources could be better managed in an effort to alleviate poverty.

Furthermore, in Zanzibar the fishing sector has been advancing with the construction of a hatchery at *Beit El Ras* which produces about 9,000 sea cucumbers, 11,600 milk fish

fingerlings and 143 crab lets for distributing to pilot fish farming, (*see picture*). The promotion of socio-economic development through better stewardship of the sea and related resources has been realized through Agenda 2063 goal 6 and SDG 14 on conserving and sustainably use the oceans, seas, and marine resources for sustainable development. This is in line with the Government of Zanzibar's priority on 'Blue Economy' which builds on sustainable activities such as fisheries, tourism, aquaculture, maritime transportation, renewable energies, and marine biotechnology, as means to achieve the economic, social, and environmental dimensions of sustainable development in Zanzibar.

Oil and Natural Gas Energy

Coastal areas of Tanzania are rich in mineral resources such as oil and natural gas which can be used in power generation and establishment of petrochemical industries. Sustainable marine energy can play a vital role in social and economic development. Substantial amount of natural gas discovered in Mainland Tanzania is from deep sea/offshore. Tanzania's natural gas reserves discovered are estimated at around 57.54 trillion cubic feet (TCF), out of which 47.13 TCF is from deep sea/offshore in blocks 1, 2, 3 and 4 and about 10.41 TCF is onshore fields.

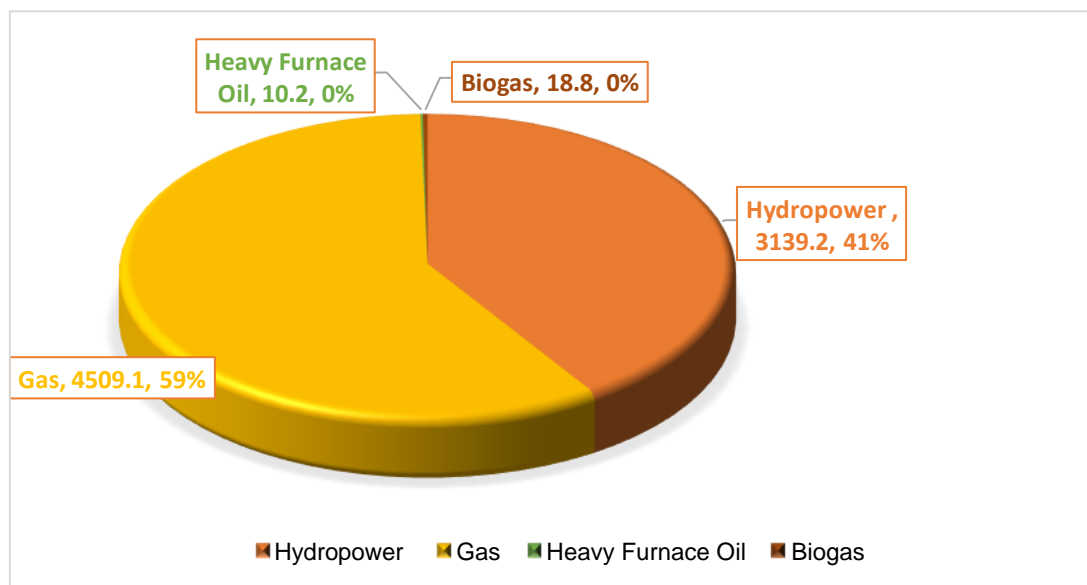
More efforts have been done to reinforce the availability and reliability of electric power in the country, which led to increased generation capacity, transmission and distribution of electric power in the country. Data shows that, as of April 2021 natural gas contributed about 60 percent of generation capacity of about 901.32 MW compared to 35 percent in the same period.

Blue economies especially the exploration of oil and gas worldwide have been affected by the COVID-19 pandemic. Worldwide electricity demand decreased remarkably in many areas and the market for transporting fuel contracted dramatically as transportation vehicles were grounded and movement restricted. This led to the increase of fuel price which in turn increases prices of goods that solely dependent of oil and gas in production.

In 2020, earnings from sales of natural gas from Songo Songo and Mnazi Bay accounted for USD 55.12. There are about 45 Tanzanian local companies that have been registered to operate in the system. Tanga and Mtwara ports have been modified to handle oil tankers since July 2015 and July 2018 respectively. The Government has also managed to reduce fuel adulteration from 19.2 percent in 2015 to 7.32 percent in 2021. Also, the Government has been promoting and encouraging the use of natural gas for cooking and running vehicles, and the implementation is ongoing, with initial focus on Dar es Salaam, Pwani, Lindi and Mtwara regions. Data shows that the number of vehicles using LNG has increased from 60 to 400 in 2020, and the number of

households connected to LNG pipe has reached 1,000. Moreover, a total of 48 industries have been fixed with natural gas infrastructures

Figure 3.5: Electricity Generated in 2020 (GWh)



Source: Economic Survey 2020

The oil and gas sector in Mainland Tanzania has continued to reinforce the availability of natural gas and oil by enhancing petroleum exploration in areas such as Mnazi Bay North, Eyasi-Wembere, and in Lake Tanganyika. It has also continued to enhance energy resources, including practical management of oil and natural gas, as well as promotion and development of renewable energy technologies and projects which will include among others biogas, geothermal and liquefied.

Natural Gas (LPG), construct and strengthen natural gas supply infrastructures for domestic, industrial and transport use. Moreover, Tanzanian institutions of higher learning embarked to offer diploma, bachelor and master's degree courses on oil and natural gas as a capacity building tools in the sector. This adds to certificate courses which VETA had pioneered in collaboration with international institutions for accreditation to full technician courses in the sector.

In Zanzibar the proportion of households connected to electricity has increased from 44.2 percent in 2015 to 55.4 percent in 2020. The same trajectory has been reported and the percentage of households using electricity for lighting has also increased from 45.5 percent in 2015 to 55.3 percent in 2020. The percentage of households using gas for cooking has also increased from 1.7 percent in 2015 to 7.1 percent in 2020 while the percentage of households using paraffin lamps for lighting has decreased from 49.7 percent in 2015 to 33.0 percent in 2020. Similarly, the percentage of households using charcoal or firewood for cooking has decreased from 94.5 percent in 2015 to 87.7

percent in 2020.

Challenges

Some of the challenges that the sector faces include:

- i. Illegal fishing and trafficking of fish and fisheries products across the country's borders;
- ii. Unsustainable harvesting of fisheries resources accelerated by population growth, which contributes to environmental degradation, ecological challenges, and climate change;
- iii. Increasing cost of fishing;
- iv. Inadequate resources and delays in funds disbursement, especially for project;
- v. Importation and manufacturing of fishnets that do not meet prescribed fishing standards;
- vi. Lack of awareness among citizens and entrepreneurs to enter into aquaculture.
- vii. Lack of community education on the significance of using alternative energy sources to minimise charcoal, firewood and kerosene consumption; and
- viii. Some challenges associated with the fisheries sector in Zanzibar include: low absorption of fish production by local markets; limited fish processing activities; and poor-quality control system that makes it difficult to meet the international export standards.

Ports Operations and Marine Transport

The performance of the Ports sub-sector has depicted an increasing trend in various aspects. The global ranking of Tanzanian ports improved from 106th position in 2015 to 72nd position in 2020. Ship sizes have declined from 32.642 million GRT in the year 2018/19 to 31.389 million GRT in the year 2020/21, equivalent to an average decrease of 1.9 percent per annum. Total cargo throughput has been growing for an average rate of 1.6 percent per annum; from 17.166 million metric tons handled in the year 2018/19 to 17.716 million metric tons handled in the year 2020/21.

Liquid bulk throughput has been declining at 2.0 percent per annum from 6.201 million tons handled in the year 2018/19 to 5.932 million tons handled in the year 2020/21. Container traffic handled at Dar es Salaam Port grew from 715,366 TEUs handled in the year 2018/19 to 735,442 TEUs handled in the year 2020/21 equivalent to an average increase of 1.4 percent per annum.

Ro-Ro cargo at the main Port of Dar es Salaam has declined by 3.9 percent from 159,939 cars handled in 2018/19 to 147,735 cars in the year 2020/21. There has been a slightly improvement of dwell time for transit import containers from 11 and 10 days in 2018/19 to 8.1 and 9.8 days in 2020/21 at TPA and TICTS terminal respectively. However, this performance is still below the TPA desired target of 7 days. The positive

trend has been attributed by the ongoing modernization, deliberate business environment reforms, deployment of new and modern cargo handling equipment as well as an increase in daily working hours at the port from 12 to 24 hours.

Table 3.6: Maritime Transport Infrastructure and Services

S/N	Port Performance indicator	2015/16	2019/2020	2020/21
1	Ports position in global ranking	106	72	
2	Cargo freight for all TPA ports (million tonnes per year)	15.4	17.44	17.716
3	Ship turn-around time (days)	3	3 (June 2019)	2.4
4	Container dwell-time (days)	7	4.4 (June 2020)	8.1
5	Number of ships calls at ports per annum	1,661	1,685	1,704

Source: FYDP II Evaluation Report, 2021

Furthermore, during the period: number of passengers transported increased to 3,409,588 in 2020/21 from 2,521,872 in 2018/19 and number of vessels handled increased to 1,709 in 2020/21 from 1,661 in 2019/20.

Regarding sea transport, the RGoZ has purchased one tanker, MT. Mkombozi II which has eased transportation of fuel from Mainland Tanzania to Unguja and Pemba islands. Based on 2020 Zanzibar Statistical Abstract, the freight handled at the seaport increased to 587,141 tonnes in 2020 compared with 196,933 tonnes recorded in 2013. Likewise, the number of TEUs handled at seaport has increased from 70,538 recorded in 2013 to 82,637 in 2019 but slightly decreased to 68,707 in 2020 due to COVID-19.

In 2020, the total number of marine vessels' trips (enter/exit) reached 10,831 trips, of which 10,691 trips were from the local marine vessel and 140 trips from foreign going vessels while the passenger handled reached 2,210,000. The number of TEUs decreased from 82,637 recorded in 2019 to 68,707 in 2020.

Challenges

- i. Limited services due to ongoing rehabilitation and expansion of port infrastructures;
- ii. Inadequate transport logistic hubs such as warehouses and cold chain facilities; and
- iii. Insufficient marine transportation vessels.

3.1.7 Goal 7: Environmentally Sustainable Climate Resilient Economies and Communities

Environmental management in Tanzania is guided by broad national frameworks mainly the Tanzania Vision 2025 and the National Five-Year Development Plans (FYDPs) as well as governed by the National Environmental Policy (1997), which is currently under review and Environmental Management Act (2004), complemented by relevant sectoral policies and legal instruments as well as multilateral environmental agreements. The Government continues to ensure that its communities are resilient to the impact of

climate change. Thus, for the period of 2020/21-2025/26 (during the implementation of FYDP III), a total of USD 304 million (equivalent to TZS 705,280 million), is expected to be mobilized from the Climate Change Fund (CCF) so as to attain the needed capacity against impacts of climate change.

Biodiversity Conservation

The Government continues to embark on the conservation of biodiversity as this is critical to the national economy, contributing more than three quarters of the national GDP and sustaining livelihoods of majority of Tanzanians. Agriculture, livestock, forestry, and fisheries together contribute over 65 percent of GDP and account for over 80 percent of total employment and over 60 percent of the total export earnings. The dependency on biodiversity for socio-economic development in Tanzania is underscored by the rendered ecological services, source of food and medicines, source of building materials and energy as well as perpetuation of nature as decomposers of organic wastes and enrichment of soils and aquatic environment. Thus, the conservation of biodiversity in Tanzania is vital to humanity's economic and social development of the country. The integrity of biodiversity determines the wellbeing and extent of wildlife stability in a particular locale. Alteration of the integrity of biodiversity at any level impairs the wellbeing of both human and wildlife.

Zanzibar is working very hard to ensure marine and terrestrial ecosystems are protected and restored with reduced biodiversity loss (sustainable use of marine and terrestrial resources). This has been achieved by operationalizing a total of 57 effective Community Forest Management programs to support the government's participatory forest management schemes to improve communities' access and enhance low carbon development. The efforts have been initiated through the REDD mechanism (reducing emissions from deforestation and forest degradation in developing countries) as well as REDD+ (whereby 57 Community Forest Management Agreements have been established), which plays a significant role in conservation, sustainable management of forests and enhancement of forest carbon stocks in developing countries.

In an effort to prevent environmental degradation, with reduced environmental and social risks of economic activities in Zanzibar, between 2015 and 2020, a total of 76 EIA certificates were issued; 76 environmental audits were conducted; 75 environmental reports were produced; and 55 direct clearances were approved. Furthermore, environmental monitoring was conducted on 354 hotels and 179 environmentally affected areas due to sand and murram excavation and several waste disposals sites.

The Government has made Several Initiatives to ensure Sustainable Land Management and biodiversity conservation as follows:

Agricultural Land Placed under Sustainable Land Management Practice

In Tanzania, agriculture sector consists of four sub-sectors, namely crops, livestock, forestry, and fisheries which are guided by sector-specific policies and strategies and a number of macro reforms that have a bearing on agriculture. To ensure agricultural land is properly placed under sustainable land management practice, the GoT made the following interventions:

During the FYDP II implementation period (2015/16 - 2020/21), the Government set up the Tanzania Agriculture Development Bank (TADB) charged with the responsibility of providing some leverage on agriculture sector lending, which has not been covered well by ordinary commercial banks. The Agriculture Bank was to enable borrowings that could be invested in agriculture by the private sector. At the same time, the Government has continued to entice the private sector to invest in agriculture by declaring that it wanted to transform agriculture into business, i.e., agri-business. This was an assurance that the business sector was invited into the agriculture sector to have a niche and participate. Also, the Government, through the Irrigation Commission, enticed the private sector by increasing area under irrigation so as to reduce reliance on rain-fed agriculture if they wanted to indulge in agriculture production.

Further, the Government constructed new irrigation infrastructure and repaired the old irrigation infrastructure. This has led to an increase in the irrigation area, from 461,376 hectares in 2015 to 694,715 hectares in 2020. Until December 2020, the Government was continuing with the construction of irrigation schemes in Kigugu-Mvomero (200 ha); Mvumi – Kilosa (249 ha); Msolwa Ujamaa – Morogoro (675 ha); Njage – Kilombero (325 ha) and Shamba la Mbegu Kilangali – Kilosa in 2020.

Regarding the livestock sub-sector, the Government constructed 104 cattle dips, encouraged cattle vaccination and ordered ample cattle disinfectants for the cattle dips. Agriculture education institutions and extension officers were all out to impact on the peasants' knowledge and skills in better farming in crop, livestock, forestry and fisheries subsectors.

To cap it all, the Government had scraped 114 nuisance taxes that were imposed on the agriculture sector and its sub-sectors (crop sector, livestock, forestry and fisheries) in order to create attractive business environment for the private sector to invest and create value chains and participate in the sector and its sub-sectors. In 2017, through the Finance Act, a total of 110 agriculture and livestock related fees and penalties were eliminated which aimed at streamlining the procedures for obtaining various permits and other services with the view to reducing the cost of doing business. This is among of factors led Tanzania ranked 141 among 190 economies in the ease of doing business, according to the latest World Bank annual ratings, an improvement from 144 in 2018.

To complement the above, for the period of 2020/21 - 2025/26, efforts are directed towards consolidating and further scaling up the achievements so far recorded, and exploring opportunities afforded by the adoption of Climate Smart Agriculture approaches (CSA). The agriculture sector will be transformed and commercialized, consistent with considerations of Climate Smart Agriculture (CSA) that farmers shall be incentivized to invest beyond food security needs, sustainably increase productivity and incomes, adapt and build resilience to climate change, and where possible reduce and/or remove greenhouse gas emissions. Indeed, Floriculture is one of the opportunities to be tapped through CSA because flower hectares worldwide are fast shrinking and Tanzania can fill in the gap due to availability of land and favorable conditions for cultivation of flowering plants. In upgrading of the sector's competitiveness, URT will continue to:

- i. Develop strong forward and backward linkages between agriculture sector and other economic sectors;
- ii. Create favorable environments for the private sector to engage profitably in production and export of agricultural raw materials, semi-final and finished goods;
- iii. Continue strengthening effective training and research programmes to benefit key stakeholders including youth, women and people with disabilities; and
- iv. Ensure sustainable R&D on agricultural crops so as to integrate the value chain domestically and abroad. These interventions will increase value and productivity of agricultural production, employment creation, expand the diversification of products and strengthen the value chain in agricultural sector.

Preserved areas in Tanzania

Tanzania has registered significant progress in protecting some ecosystems and biodiversity at levels that surpass the 2020 Aichi Targets. This is demonstrated by the size of land under protection, which is about 40 percent of the total land area (6.5percent of marine and 33.5percent of terrestrial). Comparatively, terrestrial ecosystems have the highest protection while the coastal and marine environments have the least protection. This progress is due to direct interventions by the URT under relevant Ministries to set up policies, legislations, Strategies and guidelines for protection of biodiversity in the country.

Among the interventions taken by the URT include protecting the pathways of animals from one ecosystem to another; tree planting campaigns; promotion of traditional management practices; promoting participation of local communities in forest management through Joint Forest Management (JFM) and Community Based Forest Management (CBFM); implementing programmes and projects to enhance forest conservation in different ecosystems such as Resilient Natural Resources for Tourism and Growth (REGROW), Lake Nyasa Catchments Sustainable Land Management, Addressing Climate Change Adaptation in Productive Coastal Zone of Tanzania,

Adaptation Measures to Reduce Vulnerability of Livelihoods and Economy of Coastal Communities of Tanzania, Reversing Land Degradation Trends and Increasing Food Security in Degraded Ecosystems of Semi-arid Areas of Tanzania and Ecosystem Based Adaptation for Rural Resilience in Tanzania (EBARR). These interventions have been supported by research and development programmes from the academia and public sector institutions working in the area of conservation and sustainable development⁸. The details of preserved areas in the URT are as follows:

Terrestrial and Inland Water Areas Preserved

Tanzania possesses 94,508,700 ha of territorial area, out of which nearly 89 million ha is land and the remaining is covered by water. About 44 million ha are classified as suitable for agricultural production and only 24 percent of arable land is being utilized. Land under medium and large-scale farming is 1.5 million hectares and land under smallholder farmers is about 8.6 million ha. Generally, the urban areas occupy 2 percent of the total geographical area even as they are now occupied by close to 30 percent of population.

Almost half of the total volume is found in protected areas, and therefore not legally accessible for extraction. Most of the un-gazetted forest and woodland resources are found in village land, coastal forests and associated habitats and miombo woodlands. Natural ecosystems in the country are categorized into three major types, namely, terrestrial ecosystem, inland water ecosystem (lakes, rivers, dams and wetlands) and coastal and marine ecosystem.

Terrestrial

Terrestrial ecosystems include forests, mountains, dry lands, savannah and agricultural lands. Tanzania's forest cover is about 48 million hectares (about 55 percent of the total land area) with woodlands being the most common, occupying about 51 percent of the total land area equivalent to 93 percent of the forest area. The remaining 7 percent is composed of lowland forests, humid montane forest, mangrove forests and plantations (URT, 2014). The estimated total volume of trees is 3,100 million, of which 97 percent comes from trees of natural origin, and only 3 percent from planted trees. Almost half of the total volume is found in protected areas, and therefore not legally accessible for extraction. Most of the un-gazetted forest and woodland resources are found in village land, coastal forests and associated habitats and miombo woodlands.

In addition to the forested area, Tanzania is endowed with about 44 million hectares of arable land, which only 24 percent is under crop production. It is estimated that about 80 percent of the cultivated land consists of traditional subsistence farming systems in which there is considerable diversity of crops and species grown and sizeable variety in

⁸ CBD Report, 2014

the ways in which they are grown. The most favourable conditions for agricultural biodiversity are considered to occur under extensive and/or traditional agricultural management.

Box 3.2: Tanzania National Parks

Generally, Tanzania has designated a large network of wildlife and forest protected areas covering 16 National Parks, 1 Conservation Area, 28 Game Reserves, 42 Game Controlled Areas, 38 Wildlife Management Areas and 4 Ramsar Sites, 109 Forest reserves. Four Protected areas are inscribed into UNESCO's World Heritage Sites and three are Biosphere Reserves. The Biosphere Reserves are Lake Manyara, Ngorongoro - Serengeti and East Usambara. World Heritage Sites under the Nature category are: Serengeti National Park, Kilimanjaro National Park, Ngorongoro Conservation Area and Selous Game Reserve.

Inland Water

Tanzania is endowed with considerable freshwater resources that include lakes, rivers, springs, natural ponds, underground sources, man-made reservoirs and wetlands. There are about 115 different wetlands ecosystems occupying 10 percent of the total land area of Mainland Tanzania (approximately 88,300 km²) harbouring over 650 associated species, such as molluscs, crustaceans, echinoderms and fish. Major wetlands include Kilombero, Malagarasi-Muyovosi, Rufiji-Mafia, Lake Natron and Ihefu. In terms of their distribution, 60 percent extend over village land while the remaining 40 percent is located over public land.

Generally, it has found that, majority of the inland areas are not protected with few exceptions such as those under protected montane forests and Ramsar sites such as some rivers including Rufiji, Ruvu, Pangani, Malagarasi and Mara and partial protection provided to the Nyumba ya Mungu dam as a Game Controlled Area.

Coastal and Marine

Tanzania's coastal and marine ecosystems occupy an area of about 241,500 km² (about 20 percent of total land area of the country). Coastal and marine ecosystems include coastal forests, mangroves, coral reefs, seagrass beds, sandy beaches, rocky shores and numerous islets. All mangroves' areas are gazetted, covering 115,500 hectares on Tanzania mainland and 18000 hectares on Zanzibar. Coral reefs present one of the most productive and biologically diverse marine ecosystems hosting over 500 species of fish and other invertebrates, making them an important fisheries resource supporting about 90 percent of artisanal marine fisheries covering about 3,580 km². The extent of seagrass beds and the relative species densities are yet to be established. Notably, coastal and marine ecosystems of Tanzania are characterised by numerous rocky shores that offer stable substrata for luxurious growth of algae. Proliferation of some green algae e.g., *Ulva* is sometimes considered an indication of

nutrient pollution in the area. Ocean Road beach in Dar es Salaam and Malindi in Zanzibar provide good examples of this phenomenon.

For example: Zanzibar has three preserved Marine areas in the two large islands; Unguja and Pemba. These are, Pemba Channel Conservation Area, Minai Bay Conservation Area (MBCA) and Mnemba Island Marine Conservation Area (MIMCA). These have greatly helped local communities in co-management of the conservation area and sustainable use of ocean and marine resources to improve livelihoods. Among the positive outcomes of conservation are survival and multiplication of marine mammals that include dolphins and whales. Two common species of dolphins; the Indo-Pacific bottle nose (*Tursiops aduncus*) and the spinner (*Stenella longirostris*) have been sustained; and today the species are most often cited in Zanzibar coastal waters.

Picture 3.3: Mizingani Seawalls constructed at Forodhani, Zanzibar

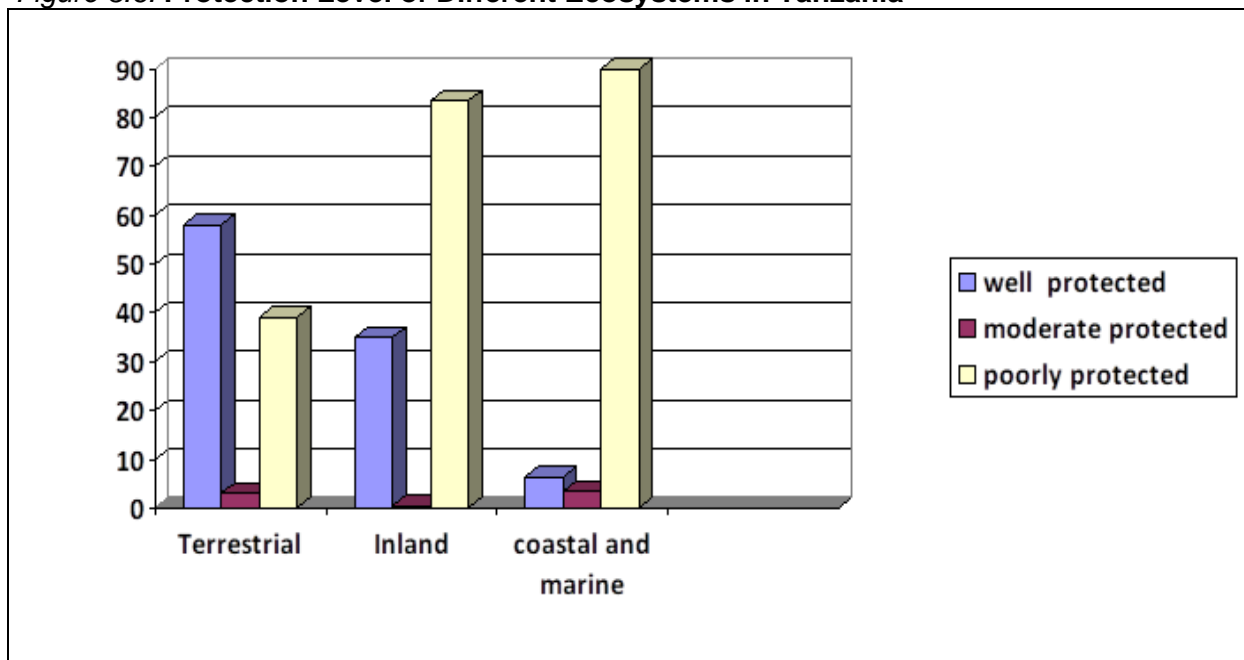


In Zanzibar initiatives have been taken in response to the impact of climate change whereby seawalls have been constructed and mangrove plantations have been established to minimize the impact of beach erosion. In this case five (5) seawalls totalling 420 metres in length (three walls of 100 metres each and two walls of 60 metres each) have been constructed at Kilimani and a 50-metre wall at Kisiwa Panza. About 270 hectares of mangrove vegetation have been planted at Kilimani, Kisakasaka, Tumbe, Kisiwa Panza, Ukele and Tovuni to reduce saltwater intrusion in farms and settlements. These initiatives have been established under the support of United Nations Framework Convention on Climate Change to least developed countries. Moreover, Dykes are constructed in some areas to minimize the impact of saltwater inundation of the coastal farmlands. About 1,840 metres of dykes have been

constructed at Tumbe West (250 metres), Ukele (700 metres), Sizini (200 metres), Mziwanda (400 metres), Gando Nduuni (150 metres), Chokaani (20 metres) and Kengeja (120 metres).

Generally, Tanzania has twenty-one (21) Marine Protected Areas which include four (4) Marine Parks and seventeen (17) Marine Reserves. Out of the 32,000 km² of the territorial sea of Tanzania Mainland only 2,173 km² (about 6.5 percent) has been gazetted as Marine Protected Areas (MPAs). The Protected Areas in Tanzania Mainland are: Mafia Island Marine Park (MIMP), Mnazi Bay and Ruvuma Estuary Marine Park (MBREMP) and Tanga Coelacanth Marine Park (TaCMP), and fifteen (15) Marine Reserves. In Zanzibar there is one (1) Marine Park and two (2) Marine Reserves.

Figure 3.6: Protection Level of Different Ecosystems in Tanzania



Source: 5th National CBD Report, 2015

Climate Change

Tanzania is highly vulnerable to the adverse impacts of climate change and therefore needs to put in place adaptation actions in order to safeguard development gains and achieve its development targets. Existing studies and reports reveal that extreme weather conditions such as increased seasonal variation in observed rainfall and temperature have been significant in most parts of Tanzania. For example, frequent and prolonged droughts have led to the drying out of some water bodies, with a consequent loss of biodiversity and grazing lands as well as reduction in hydropower capacity.

On the other hand, anomalies of rainfall intensity and distribution have been witnessed as record-breaking events from 2015 to 2020. Such extreme weather conditions affected national economic growth, due to a large dependency growth domestic product

(GDP) on climate-sensitive activities, particularly agriculture, tourism, fishing, and livestock-keeping. For example, droughts and floods have caused major economic crisis, reduced long-term growth and disrupted livelihoods of both rural and urban communities.

The Economics of Climate Change Reports for URT (2011) provides indicative costs for enhancing adaptive capacity and long-term resilience in Tanzania. According to the report, an initial cost estimate of addressing current climate change risks is about USD 500 million per year. The cost is projected to increase rapidly in the future, with an estimate of up to USD 1 billion per year by 2030. The net economic costs of addressing climate change impacts are estimated to be equivalent to 1 to 2 percent of GDP per year by 2030. Similarly, the URT would require an investment of approximately USD 160 billion for mitigation activities aimed at achieving 100 percent renewable energy for electricity, buildings, and industry by 2050.

In sum, climate change adverse impacts in the URT affect almost all economic sectors in the country, including agricultural production, water resources, marine and coastal zones, public health, human settlement, land use planning, energy supply and demand, infrastructure, biodiversity and ecosystem services. Current climate variability and future climate change impacts are projected to be significant enough to curtail the country from achieving key economic growth, sustainable development, and poverty reduction targets.

The country is committed to embark on a sustainable development pathway and undertake mitigation measures based on national circumstances and capabilities. The URT has been undertaking various efforts towards addressing climate change in accordance with its national context. The National Climate Change Response Strategy (2021) and the Zanzibar Climate Change Strategy (2014) comprehensively elaborate adaptation measures and mitigation actions that are deemed necessary to address climate change in the country.

In addition, Tanzania is participating in global efforts for addressing climate change in which the Nationally Determined Contribution (NDC) has been prepared in 2021. The NDC entails adaptations and mitigations measures to be deployed for the period of 10 years (2021 to 2030). The strategy aims to enhance adaptive capacity to climate change and promote adaptation action in order to support long-term climate resilience of social systems and ecosystems, and to enhance participation in climate change mitigation activities to contribute to international efforts while ensuring sustainable development.

Challenges

- i. Limited infrastructure in use of technology and inadequate extension services remain as a central challenge in attaining the target of sustainable land

- management practices in the country; and
- ii. Tanzania is experiencing increasing threat on biodiversity as a result of a number of drivers and pressures associated with anthropogenic activities, including:
 - a) Habitat conversion, degradation and fragmentation in terrestrial, freshwater and marine environments;
 - b) Over-exploitation of particular species of wildlife, tree species and aquatic biodiversity;
 - c) Invasive alien species in terrestrial, freshwater and marine environments;
 - d) Environmental pollution or contamination;
 - e) Climate change; and
 - f) Inadequate use of proper growth management in Zanzibar may result to degradation of some marine habitats, loss of ocean biodiversity, sea pollution and over-exploitation of marine resources due to. However, sustainable management of the tourism sector would enable the economic benefits generated from tourism as well as supporting the utilization, rehabilitation and restoration of marine natural resources.

Opportunities

The URT can greatly benefit from biodiversity, including in attracting tourism, and as a source of food, medicines, building materials and energy, and as decomposers of organic wastes and soil conditions. Moreover, many commercial enterprises are an offspring of these biological services, including food processing plants, furniture and pulp enterprises, pharmaceutical industry, agro-industry and hotel industry.

Box 3.4: Environment Management- Success Story in Tanzania

In 2019, the Government continued to ensure that implementation of various development activities comply with Environmental Management Act of 2004 including conducting Environmental Impact Assessment (EIA). During that period, 720 projects were awarded EIA certificates after meeting EIA criteria compared to Government efforts to sensitize the public through television and radios on the importance of conducting environmental impact assessment for each project conducted in the country and directed financial institutions not to extend loans to companies that do not have EIA certificates. In addition, the Government continued to coordinate and encourage implementation of tree planting campaign whereby, 608,494,464 trees were planted in all regions the country. Out of those, 382,134,523 trees equivalent to 62.8 percent flourished.

In the same year the Government amended the Hazardous Waste Control and Management Regulations, 2009 aiming at establishing an efficient system for managing hazardous waste including scrap metals, crude oil and used batteries. During that period, 20 permits were issued to companies involved in management of hazardous wastes that are recycled and used as raw materials in industrial production activities.

Also, the Government banned the production and use of plastic bags with the aim of protecting health of the community, animals and environment against the harmful effects resulting from the

use of plastic bags. As a result, 890 tons of non-woven bags were imported compared to 192 tons imported before the ban in 2018. In addition, ban on plastic bags created business opportunities including production of alternative bags whereby as of December 2019 there were 14 industries producing alternative bags. Out of those, seven (7) industries were producing non-woven bags and seven (7) industries producing paper bags. Similarly, about 345 people were employed in the production of non-plastic bags and raw materials for making the bags.

3.2 Aspiration 2: An integrated Continent, Politically United and Based on the Ideals of Pan-Africanism and a Vision of African Renaissance

3.2.1 Goal 8: United Africa (Federal or Confederate)

The 18th Ordinary Session of the Assembly of Heads of State and Government of the African Union, held in Addis Ababa, Ethiopia in January 2012, adopted a decision to establish a Continental Free Trade Area by an indicative date of 2017. This deadline was, however, not met. The Summit also endorsed the Action Plan on Boosting Intra-Africa Trade (BIAT) which identifies seven priority action clusters: trade policy, trade facilitation, productive capacity, trade related infrastructure, trade finance, trade information, and factor market integration.

In the spirit of uniting the African continent, the African Leaders again in 2017, agreed to establish an African Continental Free Trade Area (AfCFTA), with the specific intention of removing remaining barriers to trade between all African countries, and thereby raising intra-African trade to 25 percent of total African trade by 2022. The fifty-five (55) Member States of the Africa Union (AU) established the African Continental Free Trade Area (AfCFTA) to create a single continent-wide market for goods and services and to promote the movement of capital and natural persons. AfCFTA aims to bring together all African Union member states covering a market of more than 1.2 billion people, including a growing middle class, and a combined Gross Domestic Product (GDP) of more than USD3.4 trillion. Considering the numbers of participating countries, AfCFTA is expected to be the world's largest free trade area since the formation of the World Trade Organization.

According to Article 23 of the Agreement Establishing the African Continental Free Trade Agreement (AfCFTA), entry into force occurs 30 days after the 22nd instrument of ratification is deposited with the Chairperson of the African Union Commission (AUC) – the designated depositary for this purpose. The Agreement became effective on 30th May 2019 for the 24 countries that had deposited their instruments of ratification. The operational phase of AfCFTA was launched during the 12th Extraordinary Session of the Heads of States and Government of the African Union held on 7 July 2019 in Niamey, Niger. Trading under AfCFTA Agreement began on 1st January 2021. A total of 40 countries have deposited their instruments of ratification at the African Union Commission.

On 9th September 2021, the United Republic of Tanzania ratified the Agreement for Establishing the African Continental Free Trade Area (AfCFTA). Towards realizing the operationalization of AfCFTA, member states are expected to undertake work at the National and Regional Economic Communities levels to finalise their tariffs offer and initial schedule of specific commitments for trade in services.

Tracking Progress

The TDV 2025 suggests that, by 2025 Tanzania should have eradicated abject poverty and attained a level of development equivalent to that of a middle-income country. In addition, the Vision envisages transforming the economy into a strong and diversified economy that is regionally and globally competitive. The Diagnostic Trade Integration Study 2017 is aligned with TDV 2025 as its main objective is to increase Tanzania's export performance as means to contribute to growth, poverty reduction, and improvement in social and economic well-being of Tanzanians. Consequently, the proposal for establishment of AfCFTA perfectly fits together with this Vision. URT has continued to gain experience by implementing the Agreement Establishing EAC and SADC. For instance, the intra-regional trade total trade has recorded a significant increase in both EAC and SADC. The experience from the EAC and SADC shows that free movement of goods, services, persons, labour, capital, cooperation in trade and industrial policies can promote harmonious balanced development.

Intra-Regional Trade Performance

URT has made a positive progress in intra-EAC trade. There has been tangible progress in the implementation of the Customs Union and Common Market Protocols. The URT has managed to decrease imports and increase of exports of goods/services to EAC countries. Between 2013 and 2020, the imports have decreased by 17.8 percent while exports have increased by 93.8 percent. Trade statistic in EAC recorded an increase from USD 419.1 million in 2013 to USD 812.5 million in 2020 as shown in *Table 3.7*.

Table 3.7: Trade Statistics between URT and EAC (USD 000'000)

Year	2013	2014	2015	2016	2017	2018	2019	2020
Export	419.1	598.1	1,062.4	437.7	349.6	447.50	674.40	812.5
Import	394.7	706.4	322.8	298.9	220.4	302.93	329.10	324.3
Total	813.8	1,304.5	1,385.2	736.6	570	750.43	1,003.50	1,136.8

Source: Economic Survey 2020

On the other hand, the URT has managed to decrease imports and increase of exports of goods/services to SADC countries. Between 2013 and 2020, the imports have decreased by 43.7 percent while exports have increased by 17.2 percent. Trade statistics between URT and SADC recorded an increase from USD 1,243.5 million in 2013 to USD 1,458.3 million in 2020 as detailed in *Table 3.8*.

Table 3.8: Trade statistics between Tanzania and SADC (USD 000'000)

Year	2013	2014	2015	2016	2017	2018	2019	2020
Export	1,243.5	1,235.9	1,357.7	1,017.9	877.8	999.34	1,330.90	1,458.3
Import	835.9	773	771.2	612.4	1,781.4	604.32	155.10	470.3
Total	2,079.4	2,008.9	2128.9	1,630.3	2,659.2	1,603.66	1,486.00	1,928.6

Source: Economic Survey 2020

Despite the COVID-19 pandemic, AfCFTA offers a major breakthrough for most of the African economies through increase in volumes of trade, employment, manufacturing, and production. Trading under AfCFTA will entice and raise private sector engagements among African countries. In addition, the economic and geographical position of URT provides the country with special competitive advantage to explore opportunities available in Africa. Moreover, URT can benefit in regional value chain in selected priority sectors, including textile, leather and edible oil.

Non-Tariff Barriers (NTBs)

The URT underscores the importance of smooth movement of goods and services across the region and the world at large. In order to facilitate trade, Tanzania has been at the forefront in making sure that Non-Tariff Barriers (NTBs) are resolved and therefore facilitating smooth flow of trade within the region. Since the establishment of the East African Community (EAC), comprising Burundi, Kenya, Rwanda, South Sudan, Tanzania and Uganda, the region has seen a steady strengthening of economic and political ties among the community's partner states. The EAC Customs Union came into force in 2005, facilitating the establishment of a common external tariff and paving the way for the removal of all intra-regional tariffs by 2010.

Despite this, available trade statistics paint a mixed picture about the impact of the EAC on intra-regional trade. Although the establishment of the EAC coincided with an important expansion in intra-regional trade in absolute terms, overall intra-EAC exports did not grow as a share of the region's total exports. In addition, the persistence of NTBs still affects trade flows, and reduces the benefits to be gained from the regional integration process.

The EAC Elimination of Non-Tariff Barriers Act, 2017 was adopted with the aim to provide the mechanism of resolving and removing NTBs that affect trade among the EAC Partner States. The NTBs Act aims to give effect to the second clause under Article 13 of the Customs Union, by establishing a legal mechanism for identifying and monitoring the removal of NTBs. As of 14th May 2021, the status of the implementation as reflected in the EAC Trade Barriers Portal is as follows:

- i. Five (5) NTBs were resolved during the period (May 2021);
- ii. Fifteen (15): NTBs remained outstanding;
- iii. Fourteen (14) remained long outstanding NTBs; and
- iv. Two Hundred and Twenty-Six (226) were resolved cumulatively since 2007.

Challenges

The challenges are mainly related to trade Infrastructure and trade finance as follows:

- i. Trade-Related Infrastructure: Despite being endowed with diverse resources that can be used to produce various goods and services, and opportunity to access African markets through the AfCFTA, Tanzania needs to be prepared to fully exploit its potential. This therefore underscores the importance of building trade-related infrastructures and productive capacities to export to AfCFTA countries.
- ii. Trade Finance: Limited access to loan financing from commercial banks coupled with very high non-performing loan ratios have squeezed out the small private sector entrepreneurs and Micro-Small and Medium Enterprises from lending facilities. As such access to working capital and trade finance for traders is highly constrained. To address this, there is a need to establish special financing instruments to improve access to working capital and trade finance using instruments such as export guarantee scheme operated on commercial basis, domestic investment fund – to increase the capital of existing development banks in the country such as TIB, regional equity funds – to strengthen/enhance capacity of existing regional and continental financial Institutions.

3.2.2 Goal 9: Continental Financial and Monetary Institutions are established and Functional

Existence of an African Continental Free Trade Area (AfCFTA) that is Ratified by all AU MSs

The URT like other African Member States has made efforts to fast-track the realization of the African Continental Free Trade Area (AfCFTA). The URT is one among the 55 AU member countries negotiated for the establishment of the AfCFTA. Phase I of the AfCFTA negotiations has covered areas of trade in goods and trade in services, phase II will cover areas of investment, intellectual property rights and competition policy. To this effect, the URT continues to undertake work at the national and Regional Economic Communities levels to finalise her tariff offer and initial schedule of specific commitments for trade in services. On 9th September 2021, the Parliament of the URT ratified the Agreement for the Establishment of the African Continental Free Trade Area (AfCFTA), hence joining the 1.2 billion market of the Africa Continent.

Extent to which a Country has ratified the Protocol on the Establishment of the AU Monetary Union

URT recognizes the important role that the African Union financial institutions can play in the implementation of African Continental Free Trade Area (AfCFTA) and the continental integration Agenda. Existence of the African financial institutions will create an environment conducive for the development of vibrant and modern African financial systems to mobilize domestic resources and intra-Africa foreign direct investment to

finance Africa's structural economic transformative agenda, including Agenda 2063 and its flagship projects such as the African Continental Free Trade Area (ACFTA), African High-Speed Train, a commodities strategy, etc.

The COVID-19 pandemic has highlighted the importance of building financial mechanisms to cater to future shocks. Thus, the AUFIs will play a critical role in availing the public and private funds important for value chain integration to support building back and reinforcing the operationalization of AfCFTA.

Article 19 of the AU Constitutive Act provides for three specific financial organs to be created, the African Central Bank (ACB), African Investment Bank (AIB) and African Monetary Fund (AMF). The role of these institutions is to implement the economic integration called for in the 1991 Treaty for establishing the African Economic Community (Abuja Treaty). The 1999 Sirte Declaration, under which the OAU decided to create the AU, called for the speedy establishment of all institutions proposed in the Abuja Treaty.

To date, the AU Assembly has adopted protocols for the establishment of the AIB and AMF. The draft Protocol for the establishment of the ACB has not yet been submitted to the Assembly. Proposed structures will be submitted to the Executive Council for approval once the protocols for each institution come into force. It may be noted that, since the adoption of the legal instruments of the African Investment Bank (AIB) and the African Monetary Fund (AMF), the process of signing and ratifying has been slow. *In order to accelerate the establishment of AU Financial Institutions, there is a need to conduct a comprehensive study to identify the reasons behind Member States' reluctance to ratify the legal instruments for operationalization of African financial institutions.*

The Government of URT has neither signed nor ratified the documents for the establishment of these institutions. Currently, consultations are ongoing at experts' level. Given the time that has elapsed, some of economic, political and social parameters contained in the protocols have substantially changed. *Thus, there is a need for a formal study to be conducted on the willingness and readiness to join this institution.*

3.2.3 Goal 10: World - Class Infrastructure Criss-Crosses Africa

Communication and Connectivity

Investments in infrastructure, particularly in the development of the road network, have always been the Government's top priority. This includes the realization of Vision 2025 that partly depends on the existence of a reliable and competitive local construction sector that is capable of delivering quality services and value for money in the

development and maintenance of the physical infrastructure. The Roads Sector in Tanzania plays a great role in achieving a coherent vision for economic development and poverty alleviation. The impact of having a well developed and reliable road network lowers domestic production costs through timely delivery, enhancing economies of scale in the production process and creating economic opportunities and promoting economic growth and development.

Road Strategic Projects

The Government has set strategies to connect the country with neighbouring countries by constructing roads identified in the Development Corridors, especially highways at the asphalt level. To facilitate the construction of these roads, the Government has set aside nine (9) Transport Corridors for economic growth in the fields of tourism, agriculture, mining, fisheries, ports, factories, energy sources, etc. In addition, the Government has put in place strategies to connect Regional Headquarters to paved roads with the aim of facilitating domestic transport in order to reach areas with productive and social services easily.

The country is almost connected with all neighboring countries by paved roads through the border regions which are Mwandiga - Manyovu Road (km 60) connecting Kigoma region with Burundi, Kagera - Mtukula road connecting Kagera region with Uganda, Mangaka - Mtambaswala road (km 50) connecting Mtwara region with Mozambique, TANZAM road connecting with Zambia via Songwe region, Uyole - Kasumulu connecting Mbeya region with Malawi, Sumbawanga - Matai - Kasanga Port connecting Rukwa region and Zambia/DRC via Kasanga port.

The remaining unconnected borders include Rukwa and Zambia via Matai - Kasesya and Ruvuma Region and Mozambique via Likuyufusi - Mkenda Road, which are in preparatory stage for construction. Other roads include: the Omugakorongo - Kigarama - Murongo road connecting Kagera region with Uganda; and the Namanyere - New Kipili Port Road connecting Rukwa region and the DRC via Kipili port; Tanga - Horohoro, Arusha - Namanga, Moshi - Holili and Makutano - Sirari connecting Mara, Arusha, Tanga and Kilimanjaro regions with Kenya; and Lusahunga - Rusumo and Nyakasanza - Kobero roads connecting Kagera Region to Rwanda and Burundi.

In addition, the Government is currently constructing Mbinga - Mbamba Bay and Mpemba - Isongole road connecting Ruvuma and Songwe regions with Malawi; and Kasulu - Manyovu connecting Kigoma region with Burundi.

Road Network within the Country

The Government aims to construct standard road networks in strategic areas and therefore improve global competitiveness ratings and increase local participation in the sector. Tanzania's road network has increased from 86,472 kilometres in 2019 to 89,204 kilometres in 2020. Among 89,204 kilometres, 12,176 kilometres are of trunk

roads connecting regions and neighbouring countries, 24,082 kilometres are of regional roads connecting districts and towns and 52,946 kilometres of district roads connecting districts, wards and villages.

The total classified road network in Tanzania Mainland is estimated to 92,882.56 kilometres as of December, 2020. The Government through Tanzania National Roads Agency (TANROADS) is managing the National Road Network of about 36,257.97 km comprising 12,175.81 kilometres of Trunk and 24,082.16 kilometres of regional roads. The remaining gazette road network of about 56,624.59 kilometres of urban, district and feeder roads are under the responsibility of the President's Office-Regional Administration and Local Government (PORALG) through Tanzania Rural and Urban Roads Agency (TARURA).

The Government has continued to maintain various components of roads in the required condition in order to safeguard roads and road users. The components (maintenance scope) include the pavement, shoulders, drainage, road signs, structures and ancillary works. The Government has increased spending on routine roads maintenance to Tshs. billion 167.14 in 2020/21 from Tshs. billion 80.94 in 2013/14.

In Zanzibar, the construction, upgrading and rehabilitation of various roads including paved and unpaved roads have increased. As of December 2020, a total of 1,325.4 km of paved and unpaved roads have been constructed. However, the length of paved roads has increased from 701.4 km in 2016 to 815.5 km in 2020 thereby facilitating easy access of products to the markets. This includes construction, upgrading and rehabilitation of various roads including Bububu-Mahonda-Mkokotoni road (34 km), Fuoni-Kombeni road (8.6 km) and Ole-Kengeja Road (35 km) to bituminous standard, to mention few. This increased the proportion of the rural and urban population who live within 2 km of an all-season road from 80 percent in 2014/15 to 100 percent in 2019/20

Aviation Subsector

Mainland Tanzania through Tanzania National Roads Agency (TANROADS) has successful completed (i) the construction of the Terminal III Passenger Building at Julius Nyerere International Airport (JNIA III); (ii) the renovation and upgrading of Mwanza Airport, construction and rehabilitation of Tabora Airports (Phase I and II), Kigoma (Phase I) and Bukoba; (iii) installations and commissioning of four (4) civilian Radars for JNIA, KIA, Mwanza and Songwe airports; and (iv) continuing to construct and rehabilitating Mtwara, Songwe, Dodoma, Geita and Songea Airports. This is expected to increase revenue collection from air navigation services charges. It will also enhance safety and security thus attracts more investors as a result of improved investment environment which is expected to further improve the performance of the aviation industry in the country and the economy in general. Further, the Government is in

preparatory stage for the construction of the New Msalato International Airport, rehabilitation and upgrading of Iringa, Musoma, Bukoba, Lindi, Lake Manyara, Kilwa Masoko, Singida, Moshi, Tanga, Sumbawanga, Shinyanga, Simiyu, Mwanza (new passenger building), Arusha and Moshi airports.

During this period, the level of Effective Implementation (EI) of the International Civil Aviation Organization Standards (ICAO Standards) and Recommended Practices has risen from 64.4 percent to 69.5 percent recording an increase of 7.9 percent. Various communication, navigation and surveillance facilities have been modernized and serviced to ensure adequate provision of reliable air navigation services. Operation and maintenance of communication, navigation and surveillance facilities carried out satisfactorily and in accordance with the African-Indian Ocean (AFI) Air Navigation Plan.

Furthermore, the TCAA plans to continue with the implementation of State Safety Programme and European Co-ordination Centre for Aviation incident and accident data management system, and carry out investment projects in accordance to Aviation System Block Upgrade (ASBUs) recommendations and Africa and Indian Ocean Regional Plan and Global Aviation Safety Roadmap (GASR).

In addition, the Government revived the Air Tanzania Company Limited (ATCL) by procuring aircraft, rehabilitating regional airports, increasing domestic and international flight destinations as well as improving the quality of services provided by the Company. The Government has procured 11 aircraft, of which 9 have already been received and are in operational. The ATCL has added a new flight destination to Guangzhou (China) effective from 08th May 2021 to those old destinations of Hahaya (Comoro), Entebbe (Uganda), Lusaka (Zambia), Bujumbura (Burundi), Harare (Zimbabwe), Mumbai (India) and Johannesburg (South Africa). By reviving the company, notable achievement has been observed. The number of passengers flying with ATCL aircrafts increased to 532,470 in 2018/19 compared to 242,668 passengers in 2017/18. Due to COVID 19 pandemic, the number of passengers flying with ATCL decreased to 537,166 in 2020/21 as compared to 614,107 passengers in 2019/20 and cargo transported by ATCL to domestic and international destinations declined to 280 tons in 2020/2021 from 1,789 in 2019/20. This decline in cargo transportation was among other things contributed by the suspension of Mumbai destination due to Covid 19 pandemic. On the other hand, revival of ATCL had a direct impact on tourism industry which is currently among large contributors of Government revenue.

In Zanzibar, the construction of Terminal III passenger building and the expansion of runway to 3,022 meters with 45 meters width, apron and taxi way at the Abeid Aman Karume International Airport have increased the capacity of the airport to service more passengers. Furthermore, maintenance and renovation of the Pemba Airport has been completed including the expansion of runway from 1,500 meters to 2,300 meters and

extension of apron, installation of runway light, intensive renovation of terminal building and passengers' waiting room enhanced the airport to operate 24hrs.

However, the number of embarking passengers at Zanzibar Airports has decreased from 419,795 in 2013 to 374,230 in 2020 which is below the target of 614,798 passengers. Disembarking passengers also decreased from 431,743 in 2013 to 369,912 in 2020, below the planned target of 642,707 passengers. Furthermore, about 96,570 transit passengers were also recorded in 2020 as shown in *Table 3.7*. The decrease of the passengers at airports caused by the eruption of COVID – 19 pandemic led the Government to cancel all flights to leave or enter the country. The amount of freight cargo loaded has increased extensively from 29.79 tonnes in 2013 to 138.13 tonnes in 2020. Similarly, the freight offloaded by air has increased from 1,564.7 tonnes in 2013 to 1,864.2 tons in 2020.

Table 3.9: Number of Passengers Handled at Zanzibar Airports, 2016 – 2020

Description	2016	2017	2018	2019	2020
Embarked (Departure)	522,257	578,977	684,998	693,519	374,230
Disembarked (Arrivals)	522,257	592,165	665,386	725,791	369,912
Total	1,047,047	1,171,142	1,350,384	1,419,310	744,132
Transit	96,503	149,387	171,898	181,609	96,570

Source: Zanzibar Statistical Abstract, 2020 OCGS

Yamoussoukro Decision (YD)/Single African Air Transport Market (SAATM) is a flagship project of the African Union Agenda 2063, an initiative of the African Union to create a single unified air transport market in Africa is to advance the liberalization of civil aviation in Africa and act as an impetus to the continent's economic integration agenda. SAATM will ensure aviation plays a major role in connecting Africa, promoting its social, economic and political integration and boosting intra-Africa trade and tourism as a result. SAATM harmonize taxes, fees and charges with the main objective of reducing the cost of air transport in Africa in line with ICAO policies on taxes and charges and AFCAP. However, the position of Tanzania on this matter is under consultations.

The Railway Subsector

The Government through Tanzania Railway Corporation (TRC) has been implementing different projects that aim to provide efficient and reliable rail-based transportation services within Tanzania and the neighbouring land-locked states. The country is constructing a 2,561-kilometre New Central Railway Line to Standard Gauge. The railway line is expected to link Dar es Salaam with Mwanza, Kigoma, Katavi and land linked neighbouring countries including Rwanda, Burundi, Uganda and DRC hence facilitating trade in the region. The project has reached 92.32 percent of completion for Dar es Salaam - Morogoro Lot (300 kilometres) and 67.65 percent for Morogoro - Makutupora Lot (422 kilometres). On the other hand, Tanzania has signed an implementation contract for the construction of Mwanza – Isaka Lot (341 kilometres)

which will cost TZS trillion 3.07 where the contractor is on site with mobilizations, alignment designs and camps constructions activities, the project has reached 0.69. TRC is finalizing the procurement of contractor for construction of Makutupora – Tabora Lot III (368 kilometres) and Tabora – Isaka Lot IV (165 kilometres) while the Government is soliciting funds for construction of these two lots.

On the Northern Corridor (Tanga – Arusha - Musoma standard gauge railway line with spurs to Engaruka and Minjingu), the Government has designed to provide connectivity in the northern Tanzania and Uganda and will embark from Tanga port to Arusha (438 km) on existing Right-of-Way (RoW). This railway line intends to replace the existing meter gauge then extends in a green field to Musoma port in Lake Victoria (600 km) with spurs to Engaruka soda ash mine and Minjingu phosphate mine.

The Government has also planned to construct a standard gauge railway of Mtwara corridor (Mtwara – Songea – Mbamba Bay with Spurs to Liganga and Mchuchuma Railway line that will connect Mtwara Port to Mbamba Bay in Lake Nyasa and spur to Liganga Iron Ore fields and Mchuchuma coal mines west of Mtwara Port where it will also extend and link Tanzania with Mozambique, Malawi, and Zambia. On this project, the Government has received a grant from SADC for the objection of procuring a Transaction Advisor who will review the feasibility study and prepare a PPP architecture framework and assist the country in engaging the PPP investor to implement the project.

The Government has open door to investors who are interested with construction of Phase Two of Standard Gauge Railway lines that connects the Central Corridor with Tanzanian Borders of Rwanda, Burundi and DRC. These lines are railway line from Tabora – Uvinza-Kigoma (411 km) and the branch line from Uvinza to Musongati – Burundi (203 km); and the line from Kaliua to Mpanda with extension to Karema (321 km) this line terminate at the Karema port whereby on the other side DRC is constructing the Kalemii port; another line is the SGR line that connects Kigali Rwanda which starts from Isaka-Rusumo - Kigali railway line (371 km)

On the rehabilitation of the existing infrastructures, the Government has rehabilitated railway infrastructure of TAZARA, Central, Eastern and Southern railway lines and rehabilitate the existing rolling stocks. These interventions are meant to improve hauling capacity of railway in servicing freight and passengers as well as increasing efficiency of existing railway lines hence making transport easy in the region.

Ports Infrastructure

The port serves Tanzania and other neighbouring land linked countries. It has deepened and strengthened Berth 1 - 7, constructed Ro-Ro Terminal with dredging and widening of entrance channel, deepening and strengthening of berths 8 - 11 and construction of rail terminal within the port of Dar es salaam being project components underway.

The Tanga port has been under expansion that included dredging the quay to allow larger vessels to anchor as well as rehabilitation of warehouses at Berths No.1 and No.2 and dredging of entrance channel up to 13 meters CD. Its capacity has been increased by 700,000 tonnes to 1,200,000 tonnes per annum. Rehabilitation, gendering and cathodic protection to Quay No.2 was implemented between September 2016 and June 2017.

The Mtwara Port was expanded to increase its capacity from 400,000 to 1,000,000 tonnes per annum. Works included expansion of concrete surface by 600m² as well as construction of a 300 metres long berth which was completed in December 2020 and is now operational. The modernization continues along Lake Victoria, Lake Tanganyika and Lake Nyasa ports by providing necessary port infrastructure and deployment of new and modern cargo handling equipment and scanner as well as development of dry ports of Kwala (Pwani), Isaka (Shinyanga) and Ihumwa (Dodoma) to decongest both Dar es Salaam and other inland waterways in the country. These interventions intend to reduce the average time taken by a ship at Dar es Salaam Port to 2 days in 2026 from 4 days in 2020 and increase efficiency of sea ports and inland waterways.

Power Generation and Distribution

The current installed capacity as of April 2021 stands at 1,605.86 MW as compared to 1,438.24 MW in the same period in 2013. With a target of reaching installed capacity of 4,915 MW by 2025, the Government is implementing Julius Nyerere Hydropower Project (JNHPP) that will add 2,115 MW into the national grid. Along with this mega project, the country is planning to implement different power generation projects, including Ruhudji (358 MW); Rumakali (222 MW); Kakono (87MW); Mtwara gas-fired plant (300 MW); Kikonge (300 MW) and Malagarasi (45 MW) Hydro Power Projects and Mtwara gas-fired plant (300 MW). These initiatives, among other things, are expected to boost the country's industrialization agenda and other economic activities as well as to ensure the availability and reliability of electricity in the country. Furthermore, Tanzania in collaboration with Burundi and Rwanda are constructing Rusumo Hydro Power Project (80MW) where the cost of implementing the project is equally shared. The project is at 80 percent of completion and it is expected to add 26.7 MW into the national grid as the 80 MW will be distributed equally amongst the three countries.

On transmission networks of between kV 66 and kV 400, the country has constructed 6,111.27 kilometres by May, 2021 from 4,852.70 kilometres in June, 2015 with a target of reaching national grid length of 9,351 kilometres by 2025. The country has also constructed 147,156.80 kilometres of distribution network of between kV 0.4 and kV 33 by May 2021 compared with 61,373.76 kilometres in the same period June, 2015. This commendable progress was achieved as an effort by the country to transmit and distribute electricity in order to cope with the increased demand of electricity for different development purposes. According to the Energy Access and Use Situation Survey II in Tanzania mainland, 2019/20 the said above intervention has improved the overall population accessing electricity in the country to 78.4 percent by 2019/20 from 67.5 percent in 2016/17. However, connectivity level, i.e., percentage of households connected to electricity stands at 37.7 percent away from 32.8 percent in the same period.

Tanzania mainland is also continuing with construction of regional power Interconnector project for power trading in the region were as Kenya - Tanzania Power Interconnector Project (KTPIP) is ongoing. Other planned Interconnectors projects include: Tanzania - Zambia Power Interconnector Project (TAZA), Tanzania - Mozambique Power Interconnector Project (MOTA), Tanzania - Uganda Power Interconnector Project (TAUPIP) (Mwanza – Masaka) and Tanzania – Rwanda and Burundi Power Interconnector Project (TARBUPIP). Up on completion of these projects, the power generated in these countries can be traded hence ensuring power availability and reliability in the region.

ICT Penetration and Contribution to GDP

Currently, the share of Information and Communication services to GDP has remained to be 1.5 percent for four consecutive years from 2017 to 2020 where its growth is has been 8.4 percent compared to 8.0 percent in 2014. In recognition of the role played by the sector in the economy, the Government formulated the Ministry of Communication and Information Technology in 2020. The Ministry among other things aims to enhance the development and use of ICTs as a critical enabler of socio-economic development and transformation of especially in economy digitalization. Different initiatives including development of National ICT Broadband Backbone, National Internet Data Centre (NIDC), National ICT Policy (2016) and its Implementation Strategy, e- Government operationalization, National Cyber Security Strategy 2016 and Financial Sector Development Master Plan 2020/21 – 2029/30 have been taken to build country's competitiveness in this digital world.

In an attempt to reach a target of expanding communication services, as of June 2020, a total of 27,912 kilometres of National ICT Broadband Backbone have been constructed compared to 25,837 kilometres constructed by December 2017 whereby 7,910 kilometres were constructed by the Government. Furthermore, as of December

2020, all 26 regions were connected to National ICT Broadband Backbone and 163 district municipals are now using the service. Hand in hand with that, the country has connected National ICT Broadband Backbone to seven (7) neighbour countries and currently there is ongoing project to connect Mozambique and the project to connect Democratic Republic of Congo through Lake Tanganyika using submarine cable is on feasibility study stage.

With an increase of number of internet users from 25.8 million in 2019 to 28.5 million in 2020 and proportion of population using mobile phones from 57.3 percent in 2013 to 84 percent in 2020, significant transformation has been observed in the mode of doing business and offering services through internet. The country targets to cover 100 percent of population covered by a mobile network by 2026 and it is in a process to prepare a nation-wide framework to guide digital economy initiatives in the country as a way to solve different challenges posed by digital economy.

The Revolutionary Government of Zanzibar has improved ICT infrastructure through E-Government. The improvement includes the expansion in coverage of fibre in health (digital or e-health) resulting in the ability of Zanzibar to undertake e-operation and online treatment, increasing the data set to carry e-health, improving the cable capacity to carry more data, operationalizing the Zanzibar Universal pension system, as well as a hotel tax management collection system. Based on 2019/20 HBS the proportion of population using mobile phone has increased from 70.3 percent in 2014/15 to 92 percent in 2019/20. The performance rate of this indicator reached more than hundred (126.5 percent) percent of the expected target.

Challenges

- i. Insufficient financial resources to implement the proposed goal. These projects require high capital investments;
- ii. Loss of revenue from digital economy where many changes in the mode of doing business have been observed. This is due to the fact that there is no a national strategy to enhance taxation of digital economy; and
- iii. Large shortfall in human resource that is required in the implementation of this goal. There must be a well-set strategy to train Africans in techniques and technologies of exploiting the opportunities particularly in road constructions and rehabilitation of the infrastructures;
- iv. In Zanzibar main challenge associated with road infrastructure are expansion of urban roads increasing number of vehicles cause traffic congestions, parking difficulties. In adequate connectivity of community roads to feeder roads as well as enhancing pedestrian experience; and

- v. For case of Airport inadequate of smart facilities to simplify the passenger clearance procedure, in Zanzibar and Pemba Airport. Low infrastructure of Pemba Airport.

Opportunities

There are many opportunities that the country can use to prosper. Alongside the possible direct monetary gains that the country can accrue from the completion and operationalization of the projects, the returns from these projects have higher multiplier effect to other sectors. From reducing the cost of production, the country can also benefit from her strategic geographical location that links land-locked countries hence accessing the domestic and regional markets. Up on the completion of these income generation projects, the country creates an enabling environment hence attracts private investment in the economy, creating employment opportunities and widens its tax base. Further, the reviving the ATCL, the country expects to boost tourism industry which is currently among the contributors of country GDP.

Infrastructure in Zanzibar needs to have the capacity to support and growing businesses and to ensure a well-connected inclusive transportation and digital network, reliable and uninterrupted electricity and infrastructure-ready industrial sites. For the case of Airport, the opportunity is to operationalized, terminal III at AAKIA and to start the operation, and to Construct Pemba Airport.

3.3 Aspiration 3: An Africa of Good Governance, Democracy, Respect for Human Rights, Justice and the Rule of Law

3.3.1 Goal 11: Democratic Values, Practices, Universal Principles of Human Rights, Justice and the Rule of Law Entrenched

Good Governance and Democracy

Good governance and accountability as articulated in the TDV 2025, are among the inevitable strategic area by which it necessitates the adherence to rule of law. Good governance and accountability are key ingredients in achieving the envisioned socioeconomic development, a society free from hunger and poverty, a society with quality social services like education, health, water, transport systems as well a society with freedom of expression and association.

The Government needs to create an enabling environment of fear-free for all stakeholders like political parties, private sectors, civil society organizations, faith-based organizations, public servants' organizations, entrepreneurs and the general public to actively participate in exercising their rights and demand accountability and rule of law from the incumbent. With the good governance, accountability and rule of law in

practice, there will be commendable use of resources, funds allocated in various plans and budgets will be well utilized and the impressive results of economic growth, poverty reduction and improved social wellbeing and standard of living will be achieved through the multiplier effect of industrialization, enterprises and job creation.

The nexus between good governance, rule of law, democracy and social-economic development should not be overemphasized since in most cases it provides an impetus to the country to achieve its developmental goals as stipulated in National Plans as well the international goals as envisioned in Sustainable Development Goals, Agenda 2063 and the like. With the failure to put in place good governance, rule of law and democracy, the development process becomes sluggish and even halted.

The URT has taken a lot of measures in building institutions, reviewing existing laws and enacting some new laws, and carrying out reforms to realize good governance, accountability, transparency and rule of law in all its functions. Through the Office of Attorney General (OAG), the government ensured all the National and International laws, conventions, treaties and standards that promote the Justice, Rule of Law and Good Governance are adhered to by drafting and translating laws in Kiswahili Language, revising out-dated laws, providing legal advices to MDAs, LGAs and the general public and vetting, negotiating and reviewing of bilateral and multilateral contracts such as Mineral Development Agreements, Production Sharing Agreements, Power Purchasing Agreements Bilateral Investment and Treaties.

In this regard, the process of laws translation to Kiswahili showed 81 percent increase since 51 and 105 laws in 2019 and 2020 were translated to Kiswahili respectively; 15 laws in 2019 to 199 laws in 2020 were revised which indicates a huge increase of 1127 percent. This indicates the intention of the URT to reduce the contradictory and out-dated laws, harmonization and update the laws.

In making sure the resources allocated are well utilized, different organs after the approval of the national budget by the parliament undertake the budget implementation Scrutinization at different stages to halt misappropriation and embezzlement of public funds and realize the value for money in all the public spending. At the end of each financial year, the auditing is conducted by the National Audit Office and the report is submitted to the head of the Government then to the Parliament for discussions and the Parliament provides resolutions for the government to take action. In the due process of the planning, budgeting and execution at the local level, the non-government organizations and the general public are involved in the early stages of planning in wards, villages and suburb meetings to ensure collective participation, ownership, accountability and transparency. It is apparent that 100 percent of the LGAs post their public budgets, revenue and actual expenditures on easily accessible public notice

boards. The MDAs adhered to the revised Public Procurement Act, 82 of 2011 and submitted to the OAG for review and the number increased from 120 in 2013, 1032 in 2019 and currently 1085 contracts have been submitted to avoid risk and non-productive contracts agreements between the government and agreed parties so as to uphold national interests.

The Government continued to value and maintain democracy and its processes. In 2020, the Government conducted a general election in a fair and free environment whereby the people got their democratic opportunity to elect their leaders such as the President, members of parliament and councillors in a peaceful way. Through that process, women continued to be empowered and among the members of parliament and ministers, women were about 37 and 22 percent respectively which the figures were almost similar to the previous periods.

In holding its leaders accountable, observe the rule of laws and become just, the Ethics Secretariat of the Public Leaders established by Article 132 of the Constitution of the United Republic of Tanzania continued to perform its duties whereby 2020 it received and analyzed Assets and Liabilities Declaration Forms of about 14,724 which is 97 percent of the required leaders. This is somewhat a drop as compared to 14,878 leaders who duly filled and returned their forms in 2019. Through these ethical forms, the secretariat managed to analyse 88 claims and out of these, 44 were regarded as a violation of the law of the Public Leadership Code of Ethics.

In ensuring the natural wealth and resources are accountable for benefits of the people, Tanzania has developed legal framework for management and exploration of natural wealth and resources that focuses on ensuring the current and future generation benefits from utilization of natural wealth and resources of a country. In recognizing this mandate, the UN General Assembly on 14th December 1962 and 12th December 1974 adopted Resolutions No. 1803 and No. 3281 respectively to respect the State Authorities in protecting and utilising its natural wealth and resources for the benefit of the country and its people. Tanzania has also ratified various regional resolutions and agreements on the rights of the people on the natural wealth and resources. In implementing these resolutions, the Government of Tanzania has taken various measures including laying the foundations for the protection of natural wealth and resources in the Constitution of the United Republic of Tanzania, 1977. Articles 9 (c), 9 (i) and 27 of the Constitution tasked the Government and all citizens with responsibilities to manage and protect the natural wealth and resources, and its exploration benefit the nation and promote people's wellbeing. These Constitutional provisions direct all Government activities to be undertaken in a manner that ensures the natural wealth and resources are controlled, protected and utilised sustainably. In 2017 the Government took affirmative actions by promulgating the Natural Wealth and Resources (Permanent

Sovereignty Act), Cap.449 and Natural Wealth and Resources Contracts (Review and Re-Negotiation of Unconscionable Terms) Cap 450. These laws provide a normative framework that protect, manage and utilise the natural wealth and resources for the benefit of the country socio-economic prosperity and people's wellbeing.

Corruption

The Government continued to underscore the fight against all forms of corruption regardless of being petty or grand corruption. Once the Late Mwalimu Julius Nyerere said, "corruption is the enemy of justice". This statement is powerful and it asserts that no justice can prevail in the presence of corruption acts. The existence of corruption in the government institutions, private sectors and the general public always causes the unfair provision of services to the targeted individuals and implicitly draws back the socio-economic development of the country and it goes further to the citizens to lose trust in their government. To demonstrate that the Government continues to undertake a lot of initiatives in eliminating corruption in the country it established the Corruption and Economic Crimes Division in the High Court of Tanzania which deals with all the heavy corruption related to sabotage our economic growth and hinders the communities to reap the benefits from the growth.

The URT through the institution of Prevention and Combating of Corruption Bureau (PCCB) and other stakeholders continued to bring awareness and education in the societies that corruption is a bottleneck towards justice and wellbeing so that every individual should take self-initiative to identify and report any attempt towards corruption. The PCCB did the sensitization and advocacy campaign against corruption to reach out to their stakeholders in various modalities such as public meetings and dialogues; initiation and strengthening existing anti-corruption clubs, article presentation in various magazines, radio and television sessions; public notices and customer care centres where they receive complaints and suggestion through calls and short messages.

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Through the joint efforts of all key institutions spearheaded by PCCB, it established Public Expenditure tracking of development projects through District and Regional Offices and Asset Forfeiture and Recovery Unit with the main focus of tracing and recovering assets and funds acquired through corrupt means. These efforts managed the increase of assets and funds recovered to around TZS 215.45 billion between 2016 and June 2020. This is a huge achievement of recovery of assets and funds from 53.9 to 96.02 percent. As registered in the international rating of corruption through the Transparency International Corruption Perception Index, Tanzania has shown an improvement in the efforts of preventing and curbing corruption as it scored 38 and ranked 94 in the world in 2020 from 33 score and 111 ranked in 2013. Still, some concerted efforts are required, since Tanzania is still below 50 of the score that indicates high corruption. The measure implies a country is having a low level of corruption when the score is towards 100 and a high level of corruption when the score approaches 0.

The URT embarked on transforming the judicial system in making sure justice is availed to every citizen and non-citizen by building hard and soft infrastructures to fast-track the judicial litigations in all the regions in the country. Recently it renovated three High Courts, built five resident magistrate courts, 15 district courts, 18 primary courts and established mobile courts. On top of that, the government increased the number of working personnel in the arena of provision of rule of law such the judges, magistrates, lawyers, advocates and polices. With these merger reforms and investment in the judicial system and investigation, it resulted in a huge increase in the number of corruption cases ruled out from 10.4 percent in 2015/16 to 82.0 percent in 2019/20.

Human Rights

The Government recognizes human rights to all the individuals whether privileged or unprivileged and subgroups of the society especially the rights of impoverished people and most vulnerable groups such as children, women, elders and people living with disabilities with paramount importance to inclusive and sustainable socio-economic development. In 2020, during the 43rd meeting of the United Nations Human Rights Council, Tanzania addressed the international community and vowed its stand on the recognition and adoption of various human rights. Human rights span to the right to impressive social services such as quality education, improved health services, safe and clean water and clean energy, civil and political rights such as the right to life; freedom of expression; rights to equality before the law, right to liberty and personal security, freedoms of assembly and association. This remains to be an obligation as articulated in the International Covenant on Economic, Social and Cultural Rights (ICCPR) and the Constitution of the United Republic of Tanzania of 1977 to ensure progressive social, cultural and economic wellbeing of all its citizens realized with impartiality.

The National Five-Year Development Plan identified various strategies and targets to achieve the protected human rights in the society such as Second Child Justice Strategy, Second National Human Rights Action Plan, and Strategy for protecting human rights and individual rights. These strategies are collectively envisioned to achieve the increase in community trust in public institutions by 75 percent, increase 50 percent on public perception on the protection of human rights and individual rights, ensuring timely response of all international allegations of human rights violation and reduce by 50 percent of the complaint on violation of human rights by 2025/26.

Ending Domestic Violence against women, children, spouse violence in Tanzania society remained to be a challenge. In addressing these different kinds of violence, among other initiatives, the Government developed and is currently implementing the Five-Year National Plan of Action to End Violence against Women and Children (2017/18 - 2021/22) with the target of reducing all kinds of violence against women and children by half. Among the outcome of the Plan are the initiations of Police Gender and Children's Desk (PGCD) throughout the country, Social Welfare Departments and gender focal persons in MDAs and other institutions who can oversee the issues related to gender in the plans and budgets in ensuring they are gender-sensitive, established a Free National Child Helpline to report all cases related to child violence through all mobile networks, and established One-Stop Centers in Dar es Salaam (Amana Hospital), Shinyanga (Regional Referral Hospital), Mwanza (Sékou Touré Hospital) and Iringa (Regional Referral Hospital) for treating those suffered physically, psychologically and even building awareness to them on how to protect and report such abusive cases.

With respect to promoting non-discrimination in a country the Constitution and laws guarantee participation of women in all walks of life, for instance in politics the URT had a female Vice-President from November 2015 until March 2021 when she became the 6th President and Commander-In-Chief of the Armed Forces of the URT. In the 2015 National Election there was 1 female candidate and 1 female running mate candidate for the President of the URT while in the 2020 National Election 2 political parties had female presidential candidates and 5 political parties nominated female running mates for the presidential post of the URT. The Deputy Speaker and Clerk of the National Assembly are women and the National Assembly is constituted at 36.38 percent women parliamentarians compared to 34.6 percent in 2015. There is also judicial diversity as women Judges constitute 41 percent of the Court of Appeal Judges (10 women out of 24 Judges) and 38 percent of the High Court Judges (31 women out of 85 Judges). There are currently 5 women Regional Commissioners out of 26 which is equivalent to 19 percent, 43 women District Commissioners out of 139 which is equivalent to 31 percent, and 55 women District and Municipal Directors out of 184 which is equivalent to 29 percent. There are also 12 women Regional Administrative Secretaries out of 26

which is equivalent to 46 percent, and 36 out of 133 District Administrative Secretaries are women. The economic empowerment of women is vital in eliminating discrimination against women and children. The Tanzania Social Action Fund (TASAF) implements projects aimed at women economic empowerment at households (HHs) level. The projects include a national-wide Productive Social Safety Net Programme under the third phase of TASAF. The objective of this programme is to enable poor HHs to increase income and opportunities. By the year 2019, about 1,118,741 HHs were enrolled, and 5,127,730 (52 percent female and 48 percent male) benefited from the programme.

The figures recorded in the Tanzania Demographic and Health Survey of 2015/16 are alarming and more concerted efforts from all the stakeholders are needed. For instance, 40 and 17 percent of the women aged 15 - 49 years suffered physical and sexual violence respectively; 50 percent of married women experience spouse violation and out of them, 39, 36 and 14 percent suffered physical, emotional and sexual violations respectively. Bad enough, only 54 percent sought help and 9 percent reported to the police. Spouse violence has caused injuries to 70 percent of women. The situation is even worse in children violence in the country. As it is reported in the Violence Against Children Survey in 2011, in every 3 girls and 7 boys, one must have suffered sexual abuse before turning age 18; around 70 percent of boys and girls suffer physical violence; and 25 percent suffer emotional violence.

The Government guarantees the provision of justice and human rights. Once violated, these can be regained through Judiciary system which is determined to provide timely, quality, transparent, fair, impartial and accessible justice for all. Also, noticeable improvements have been recorded in the judiciary justice system. For example, between January and December 2020, about 102 percent of cases were cleared from all courts ranging from the Court of Appeals to Primary Courts, which indicates the higher capacity of our judicial system in handling and deciding the cases. These commendable achievements in the Judiciary of Tanzania (JoT) are attributed to many efforts done by the government such as the introduction of Mobile Courts that fast-tracked the hearing and clearance of many cases. For instance, in 2020, about 95 percent of the 820 cases were judged and only 45 cases remained undecided. Other measures include strengthening the use of ICT like electronic filing, video and teleconference, audio – visual recording, electronic payment under GePG, electronic notification, electronic reports and electronic publication. These, together with other measures in place, have lessened the cost of litigation and improved timely access to justice to all and have reduced the congestions of people on remand.

Access to Justice and Rule of Law

The Government of the URT continues to improve access to justice for all and rule of law. As part of the URT's efforts to enhance access to justice, the Legal Aid Act Cap. 21 was enacted in 2017 and the Legal Aid Regulations, 2018 was developed with the objective of assisting indigents to access justice. Implementation of the Act has led to establishment of the Office of the Registrar of Legal Aid Providers at National level and appointment of 209 assistant registrars in all districts. The Government coordinates Legal Aid Providers (LAPs) to provide legal aid through a system that involves their training, monitoring and evaluation to ensure quality of legal aid services. There are currently 600 LAPs.

Legal aid has also been provided in detention facilities in police stations and prisons from 2017 to 2020 whereby 872 women and 10,352 men received legal aid. Also, juvenile detention centres were visited and 11,524 children received legal aid. In 2018, the URT underwent institutional reforms by restructuring the Office of the Attorney General and establishing the National Prosecutions Service (NPS) and the Office of the Solicitor General. The objective was to develop specialization and efficiency in the three offices so that access to justice is fairly provided. The expedition of cases was addressed through introduction of plea bargaining, and video conferencing. The Civil Procedure Code Cap.33 was amended, permitting the Court to forego technicalities and proceed to determine cases on merits.

In order to further enhance dispensation of justice through alternative dispute resolution, the Arbitration Act, Cap. 15 was passed on 14th February 2020 and the Registrar of Arbitrators, Negotiators, Mediators and Reconciliatory has been appointed. The pecuniary jurisdiction of Primary and District Courts has been extended to enable adjudication of cases to these courts which were previously instituted in the High Court, hence reduction of costs and time in access to justice. Integrated Justice Centres (IJC) have been established to facilitate smooth operations and provision of standard Court services in 6 zones (Mwanza, Shinyanga, Arusha, Dar es Salaam, Morogoro and Mbeya). The IJCs provide legal services in one geographic location or building to enable users to receive quality justice services timely and at affordable cost. Virtual courts are also being utilised to extend judicial services. Currently, all High Court Registries are equipped with video conference facilities, and a total of 14,641 cases were disposed through virtual courts. There are 948 court buildings across the country, including 40 new modern court buildings which were constructed from 2016 to 2020. There are primary courts in 799 councils, and district courts in 118 districts. Moreover, there are resident magistrate courts in 31 regions and 22 high court divisions across the country.

Challenges

This sector that oversees good governance, accountability, rule of law, justice and fights corruption is faced with the challenge of inadequate human resources and facilities. The sector is also affected by inadequate budget allocation. As such, most people are unaware of their rights and obligations, including proceedings to seek justice.

3.3.2 Goal 12: Capable Institutions and Transformed Leadership in Place at all Levels

The URT is formed by strong institutions that are corruption free and advocate professionalism, efficiency, accountability, transparency, and justice. The government is organized and works in a coordinated and linked manner through the Executive, Parliament and Judiciary systems. The Parliament is responsible for enacting laws and approving plans and budgets while the Judiciary translates laws and dispenses justice with equity. The executive, through MDAs and other institutions, formulates and implements the plans to ensure that the socioeconomic and cultural well-being of all the citizens is achieved peacefully. Key overseers of this delivery include the Good Governance Unit, Ethics Commission, Prevention and Combating of Corruption Bureau (PCCB) under the President's Office, and Controller and Auditor General. There are also independent government departments such as Tanzania's Commission for Human Rights established under Article 129 (1) of the Constitution of the URT, as well as designated Civil Society Organizations (CSOs) championing peace, security and human rights.

In view of the above setup of the institutions which are supposed to work in a coordinated manner, the leaders are held accountable to perform their duties and deliver the best services to the citizens, regardless of their ethnicity, gender, religion or any kind of affiliation. Once that kind of prejudice against people from different social backgrounds is discovered, it is regarded as corruption and the institutions responsible will take appropriate measures immediately. With these measures in place, the URT has managed to reduce discrimination and conflicts associated with social differences.

Challenge

The major challenge facing our institutions is poor coordination between various government institutions during planning and execution stages. This leads to delay in service delivery, increase of cost of operations, and overlapping of plans.

3.4 Aspiration 4: A Peaceful and Secure Africa

3.4.1 Goal 13: Peace, Security and Stability is Preserved

The URT continued to enjoy peace and stability during the period under review, underpinned by the existence of a relatively favourable social, political and economic environment. Despite ethnic, religious and other forms of social diversity, the country

remained free from endemic conflicts. The Government has continued to observe the principles of good governance, laying strong emphasis on upholding the rule of law, enhancing transparency, accountability and responsiveness to the needs and expectations of the public. Likewise, the government continued to improve citizen participation in social, economic and political undertakings; implement policies and interventions aimed at promoting equity and inclusiveness; and streamline administrative operations to increase its effectiveness and efficiency. The dynamic growth and diversification of the economy also presented opportunities to the wider public, particularly the youths, to engage in productive activities, enabling them to earn fruits of their labour and lead decent lives.

Good governance has helped to build upon the long-established patterns of social cohesion and sustain peace and stability of the URT. The longstanding peace and stability, that is a result of efforts made by the founding fathers to root out ethnic and religious divisions as well as identity politics, can never be taken for granted. Bad governance characterised by gross violation of human rights, violent political transitions, policies of exclusion and marginalisation, economic mismanagement and illegal exploitation of natural wealth is often the underlying source of social tensions which later escalate into full-scale armed conflicts in many African countries. Economic stagnation and poverty aggravation deprive mankind of his dignity and virtues, compelling especially the vulnerable factions of our communities to engage in social evils such as theft, robbery, organised crimes, illegal trafficking and smuggling, ultimately impairing peace and stability, even for a country that is socially cohered like the URT. Therefore, good governance accompanied by inclusive and sustainable development remains key areas of focus of the government for maintenance of peace, security and stability.

In October 2020 the URT successfully concluded her sixth general elections since the re-introduction of multiparty democracy in 1992, during which the then incumbent Union President, the late Dr. John Pombe Joseph Magufuli of *Chama Cha Mapinduzi (CCM)* won was re-elected by majority votes (84.4. percent). In Zanzibar, Dr. Hussein Ali Mwinyi, also a CCM candidate, secured victory, winning 76.27 percent of the valid votes cast. For the parliamentary elections, CCM won 256 out of the 264 seats of the (Union) National Assembly, and 44 of the 50 seats in (Zanzibar's) House of Representatives. Statements by election observation missions indicate that the elections were conducted in a peaceful manner and were in accordance with existing laws and procedures⁹. Parameters, including participation of citizens, political parties, the civil society, election observers and other stakeholders; voter registration; political campaigning; polling; vote counting; result publication; and civic education were satisfactory and in line with agreed criteria of free and fair elections. Pre- and post-election periods were marked by a

⁹ See Statements by Election Observation Missions from the East African Community (EAC), the African Union (AU) and Electoral Institute for Sustainable Democracy in Africa (EISA).

general tranquillity within the public with very few reported incidences of altercations and confrontations between law enforcement agencies and political gatherings.

Notably, the 2020 general elections were the first to be fully funded by the Government from its internal sources, and took place at a time of the current global uncertainty caused by the COVID-19 pandemic. The government's decision not to postpone the elections arguably suppressed any fears of a constitutional ambiguity, and further helped to galvanise the stability of the URT.

Subsequently, in March 2021 the URT managed to peacefully navigate through an unprecedented and historic political incident, in which H.E. Samia Suluhu Hassan became the sixth and first female President of the United Republic of Tanzania, following the unfortunate demise of Dr. John Pombe Joseph Magufuli, the Fifth President of URT. The smooth transition of power occurred in accordance with the constitution and served yet as another testament of the deeply ingrained democratic virtues in Tanzania and strong adherence to the rule of law.

During the period under review, criminal offences reported in 2020 were 50,689, equivalent to a 13.5 percent decrease from 58,590 offences in 2019¹⁰. The offenses range from crimes against humanity (including murders, human trafficking, child abduction, child molestation, sodomy and raping) to crimes against private property (including offences relating to extortion, burglary, theft, arson, fraud and counterfeits) and crimes against social ethics (including corruption, smuggling, illegal immigration and possession of drugs, government trophies, firearms, bullets, illicit brew and forest products). The overall decline in criminal incidences is a result of enhanced collaboration and coordination between security organs and other stakeholders. It is also an outcome of the government's countrywide awareness creation and sensitization campaign against crimes carried out through Tanzania Police Force (TPF), which has received a positive response from the public prompting it to proactively participate in prevention and combating criminal offences. Additionally, the government continued to empower TPF as well as other security and law enforcement organs through recruitment, training and provision of requisite tools, equipment and facilities, in an effort to intensify the combating of crimes and maintain order.

Table 3.10: Criminal Offenses during 2018 – 2020

Offences	2018	2019	2020
Crimes against Human Beings	11,759	12,223	11,001
Property Ownership Crimes	29,596	27,635	24,056
Financial Crimes	NIL	1,218	905
Social Values Crimes	18,753	17,514	14,727
Total	60,108	58,590	50,689

Source: Tanzania Police Crime Reports 2018, 2019 & 2020

¹⁰ The Economic Survey, 2020

Correctional facilities (prisons) had a combined total of 32,398 prisoners plus detainees in 2020, which is 8.3 percent above the installed capacity, and a 0.15 percent increase from 2019¹¹. The marginal increment in the number of detainees and prisoners reflects in part the impact of undergoing legal sector reforms which have led to a substantial reduction in the number of outstanding legal cases at all levels of the judiciary (i.e., primary courts through to the high court and court of appeal). Some of the reforms being implemented include expediting of the investigation processes and gathering of criminal evidence, separation of the prosecution and investigation responsibilities, setting annual case-hearing targets for judges and magistrates, introduction of plea-bargaining arrangements, review of various policies and laws, instituting mobile courts and integrated justice program as well as granting parole and amnesty to prisoners. Speedy dispensation of justice relieves a substantial social burden to the public and supports socio-economic development¹². There is also evidence that it quells civic anger often triggered by grievances over unfair verdicts and improves general public confidence in the judicial independence and overall government legitimacy, further helping to sustain peace and stability in the country.

During the period under review, the URT also continued to take measures aimed at averting imminent dangers to her internal peace and security posed by instability in some neighbouring countries. Security organs such as Tanzania People's Defence Forces (TPDF), Tanzania Police Force (TPF) and the Immigration Department continued to strengthen border controls, carrying out operations in border regions as well as territorial waters to deter illegal and criminal undertakings. Moreover, collaboration and cooperation between security organs of the URT and those of neighbouring countries continued to be reinforced through bilateral, regional and international engagements, thereby ensuring timely exchange of information and expertise on prevention of transboundary crimes such as smuggling of goods and arms, illegal trafficking of humans and drugs, and undocumented migrants. As such, despite observed instabilities in URT's neighbours like the Democratic Republic of Congo (DRC) and Mozambique, their spill-over effects were largely restrained.

3.4.2 Goal 14: A Stable and Peaceful Africa and Goal 15: A Fully Functional and Operational African Peace and Security Architecture

The URT's quest for a stable, peaceful united Africa emanates from her long history of supporting Pan-Africanism, African liberation struggles and the fight against apartheid between 1960s and 1990s. In the period under review, the URT continued to be an active participant in regional, continental and multilateral efforts for bringing about peace, security and stability on the African continent. The URT maintained its contribution of civilians and troops to six (6) United Nations (UN) peacekeeping

¹¹ *ibid.*

¹² URT (2008) Unblocking the Road to Timely Justice for All: Review of the Legal Sector Reform Programme.

missions in African countries, namely Central African Republic (MINUSCA); Democratic Republic of Congo (MONUSCO); Darfur, Sudan (UNAMID); Abyei, Sudan (UNISFA), Cote D'Ivoire (UNOCI) and South Sudan (UNMISS). Up to July 2021, the URT had contributed 1,492 troops to six (6) United Nations (UN) peacekeeping missions. In addition to peacekeeping operations, the URT upheld her active participation in Southern African Development Community's (SADC) efforts to end internal conflicts plaguing some member states, namely the Democratic Republic of Congo (DRC), Lesotho, Madagascar, Comoros and Mozambique. Also, under its chairmanship of SADC between August 2019 and August 2020, the URT advocated for the removal of all forms of economic and political sanctions against Zimbabwe by the international community to boost the country's recovery from decade-long stagnation¹³.

It can be said that, in the absence of internal conflicts, the URT has sought to proactively contribute towards achievement of the desired objective of "silencing guns" in other African countries, using existing continental and regional peace and security architecture. The unselfish motive is largely driven by the underlying principle of solidarity and support for African solutions to African problems. The formulation of a national peace council is yet to be implemented due to the longstanding peace in the URT. Nonetheless, informal and formal structures exist for the purpose of sustaining social harmony. Informal institutions mainly include the elderly and the clergy, whereas formal institutions include the regional and district peace and security committees, the Political Parties Council¹⁴ and civil society organisations, among others.

3.5 Aspiration 5: Africa with a Strong Cultural Identity, Common Heritage, Values and Ethics season

3.5.1 Goal 16: African Cultural Renaissance is Pre – eminent

Tanzania is a country with a remarkable variety of cultural heritage resources which include ethnographical, paleontological, archaeological and historical ones. This heritage portrays a wide range of heritage, spanning from the period of Dinosaur to the very recent period of Homo sapiens of our time. The rich and unique culture of Tanzania emerged from this history. Tanzania is renowned as an Island of peace and harmony, which is attributed to culture of the Tanzanians who are united by Kiswahili, the national language. To safeguard its rich and diversified culture, the country has established different institutions to promote the cultural sector. These include the National Arts Council, National Kiswahili Council, and Copy Right Society of Tanzania. These institutions promote and develop an authentic Tanzanian cultural and arts tradition; uphold professionalism, excellence, and creativity; and regulate issues related to

¹³ See priorities for URT as SADC Chairperson in the 2020/21 Budget Speech for Minister for Foreign Affairs and East African Cooperation

¹⁴ Established under the Political Parties Act, CAP 258 as a platform for dialogue between political parties.

promotion of Kiswahili language and protection of copyrights and neighbouring rights. Short term, medium term and long terms strategies have been developed through the Ministry and these institutions.

Despite these efforts, the traditions, customs and beliefs of Tanzanians have been affected by western cultures due to lack of national guidance especially in schools and academic institutions responsible to groom the upcoming generation. Responding to the emerging impacts, the URT, through the Ministry responsible for arts/culture and tourism, has issued instructions to stakeholders to abide by national culture. Apart from that, the Government has hosted different arts and cultural festivals to showcase Tanzania's rich heritage and culture in order to ensure that the cultural and arts creative industry contribute to Tanzania's growth and transformation; and to restore and preserve Tanzania's cultural heritage, including its languages. Through these events, the creative arts industry has grown considerably. The number of registered individuals engaged in creative arts increased to 1,620 in 2020 from 621 in 2015; the number of registered art groups increased to 3,462 in 2020 compared to 3,252 in 2015; the number of registered companies in the creative arts industry increased to 1,226 in 2020 from 1,184 in 2015.

The creative industry involves cultural products, performing arts, creative art, music, film and movies, video games, advertising, architecture, fashion, publishing, TV, radio, and toys and games, among others. The industry exceeded the planned targets in three (3) out of five (5) outcomes with attractive data on (i) growth rate per annum (100.7 percent); (ii) registered training arts institutions (100 percent), and (iii) students studying entertainment courses (more than 250 percent). The admission of students opting to pursue creative arts-related courses at the universities of Dar es Salaam and Dodoma increased to more than 1,000 students in the year 2020 compared to 100 students in 2015. Furthermore, 360 students were admitted at Bagamoyo College of Arts and Culture in 2020 compared to 100 students in 2015. The increase of students undertaking arts and cultural courses was influenced by discouraging the centralized selection of students (that was championed by the Tanzania Commission for Universities) and adopting independent selection and admissions by universities.

On the other hand, the incredible growth of creative arts industry has been contributed by (i) the Government's decision to sponsor Tanzanians participating in international shows and festivals; (ii) introduction of a rewarding system for outstanding artists in various categories, which has stimulated the interest of young people in the field of arts and culture, (iii) the positive image of arts, entertainment and culture as a profession; and (iv) renovations and improvement of facilities at specialised colleges, such as Bagamoyo and Malya, which have attracted more students to join the colleges.

The Government emphasizes strategies and plans that protect national culture for the current and future generations. For example, the syllabus and educational curriculum

from kindergarten to secondary schools have been improved with the inclusion of Tanzanian culture and language. All levels of education to secondary schools do teach the Swahili language and train children the appropriate African ethics and behaviours. To that end, educational curriculum from kindergarten to secondary schools and some colleges include information about history and tradition of Tanzanians.

Challenges

The Government has taken some efforts to protect the national culture and African way of living. Regardless of the initiatives undertaken, there is lack of systematic and conducive tools/systems to track and facilitate the collection of adequate data. Other challenges include globalisation and youth mind-set which regard African way of life as primitive and thus prefer to copy western culture. There is also a dilemma of whether to look back into African history or look forward into the reality born by technological advancements. Moreover, there is a challenge of foreign religious doctrines which appear antagonistic to local African beliefs and the challenge of traditional and contemporary arts and the divided audience.

Opportunities

Tanzania has an opportunity to establish special and dedicated schools with curriculums that prepare youths as responsible citizens who are proud of the African ways of living. The country has people with potentials, creative thinkers, and actors but these remain untapped due to the lack of grassroots-based programs to identify and harness creative individuals from their early years of life in schools and villages/streets.

Areas where Support is requested

Special support is needed to establish a systematic and friendly system to track key efforts that embrace African customs, behaviours and habits, ideas and ideology, art and beliefs. In addition, the development of grassroots-based programs to identify and train creative individuals from their early years of life in villages/streets is necessary. However, support to implement mind-set change programs to revert the negative thinking about African culture and morals, enacting and enforcing regulations that can protect the rights and welfare of people engaged in the creative industry is highly requested. The support needed is on raising awareness and promoting culture to attract and change the attitude of youths towards African culture.

3.6 Aspiration 6: Africa whose Development is People-Driven, Relying on the Potential of the African People

3.6.1 Goal 17: Full Gender Equality in All Spheres of Life

Women participation in various spheres is vital in ensuring sustainable development in achieving gender equality and eliminating gender-based violence. The Government has continued to implement various women empowerment programmes with the aim of increasing economic opportunities and building business capacity, access to capital, markets, credit facilities and mainstreaming of gender issues into policies, plans and budgets. In terms of land ownership, the Government has put in place measures to increase women's ownership, use and control of land. This has been achieved through amendment of Village Land Act No. 5 of 1999 section 20(1). The initiative on land tenure has improved family economy, productivity and women's confidence in leadership and economic activities.

In Zanzibar, significant achievements have been observed in maintaining equal economic rights for women. Zanzibar has a legal framework and is committed itself to alleviating inequality at all levels. This has been demonstrated by its decision to develop and implement the Zanzibar Development Vision 2050 and Zanzibar Medium – Term Development Strategy 2021-2025, SDGs, CEDAW etc. Within those policy documents and frameworks, the RGoZ has expressed its commitment to gender equalities, equity, empowerment, and justice. Besides, human rights and gender equality have been elaborated in articles 12(4) and (5) of the 1984 constitution of Zanzibar, which prohibit discrimination of any kind. Moreover, the bill of rights, which forms part of the constitution, protects and promotes human rights.

In efforts to empower women financially, the Government has established economic empowerment funds with the aim of empowering Tanzanians especially youths, women and people with disabilities from the Local Government revenue. Between 2015/16 and 2019/20, a total of TZS 2.22 trillion were provided to 4.9 million women entrepreneurs in various local government authorities in the country. The Government has also continued to provide soft loans to women entrepreneurs through the Women's Window established at the TPB Bank. In 2020/21, loans worth TZS 22.332 billion were offered to 14,271 women as compared to TZS 3.586 billion issued to 14,271 women entrepreneurs in 2019/2020. Apart from this effort, the Government has registered 6,137 Savings and Credit Cooperative Societies (SACCOS) and 200,000 Village Community Banking (VICOBA) groups in all regions of Tanzania. SACCOS have 3,998,193 members with stock worth TZS 78,751,193,414 and savings worth TZS 538,413,737,576, while VICOBA groups have 4,500,000 members, of which 80 percent are women.

Furthermore, measures have been adopted to enhance women's electoral and political participation and involvement of women in middle and high-level managerial positions. Tanzania is better off as women make up 8 percent of the country's chief executive officers (CEOs). The Governments in collaboration with stakeholders such as Association of Tanzania Employers (ATE), Tanzania Gender Networking Programme (TGNP) and political parties have made efforts to promote the involvement of women in middle and high-level managerial positions, with the aim of achieving 50:50 parity in parliament. The number of women members of parliament increased from 127 in the year 2015 to 140 in 2020, of which 113 are special seats MPs, 26 are elected from Constituencies, and 1 is presidential nominee. In Zanzibar, the performance rate of seats held by women account for 128 percent of the expected target. The intervention to increase participation of women in policy and decision making remains one of the policy objectives of the Government. It is an indicator of human development and has been demonstrated to enhance social progress. The results of this intervention show that there is an increase in the number of seats held by women in different positions, in 2020, including ministers (30.8 percent), councillors (25 percent), principal secretaries 30 (percent), judges 37. 5 (percent) members of HoR (38.7 percent) as detailed in **Annex IV**.

In addressing the challenge of gender-based violence, among other initiatives, the Government developed and implements the Five-Year National Plan of Action to End Violence against Women and Children (2017/18 - 2021/22) with the target of reducing all kinds of violence against women and children by half. Furthermore, the Government has continued to provide community education on the prevention and prevention of violence against women and children by coordinating the implementation of the National Campaign on GBV popularly known as "*Twende Pamoja Utili wa Kijinsia Tanzania Sasa Bas*". This campaign is currently being implemented in 15 regions, namely Dar es Salaam, Katavi, Rukwa, Songwe, Mbeya, Njombe, Iringa, Tabora, Shinyanga, Simiyu, Arusha, Manyara, Singida, Mara and Mwanza and has reached about 19 million people (both males and females).

The outcomes of the interventions against Gender Based Violence and response systems, include establishment of 420 police gender and children's desks, 153 gender desks in prisons stations, 5 gender desks in higher learning institutions, 177 gender desks in all PCCB offices - to combat acts of sexual corruption ("Break the Silence" Campaign). Other achievements include introduction of Police Gender and Children's Desk (PGCD) throughout the country, introduction of Social Welfare Departments, establishment of a Free National Child, and introduction of gender focal persons in MDAs and other institutions who can oversee the issues related to gender in the plans and budgets to ensure they are gender-sensitive.

Challenges

Some of the challenges include:

- i. Dilapidated infrastructure in social welfare centers and learning institutions which cause the decline in number of student enrolment. These include Community Development Training Institutes, Tengeru Institute of Community Development, Institute of Social Work and Kisangara Institute of Social Work and the poor Learning and Teaching Environment in the Training Institutions;
- ii. Low morale of Community members to participate in development projects, the ineffective community participation in development agenda is major cause of lack of sustainability of most development projects in the country;
- iii. Presence of incidence of violence against women and children;
- iv. Insufficiency of Service Providers at the Community Level, this has led to limited access to legal aid to women and children particularly in rural areas;
- v. Prevalence of Social Norms and Traditions which Perpetrate Violence including harmful traditions, beliefs and customs including killings of Older Persons on witchcraft Allegations; and
- vi. Prevalence rate of Violence against Children (VAC) and Gender Based Violence (GBV) grounded under cultural practices such as Female Genital Mutilation.

3.6.2 Goal 18: Engaged and Empowered Youth and Children

Youth employment is about 57.1 percent of the national labour force and has been growing yearly¹⁵. It is also informed that about 48 percent of all micro, small and medium enterprises (MSMEs) in Tanzania owned by youth¹⁶. In recognition of the contribution of young men and women in socio-economic development; the Government in collaboration with various stakeholders have undertaken a number of initiatives to enhance the youth. These include: development and implementation of the National Skills Development Programme (NSDP) whereby in 2020/21, a total of 29,233 youth including those with disabilities benefited from the Programme through internship, apprenticeship; and prior learning (RPL). In addition, engagement and investment of youth in agriculture and agribusiness have been increasing; which necessitated facilitation of land acquisition whereby about a total of 217,886.36 acres has been allocated for youth. Furthermore, access to agricultural inputs, machinery and supportive services were provided; including allocation of land to youth through the Local Councils; recognition of MSMEs through provision of identity cards; provision of soft start-up loans through LGAs internal revenues and Youth Development Fund whereby; loans amounting to 32.6 billion shillings which provided to 2,560 youth groups

¹⁵ NBS, 2020

¹⁶ The Report on Financial Sector Deepening Trust, 2012

in 2020/21 and linking youth led companies and groups to the MSMEs Strategic Partners for financial and technical supports.

Zanzibar has made several efforts to strengthen the conducive business environment by implementing programs, projects, and initiatives at all levels. These allowed the private sector and investment to thrive responsibly and create decent work for all vulnerable groups including persons with disability, elders, youth, women, and men. The RGoZ has managed to create a total of 13,196 employment opportunities for youth outside and inside the country over the years from 2015/16 to 2019/2020 (8,553 and 4,643 inside and outside employment respectively).

Additionally, total of 21,444 young entrepreneurs were empowered by granting them interest-free loans from 2015/16 to 2019/20. The funds were through the Empowerment Fund to entice them to engage themselves in self-employment and employ other youth in different sectors including agriculture, livestock and sewing. Furthermore, a total of 1,668 youths was provided with six-month vocational training courses and then offered agricultural inputs, livestock and fishing gear, tailoring equipment, carpentry tools, welding tools and material for sewing after training. Likewise, a total of 300 youth received special job training through a special program to equip them with employability skills needed in the tourism and hospitality sector.

A long side with the effort to empower youth, the government continue to eliminate all forms of child labour, especially in sector of economy such as agriculture, mining and construction. According to the 2014 Child Labour Report, about 29 percent of children aged 5 to 17 years were engaged in some form of child labour in economic sectors. In response, the Government is implementing the five-year National Plan of Action to End Violence Against Women and Children (NPA-VAWC) 2017/18-2021/22. The plan consolidates eight different action plans to address violence against women and children include Enhancing prevention of and response to violence against women and children (child marriage, teenage pregnancy and female genital mutilation - FGM); promoting Women Economic Empowerment, end child marriage and early Pregnancies; and continue to launch awareness campaigns to support the inclusion of violence against women and children initiatives into key decision-making processes through National dialogue human rights clubs in schools.

Table 3.11: Number of Registered Private Employees (Within and Outside Zanzibar), 2015/16 – 2019/20

Year	Within Zanzibar			Outside Zanzibar			Total		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
2015/16	1,787	723	2,510	255	307	562	2,042	1,030	3,072
2016/17	979	570	1,549	328	710	1,038	1,307	1,280	2,587
2017/18	1,001	1,279	2,280	409	692	1,101	1,410	1,971	3,381
2018/19	987	568	1,555	230	803	1,033	1,217	1,371	2,588
2019/20	421	238	659	83	826	909	504	1,064	1,568
Total	5,175	3,378	8,553	1,305	3,338	4,643	6,480	6,716	13,196

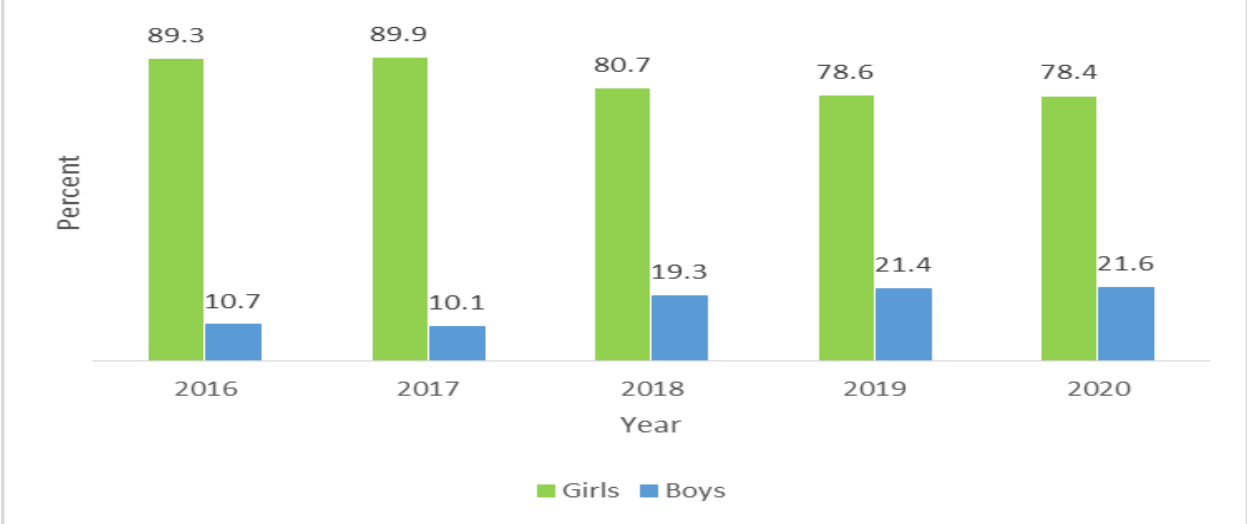
Source: ZPC - Evaluation of Zanzibar Vision 2020

Reducing Level of Violence against Women and Girls

The RGoZ has been enhancing enabling environment for ending Violence against Women and Children by doing the following. The RGoZ developed and operationalized the Zanzibar’s National Action Plan to end violence against women and children. Awareness of the public has been strengthening resulting in the reduction of violence against women and children’s incidences by 44 percent from 2,447 cases in 2016/2017 to 1,369 cases in 2019. Zanzibar Statistical Abstract has reported that, a total of 1,363 cruelty and gender-based violence incidences were reported in 2020 that involved 217 women victims (15.9 percent) and 1,146 children’s victims (84.1 percent), among the children’s victims, 899 (78.4 percent) were girls and 247 (21.6 percent) were boys. Comparing with preceding year, the number of incidences decreased from 1,369 incidences reported in 2019 to 1,363 reported in 2020.

Various laws related to ending violence against women and children have been reviewed including the Evidence Act 6/2016 which among other things allows child evidence as well as admissibly of electronic evidence. The Kadhi’s Court Act 9/2017 contains provisions on the division matrimonial assets and allows advocates to appear before the court.

Figure 3.7: Distribution of Reported Cases of Violence against Children by Sex, 2016-2019



Source: 2019 Zanzibar Statistical Abstract, 2020, OCGS

The Criminal Procedure Act 7/2018 section 151 (1) has provisions that do not allow for the provision of bail for any person accused of GBV related cases as well as the increasing of sentences that the courts may pass and an increase in imprisonment time as follows, at Regional Courts from 7 to 14 years and for High Court from 30 years to life imprisonment. The Penal Act 6/2018 increased punishment to morally related offences such as rape, sodomy, and indecent assault. A new law, Legal Aid Act 13/2018 was enacted containing specific provision of legal aid to indigent/ rural people who cannot afford legal fees. Also, Children Act No 6 of 2011 was enacted with a view to safeguard children rights and wellbeing in Zanzibar.

There is a significant improvement in recording birth registration of children below 5 years in the civil authority. The performance rate inferred 43 percent above the target. The registration of children under five years is higher in Zanzibar where an electronic and modern civil registration system and the service have been distributed equally in all regions between Unguja and Pemba.

3.7 Aspiration 7: Africa as a Strong and Influential Global Partner

3.7.1 Goal 19: Africa as a Major Partner in Global Affairs and Peaceful Co-existence

The priority area under this goal is Africa’s place in global affairs, with the main target of ensuring that national statistical system is fully functional. The indicators reported in this goal include those related to functionality of the national statistical system.

Adoption of Statistical Legislation that Complies with the Fundamental Principles of Official Statistics: On the 26th March 1999, through an Act of Parliament in 1997 the

NBS was established as a Government Executive Agency. Further, on 2nd November 2015, a new Act, the Statistics Act No. 9 of 2015 became operational, designating NBS as an autonomous public office and was given mandate to provide official statistics to the Government, business community and the public at large. In addition, the NBS has been mandated to play the role of a co-coordinating agency, within the NSS to ensure that quality official statistics are produced. Between 2018 and 2019 there have been several amendments to the Act with the aim of smoothening the applicability of the Act by different users and producers of statistics.

The Office of Chief Government Statistician (OCGS) was established Act no.9 of 2007. The OCGS is the Zanzibar Government agency responsible for the development and management of official statistics and the authoritative source and custodian of official statistics in Zanzibar.

Existence of Formal Institutional Arrangements for the Coordination of the Compilation of Official Statistics: Being the authoritative source of official statistics in Tanzania, the NBS produces around 85 percent of official statistics. All statistics published by the NBS are official statistics, with the exception of certain pilot surveys, which upon the approval of the Statistician General, can be published through reports, statistical newsletter etc., provided that such pilot statistics are published on a one-off basis. In Zanzibar, the OCGS functions as the authoritative source of official statistics.

The official statistics are defined as statistical data produced within the scope of the statistical program of the NSS and of international organizations, of which Tanzania is a member, in compliance with national and international technical standards as well as NSS principles. The NBS and OCGS are responsible for all official statistics they produce directly or guide their production through the NSS principles; technical independence, statistical confidentiality, impartiality and accessibility.

Statistical data are a key asset in today's world, and are pivotal to the conduct of research and analysis. They inform decision-making processes and are therefore of interest to researchers, public and private decision-makers, politicians and economic agents. Data dissemination, which is a key stage of statistical activity, is instrumental in complementing the process of data management. The NBS and OCGS are committed to achieving excellence in the provision of timely, reliable and affordable official statistics for informed decision-making in order to maximize the welfare of all Tanzanians.

The Revolutionary Government of Zanzibar through OCGS understands the importance of having the formal institutional arrangement for the coordination of the compilation of official statistics. Hence, some fund was allocated and disbursed for the preparation of

Zanzibar Strategy for the Development of Statistics (ZSDS). It is a response to the need for more and better statistics to underpin the design and implementation of national socio-economic development processes and programs. The decision to design the ZSDS using international standards and guidelines was made by the Statistics Board in 2018. The ZSDS aims to strengthen the Zanzibar Statistical System to be able to effectively produce good quality and timely statistics. Due to the emphasis on evidence-based decision making, planning and evidence-based policy-formulation, statistics has become a key resource and tool for government, business, academia and the general public at large. The ZSDS document is in the final stage to be completed and then distributed to all stakeholders for implementation.

National Budget for the Implementation of Functional Statistical Systems: Both Mainland Tanzania and Zanzibar through their annual budgets, allocate funds for implementing functional statistical system to facilitate coordination and harmonization of statistics within different sectors. In Mainland Tanzania, the budget allocated to facilitate statistical activities is around TZS 5 billion annually while in Zanzibar the budget allocated for the implementation of functional statistical system in 2020/21 is TZS 1.941 billion, which is highly increased compared with 2013/14.

During the annual allocation of the National budget, the Revolutionary Government of Zanzibar allocates funds for implementation of functional statistical system in order to facilitate statistical operation in various government institutions.

Challenges

The associated challenges include:

- i. Low Levels of Statistical Literacy Across Society affects the availability of information from suppliers and data demand;
- ii. Inadequate Statistical Coordination: Absence of coordination between OCGS and other sectors affect the proper availability of data from government and private sectors; and
- iii. Inadequate Statistical Capacity in Some Sectors. Some sectors have no Statistics Units and for those which do, the Units are inadequately staffed, and have insufficient infrastructure. Staff capacity gaps at OCGS and other institutions are common.

3.7.2 Goal 20: Africa Takes Full Responsibility for Financing her Development

The future development of Tanzania is cooperatively built by the Government, private sector and Development Partners. To achieve that, the Government continues with robust efforts to uncover tax evasions and further rolling out of digital technology in tax and non-tax collections, attract private capital into Public-Private Partnerships (PPPs),

use Official Development Assistance (ODA) to leverage other financial sources and accelerate the introduction of innovative financing mechanism. Moreover, the financial sector forms a major component of Tanzania's economy since its introduction in 1991 when there were four (4) private banks. The sector has shown a tremendous growth. As of December 2020, there were a total of 46 banks and 9 other financial institutions with 969 branches across the country.

In the financing strategy, the Government has taken a number of measures to expand the scope for domestic resource mobilization. They include strengthening of the Dar es Salaam Stock Exchange (DSE) and the Unit Trust of Tanzania (UTT). Also, the strategy to finance the development of Tanzania has defined traditional sources of revenue to include traditional domestic sources (tax revenue, non-tax revenue, domestic borrowing) and traditional external sources (grants, concessional, non-concessional loans). Additionally, the private sector is directly engaged in financing the country's development through direct investment, Joint Venture (JV) and Public-Private Partnerships (PPP) projects.

Domestic Revenue

TRA as an authority responsible to assess, collect and account for all revenues has positioned ICT to integrate and systemize its operations for efficiency in service delivery and reinforce collection of various taxes and other sources of revenue. The Authority has automated systems for e-filing (data warehouse, central motor vehicle registration and driver licensing).

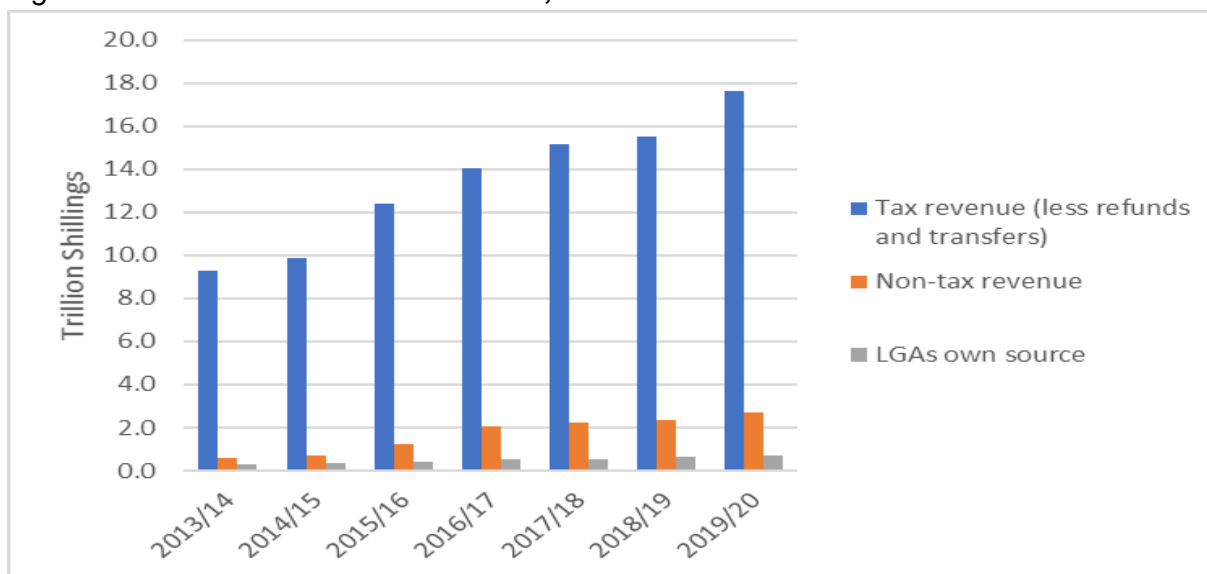
During the last seven years, tax revenue increased from 9.0 trillion shillings in 2013/14 to 17.6 trillion shillings in 2019/20 at an average growth rate of 11.5 percent. This is attributed to the use of Electronic Fiscal Devices (EFD) for both Value Added Tax (VAT) and non-VAT registered traders. However, tax revenue collection has been underperforming due to various factors, including low level of awareness among traders and citizens on the use of Electronic Fiscal Device (*Figure 3.8*).

On the other hand, Tanzania realised a potential in non-tax revenue to contribute to the national development and made the use of technology in Government Institutions mandatory through Government Electronic Payment Gateway System (GePG). As a result, non-tax revenues increased from 572.8 billion shillings in 2013/14 to 2.7 trillion shillings in 2019/20 (*Figure 3.8*). Thus, domestic revenue has been increasing consistently though below the set annual target and its percentage to GDP increased from 13.1 percent in 2013/14 to 14.7 percent in 2019/20.

Also, the degree to which the government controls the economy's resources has increased from 11.9 percent in 2013/14 to 12.2 percent in 2019/20. Despite the

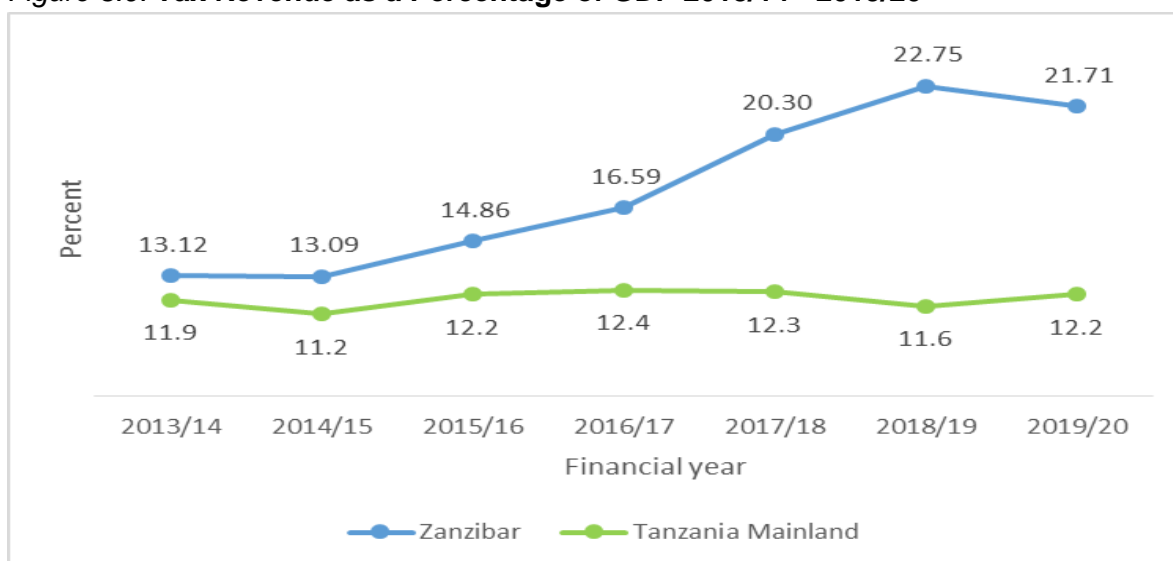
increase, a trend of tax revenue-to-GDP ratio shows an upward and downward movement, implying no radical improvement (Figure 3.9).

Figure 3.8: Trend of Domestic Revenue, 2013/14 - 2019/20



Source: Economic Survey 2020

Figure 3.9: Tax Revenue as a Percentage of GDP 2013/14 - 2019/20



Source: Economic Survey 2020

In Zanzibar, significant improvement has been made in allocating funds to development programs and projects. The total tax revenue in relation to the percent of GDP shows the performance rate of 15 percent of the expected target. This is mainly attributed to a number of interventions, including strengthening of the revenue collection system by introducing the e-tax system; reviewing the tax collection system; improving tax compliancy; enhancing the collection of non-tax revenue; ensuring timely audit of public

sectors and issuance of audit reports to clients and stakeholders; strengthening of internal audit system and promoting special banking products for the diaspora. The implementation of the above interventions has resulted in the increase of revenue-to-GDP ratio from 18.1 percent in 2015 to 22 percent in 2020. There was also an increase in the collection of domestic revenue from TZS 428.5 billion in 2015 to TZS 787.5 billion in 2019.

Innovative Financing

Though, the country uses a wide range of non-tax revenue instruments, the FYDP II's proposed innovative financing instruments and the amounts that were realised from two (2) out of 10 sources, that is, FDI and climate financing facilities accounts to TZS 8.4 trillion and TZS 27.9 billion, respectively. For the remaining instruments, the Government undertook feasibility studies, including studies on municipal bonds (either general obligation or revenue specific bond).

Table 3.12: Innovative Sources of Financing (Million Shillings)

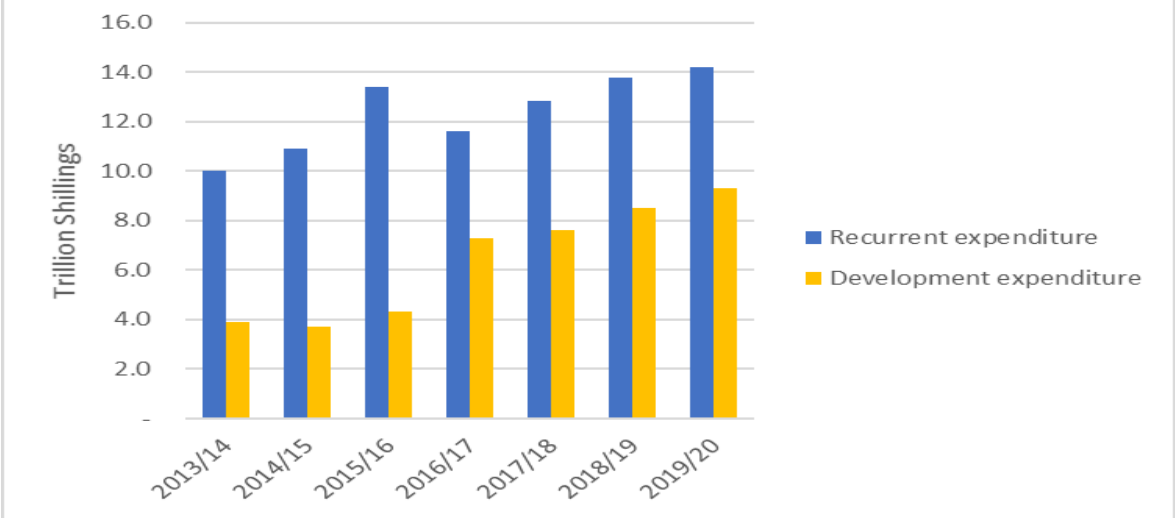
Source of Financing	Target	Actual	Difference	Percentage Achievements (%)
LGAs bonds/Municipal bonds	400,000	0	400,000	0
Sovereign Market Bond	3,450,000	0	3,450,000	0
Climate Change Financing	699,200	27,968	671,232	4
PPP	3,912,530	0	3,912,530	0
Development Financial Institutions (TIB)	15,000,000	0	15,000,000	0
Pension Equity Fund	300,000	0	300,000	0
FDI	29,565,870	8,437,941	21,127,929	40
Diaspora Bond	0	0	0	NA
Infrastructure Bond	0	0	0	NA
Natural Resource Fund	0	0	0	NA
Total	53,327,600	8,437,941	44,589,659	19

Source: FYDP II's Financing Strategy (target column) and BoT – for the FDI data (2020)

Government Expenditures

For the past seven years (2013/14 - 2019/20), the government budget has been increasing at an average rate of 10.9 percent, with actual expenditure in development component increasing at an average of 17.5 percent greater than the increase of recurrent expenditure that has an average of 6.5 percent. The actual total expenditure is dominated by recurrent component, representing an average of 67.0 percent but spending on recurrent has been decreasing from the year 2016/17 to 2019/20. On the other hand, actual expenditure in development comprises an average of 33.0 percent of total expenditure and with gradual growth from the year 2016/17 to 2019/20. Persistent increasing trend of development expenditure implies Government commitment in financing the growth of the country as shown in *Figure 3.10*.

Figure 3.10: Government Recurrent and Development Expenditure, 2013/14 - 2019/20



Source: Economic Survey 2020

For the past seven (7) years tax and non-tax revenue have covered more than 70 percent of both recurrent and development expenditure in the year 2013/14 and 2015/16. Also, a coverage of 76.7 percent was revealed in 2015/16, which is above the target of 75 percent in the Agenda 2063. By 2019/20 a percentage coverage was 86.6 percent.

Official Development Assistance (ODA)

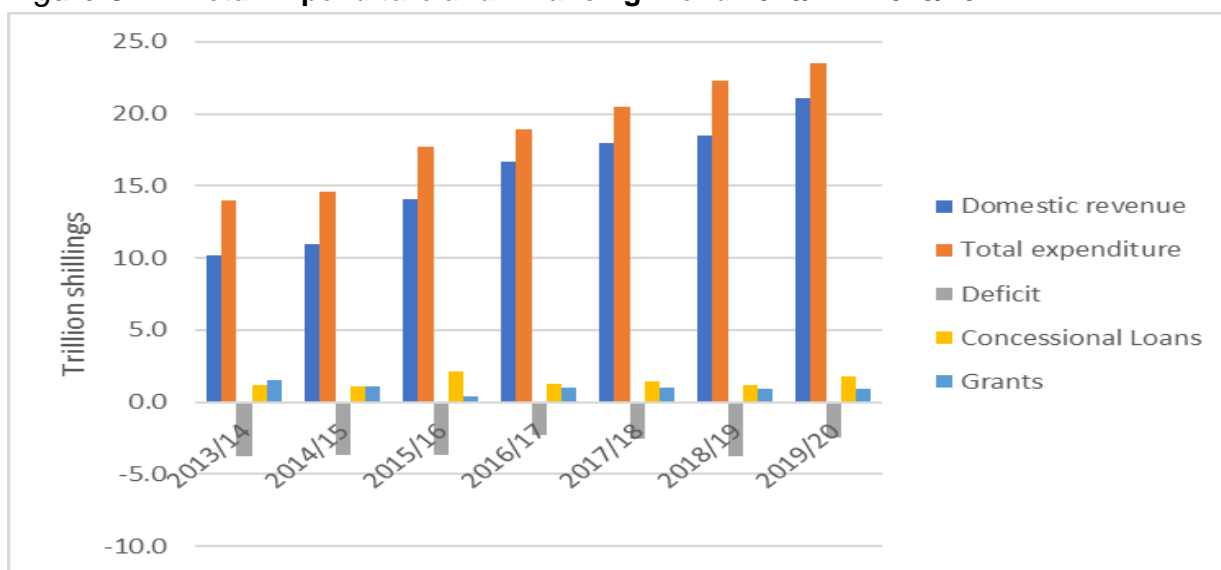
Tanzania has been using Official Development Assistance (ODA) as an instrumental for financing Government expenditures. To ensure impressive performance of grants and concessional loans from Development Partners (DPs) the Government continues to implement various cooperative measures as outlined in the Development Cooperation Framework. The DCF provides a platform for negotiations, which leads to timely disbursement of grants and concessional loans for implementation of development projects. Also, the Government established a Direct to Project Fund Management Information System (D-Fund) for projects that receive funds direct from DPs. However, disbursement trend of grants and concessional loans from DPs faced various challenges, including failure by some DPs to honour their commitments, contrary to the agreed principles stipulated in the Development Cooperation Framework (DCF).

For the past seven (7) years, ODA has been a paramount source of external financing to cover the budget deficit (Figures 3.11 & 3.12). Moreover, a consistent increase in domestic revenue resulted in a decrease of dependence on ODA to finance government expenditures, especially grants that have decreased from TZS 1.5 trillion in 2013/14 to TZS 9.0 billion in 2019/20. Additionally, there is a decrease of proportion in which grants cover expenditures from 10.9 percent in 2013/14 to 3.9 percent in 2019/20; with a sharp decline from 7.7 percent in 2014/15 to 2.1 percent in 2015/16, followed by an

upward and downward trend but not above 5.5 percent till 2019/20 when it was 3.9 percent as mentioned earlier. Also, the proportion at which concessional loans finance government expenditure has decreased from 8.6 percent in 2013/14 to 7.8 percent in 2019/20. Generally, both grants and concessional loans proportion to government expenditure have decreased from 20.7 percent in 2013/14 to 11.9 percent in 2019/20.

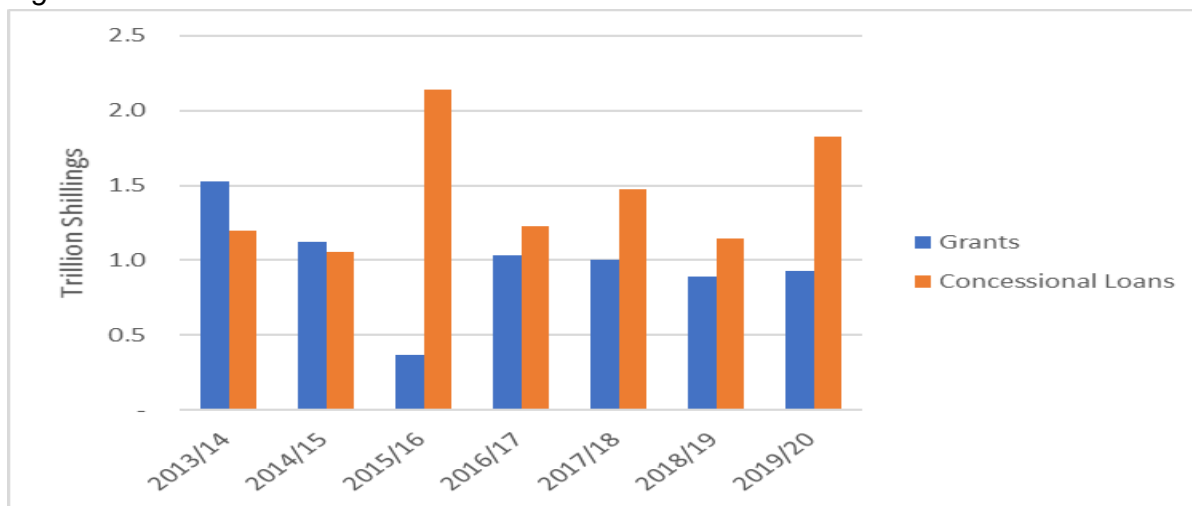
Another area of significant improvement that has been made towards this goal is that of getting ODA in the National budget. Total ODA as a percentage of National budget reaches 283 percent of the expected target. Implementation of some programs and projects demand additional fund from donors, apart from internal source.

Figure 3.11: Total Expenditure and Financing Trend 2013/14 - 2019/20



Source: Economic Survey 2020

Figure 3.12: Disbursements of Grants and Concessional Loans



Source: Economic Survey 2020

Challenges

For the past two years, the URT experienced the following challenges: Underperformance of tax collections compared to targets, which was mainly attributed to inability to tax informal sector and reluctance of some sellers/ service providers to issue electronic receipts; and reduction of bank deposits due to the loss of businesses caused by the impacts of COVID – 19.

Opportunities

Regardless of the challenges facing the country, the URT has plenty of opportunities, including the following:

- i. Effective utilization of advanced technology that alters financial product and services to attract more unbanked population of both urban and rural area of the country. The population is potential for mobile banking and integration of mobile financial services to the banking system; and
- ii. The potential to boost the contribution of non-tax revenue collections to the economic growth through strategic means to tax the informal sector.

CHAPTER FOUR

SOCIO-ECONOMIC IMPACTS OF COVID - 19

4.1 Introduction

The United Republic of Tanzania, like other countries, was affected by COVID-19 pandemic in different social and economic aspects. This chapter highlights the socio-economic impacts of COVID-19 for the short, immediate and long-term macro-outlooks. It focuses on the transmission of economic impact through key sectors mostly affected and which are assumed to face prolonged risks as a result of the disease. These sectors include tourism and hospitality industry; transportation and storage industry; agriculture (crops, livestock and fisheries); wholesale and retail trade; investment; finance and insurance; and social sector (health and education). The directives given by World Health Organisation (WHO) and response to fight against COVID-19 taken by different countries have affected several sectors as well as socio-economic activities as follows:

4.2 Impact of COVID-19 in Mainland Tanzania

Tourism and Hospitality Industry

The tourism and hospitality industry are one of the major sources of employment, tax revenue, and foreign exchange earnings to Tanzania. In 2019, the total value of foreign exchange earnings generated from tourism amounted to USD 2.557 billion. This represented 25.79 percent of all goods and service exports and 61.4 percent of service exports. The sector is more important for Zanzibar as it accounts for about a third of its GDP, 80 percent of its revenue, and remains the biggest employer in the island. In this regard, the onset of COVID-19 has substantially disrupted the growth and progress of a key contributor to the national economy.

The sector was extremely affected after the ban on international travels and tourism activities. Consequently, the number of tourist arrivals in Tanzania dropped sharply to almost zero as of the end of April 2020. Tourism and hospitality industry witnessed closure of accommodation establishments, restaurants, entertainments and shopping; grounding of airlines; and shutting down of other travel and tourism related businesses.

Industry and Trade

The impact of COVID-19 to businesses has been the disruption of global value chains and services. The survey conducted by the Confederation of Tanzania Industries (CTI) in November 2020 shows that the main areas of supply chain in manufacturing sub sector affected by the outbreak include delays in receiving imported consignments of raw material/production input and delivery of sales orders, loss in sales revenue, and loss in production output.

Transportation and Storage

The transportation and storage sector has employed more than 521,698 people and contributes 6.48 percent and 3.2 percent of Tanzania Mainland and Zanzibar's GDP respectively. Road transportation is the most dominant sub-sector, facilitating movements of people and goods within Tanzania and to neighboring countries. Domestic aviation on the other hand, was on a recovery path as characterized by a revamp of the national carrier - Air Tanzania Corporation Limited (ATCL). Despite its promising domestic aviation industry, Tanzania remains an important hub for international travels.

Agriculture (Crops, Livestock and Fisheries)

The COVID-19 outbreak directly affected food systems through food supply and demand, and indirectly through decreases in purchasing power, and the capacity to produce and distribute food. These mostly affected the poor and vulnerable groups (including urban poor, unemployed population, women and youth depending on petty trade as means of livelihoods).

Finance and Insurance

The finance and insurance sector has been severely affected. A prolonged COVID-19 crisis might drive up the number of real economy bankruptcies, which makes it even harder for the financial system to manage. Moreover, the slowdown of business due to COVID-19 increased the ratio of non-performing loans to 11 percent in April 2020 compared to 10.7 percent in June 2019. Generally, COVID-19 has threatened credit, liquidity, capital and foreign exchange and extension of the loan return period.

Social Service Delivery

One of the most difficult challenges the Government has faced and will continue to experience is increased spending on social service delivery during and after the COVID-19 crisis. The pandemic has increased demand for public expenditure on health mainly in procurement of medicines, medical equipment and gadgets/ventilators, beds etc, spending on preventive measures, public health measures, among others. As COVID-19 spreads, treatment costs on more patients have increased. Beyond health, the Government of Tanzania will have challenges with generating revenues to support its development agenda and priorities at a time when resources are most needed to accommodate the pandemic.

4.3 Impact of COVID-19 in Zanzibar

COVID-19 has both direct and indirect economic and social impacts that are widely spread across economic agents, households, firms and government/public sectors. At household level, direct impact ranged from loss of income due to illness and quarantine,

increase in cost on medical or hygiene related items like water containers/buckets and soap/detergents; and loss of jobs.

Table 4.1: COVID-19 Expected Impact in Key Economy Sectors

Sectors	Economic Performance 2019		Degree of COVID-19 expected impact		
	Share	% Contribution	Immediate	Medium Term	Long Term
Agriculture, forestry and fishing	21.2				
Crops		-7.8	Low	Low	Low
Livestock		12.3	High	Low	Low
Fishing		2.3	Low	High	Medium
Industries	18.3			High	
Mining and quarrying		-0.3	High	High	Low
Manufacturing		21.9	High	High	Medium
Electricity and gas		0.4	High	High	Low
Water supply and sewerage		1.5	High	High	High
Construction		3.4	High	High	Medium
Trade and repairs		8.8	High	High	Medium
Transport and storage		2.8	High	Medium	Low
Services	50.6				
Accommodation and food services		28.7	High	High	High
Information and communication		1.4	High	High	High
Real estate activities		5.1			
Public administration		10.7	Medium	High	Low
Education		2.9	High	High	High
Human health and social work		0.4	High	High	Medium

Source: Adapted and Modified from ESRF (2020)

The impact that occurs in partner countries such as the United Kingdom, Italy, United States, and United Arab Emirates, including migrant workers in these countries losing their jobs is also likely to affect some households in Zanzibar that depend on remittances. As at firm level, production especially on goods related to tourism business declined, while at macro level, there is decline of Government revenue and increased expenditure in medical related services and subvention to semi-autonomous institutions that relied on fees and charges from tourist arrivals to execute their mandate, including Zanzibar Airport Authority (ZAA).

To control the pandemic, the Revolutionary Government of Zanzibar imposed a 30-day ban (starting Mid-March 2020) on public gatherings, public grounds (including Forodhani), sports and music events, political meetings, and community events. Additionally, the government closed schools and universities, and required all foreign arrivals to be quarantined for 14 days upon arrival. Slowly, these measures have been eased following the slowdown of infections by opening colleges and universities from 1st June 2020, and sport events from 5th June 2020.

The Revolutionary Government of Zanzibar has put forward some efforts to minimize effects of COVID-19 in Zanzibar as detailed in *Table 4.2*.

Table 4.2: Recommendations put forward to Minimize Effects of COVID-19 in Zanzibar

Issue	Action required	Recommendation	Challenge/risk	Issues for consideration	Responsible
Tourism sector					
Loss of jobs and revenue from tourism related activities.	Restore employment in hotels, restaurants and other tourism related services	Provide additional fund through ZCT for promotion of Zanzibar tourism immediately after the subsidizing of the pandemic. Such funds may be utilized to among others, subsidize regional and international tourism fairs for companies affected by the pandemic and promotion of SMEs in the industry. The use of the funds may consider use of non-traditional promotional means.	Areas and nature of support to be provided for greater impact in the short-term.	Carefully selection of areas and stakeholders to be supported.	<ul style="list-style-type: none"> •ZCT, •MoFP-Zanzibar, •ZATI and •ZATO.
Inadequate coordination in actions to promote tourism and its related activities immediately after the slowdown of the pandemic.	Improve coordination amongst key stakeholders (who is to do what, how and when).	Establish a platform for all key tourism stakeholders to ensure coordinated approach in restoring Zanzibar tourism including areas related to hygiene and quick response measures on COVID – 19 symptoms.			<ul style="list-style-type: none"> •ZCT, •ZATI and •ZATO.
		Developed special marketing strategy for restoring the market e.g., special package for medical staff across the globe.			<ul style="list-style-type: none"> •ZCT, •ZATI and •ZATO
In adequate - employment insurance/Fund	Improve hospitality and other sectors employee's livelihood	<ul style="list-style-type: none"> •Develop Un-employment insurance/Fund •ZSSF to amend law to provide more benefits to employees. 	Feasible in medium to long-term		<ul style="list-style-type: none"> •MoFP-Zanzibar •Insurance Companies
Inability of investors to meet loan repayment obligations	Protect investors capital.	Encourage banks to set temporary policy agreement with SMEs affected by the pandemic borrowers to postpone loan repayments.	It is subject to banks decision		Tanzania Banker's Association
International Trade					
Deteriorating balance of trade	Promote exports.	Diversify foreign exchange earning sources by fast-tracking implementation of blue economy paper. Facilitate market access of Zanzibar manufactured goods beyond Zanzibar.	<ul style="list-style-type: none"> -Timely availability of financial resources. -Limited awareness on the demand products highly demanded in regional global markets. 	Priority setting on quick win projects outlined in blue economy paper.	<ul style="list-style-type: none"> •MoFP-Zanzibar, •ZPC, •Ministry of Agriculture
Manufacturing Sector					

Issue	Action required	Recommendation	Challenge/risk	Issues for consideration	Responsible
Low consumption of goods manufactured by Zanzibar firms.	Restoration/increasing manufactured goods consumption levels.	<ul style="list-style-type: none"> Fast-track initiatives on revamping tourism related activities that consume significant amount of Zanzibar goods. Facilitate market access of Zanzibar manufactured goods (agriculture and non-agriculture related) beyond its borders. 			MoFP- Zanzibar.
Food security					
Insufficient food stock	Ensure adequate food supply in Zanzibar market	<ul style="list-style-type: none"> Ensure adequate foreign exchange supply to food importers in Zanzibar. Scale up food production through home gardening and small farms. Boost production of short-term crops like yams, rice, cassava and vegetables. 			<ul style="list-style-type: none"> MoFP- Zanzibar, MTI-Zanzibar, Ministry of Agriculture and Bank of Tanzania.
Aviation					
Inability of ZAA to meet its financial obligations for April – June 2020, and possible for 1st half of FY 2020/21	RGoZ financial support.	Support the Authority to meet its immediate financial obligations including salary and wages through Treasury Subvention.	Increased pressure on already limited Government resources.		MoFP- Zanzibar
Cargo handling at Zanzibar ports					
Low port efficiency in cargo handling.	Purchase modern equipment.	Provide tax exception to ports equipment and other capital goods for the year 2020/21 in order to fast-track improvement the Port in Cargo handling—envisaged to reduce shipping cost of consumer goods especially food and food stuffs.	Loss of the most required revenue by the Government.	Cost-benefit analysis of the revenue forgone through exemption.	MoFP- Zanzibar
Financing Government Budget					
Insufficient capacity of Government to meet financing obligations	Improve Government resource envelop	<ul style="list-style-type: none"> Use Bank of Tanzania overdraft facility. The amount available through this facility is one eighth of the Government actual average collected revenues of the three previous years as provided in section 35(2) of the Bank of Tanzania Act. It is payable within 180 days (or six months) at the market 	Likelihood of exhausting the available fiscal space and short repayment period (within 6 months).	Possibility of increasing the facility space in terms of the amount accessible (over 12.5 percent), reduce interest rate to 1-2 percent and increase repayment period to 12 months.	<ul style="list-style-type: none"> MoFP-URT MoFP- Zanzibar, BoT.

Issue	Action required	Recommendation	Challenge/risk	Issues for consideration	Responsible
		interest rate determined by the Bank (Section 34 (2b)).			
		<ul style="list-style-type: none"> Issue Treasury Bond. 	Increased Government debt servicing obligations in the near term.	The number of resources to be raised through this means, needs to be analyzed and agreed for consideration in the 2020/2021 Issuance Plan of Government Securities.	<ul style="list-style-type: none"> MoFP-URT MoFP- Zanzibar, BoT.
		<ul style="list-style-type: none"> Review development projects implementation plan for FY 2020/21 to prioritize them given available resources. 	Delayed implementation of projects in need of significant number of resources.	Prioritize projects with quick wins/greater multiplier effect.	MoFP- Zanzibar
		<ul style="list-style-type: none"> Reduce Other Charges expenditure—priority given to key sectors/institutions/services 	Limited capacity to deliver public services.		MoFP- Zanzibar

CHAPTER FIVE

CONCLUSION

5.1 Background

The Second Biennial Country Report 2021 on the implementation of Agenda 2063 presents registered progress in priority areas of the aspirations. The United Republic of Tanzania (URT) have put in place structured national-level development plans to help in steering and guiding national efforts to attain sustainable and inclusive growth and development.

Successful implementations of these national development plans and regional development Agenda resulted in social economic growth over the past years. On 1st July 2020, the World Bank announced that Tanzania's Gross National Income (GNI) per capita had increased to USD 1,080 in 2019 from USD 1,020 in 2018, exceeding the 2019 threshold of USD 1,036 for Lower Middle-Income status. Currently, the URT has an estimated population of 61 million people (2021). The average projected life expectancy in 2021 stands at 66.7 years (64.2 years for males and 69 years for females). The Government has put in place adequate systems to sustain these achievements and accelerate progress on the outstanding goals.

5.2 Evaluation Methods and Approaches

The evaluation report has been prepared following the Technical Guidance Note developed by a technical working group of monitoring and evaluation experts from the African Union Commission (AUC), the African Union Development Agency (AUDA-NEPAD), and the United Nations Economic Commission for Africa (UNECA).

5.3. Country Level Status of the Implementation of Agenda 2063

The following findings are major national achievements of Agenda 2063 indicators, experience acquired, challenges and opportunities encountered during the implementation of the Agenda.

Aspiration 1: A Prosperous Africa based on Inclusive Growth and Sustainable Development

Goal 1: A High Standard of Living, Quality of Life and Well Being for All

The URT is among the fast-growing economies in Africa. From 2010 to 2019 it achieved an impressive economic growth with between 6 and 7 percent annual gross domestic product (GDP). Notwithstanding the high economic growth, Mainland Tanzania registered 10.3 percent of unemployment rate as evidenced in the Integrated Labour Force Survey of 2014, and the projections indicated that the rate was maintained at a single digit of 9.7 in 2018 which slightly dropped to 9.5 percent in 2020. Similarly,

Zanzibar recorded 6.8 percent of unemployment rate in 2020 compared 5.2 recorded in 2018. Mainland Tanzania recorded a decline of the population living below the basic needs' poverty line to 26.4 percent in 2018 from 28.2 percent recorded in 2012. This implies that there has been an increase in the number of people with access to basic needs, including foods, education and health services.

Goal 2: Well-Educated Citizens and Skills Development Underpinned by Science, Technology and Innovation

Tanzania has achieved significant equitable access to basic, secondary, tertiary and higher education and skills training for all, including participation and completion of free basic education for all, with particular attention to marginalized groups, children with disabilities and out-of-school children. The Government's commitment to improving education infrastructure facilities, human resources and as well as implementing the free basic education programme has increased pupils' and students' enrolment.

Goal 3: Healthy and Well-Nourished Citizens

The country has made great achievements in ensuring provision of better health services and well-nourished citizens. This is mirrored in notable improvements in health-related indicators in the country, including rates of maternal mortality, neo-natal mortality, under-five mortality, births attended by skilled health workers and HIV prevalence. The specific interventions made by the Government in improving health services include strengthening health service systems (primary and referral); equipping district, regional and referral hospitals with modern equipment; training health staff; managing non-communicable diseases and improving working environment for health personnel commensuration remuneration and providing quality housing in close proximity to work premise.

Goal 4: Transformed Economies and Job Creation

In both Mainland Tanzania and Zanzibar, high growth rates of around 7 percent have been sustained over the past decade. The sectors with highest annual average growth rates between 2016 and 2019 were construction (14.4 percent); manufacturing (8.3 percent); transportation and storage (8.2 percent); mining and quarrying (8.0 percent); and information and communication (6.2 percent). The share of agriculture in total GDP declined from 29.0 percent in 2015 to 26.6 percent in 2019. The decline of the share of agriculture in total GDP and the corresponding rise in the shares of 'modern sectors' apparently confirms that structural transformation is taking place in Tanzania.

According to the FYDP III (2021) about 1,167,988 jobs were created between 2016/17 and 2018/19. It is noted that more jobs (i.e., about 451,464) were created in the private sector compared to the public Sector (i.e., about 112,645) implying the significance of the private sector in fighting poverty through employment creation. The increase in the

number of formal employments created means more people are employed, social protection improved and the number of people who are marginalized reduced.

Goal 5: Modern Agriculture for Increased Productivity and Production

The agricultural sector in Tanzania ranks the second in contributing to the growth of the economy after the Services sector, which accounted for about 26.9 percent of GDP in Tanzania Mainland and 22.8 percent of GDP of Zanzibar in 2020. The sector accrued about 24 percent of export earnings in the year 2020, and offers about 65 percent of raw materials to local industries. It is also a source of food supplies, and source of employment and livelihood to rural majority. In recent years, employment in agriculture has declined from 75 percent to 58 percent due to growth in the services and industrial sectors. Annual real agricultural growth rate has averaged 5.4 percent for over seven years (2013/14-2020/21).

Goal 6: Blue/Ocean Economy for Accelerated Economic Growth

The URT has huge treasures of water bodies (lakes, rivers, dams, and ocean). The total inland water surface area covers 61,500 square kilometres which is 6.5 percent of the total land area of 947,300 square kilometres. In the marine side, the country hosts a coastline of 1,424 km stretching from the border with Kenya in the north to the border with Mozambique in the South, a Territorial Sea estimated at 64,000 square kilometres, and the Exclusive Economic Zone (EEZ) estimated at 223,000 square kilometres. Various measures have been taken by the government of Tanzania to conserve and promote sustainable use of the oceans, seas and marine resources to promote sustainable development, in line with Goal 6 of the Agenda 2063.

Goal 7: Environmentally Sustainable Climate Resilient Economies and Communities

The Government continues to embark on the conservation of biodiversity which is critical to the national economy as it contributes more than three quarters of the national GDP and sustains livelihoods of majority. The dependency on biodiversity for socio-economic development in Tanzania is underscored by the rendered ecological services, source of food and medicines, source of building materials and energy as well as perpetuation of nature as decomposers of organic wastes and enrichment of soils and aquatic environment. Thus, the conservation of biodiversity in Tanzania is vital to humanity's economic and social development of the country. The integrity of biodiversity determines the wellbeing and extent of wildlife stability in a particular locale.

5.3.2. Aspiration 2: An integrated Continent, Politically United and Based on the Ideals of Pan-Africanism and a Vision of African Renaissance

Goal 8: United Africa (Federal or Confederate)

On 9th September 2021, the United Republic of Tanzania ratified the Agreement for Establishing the African Continental Free Trade Area (AfCFTA). Towards realizing the operationalization of AfCFTA, member states are expected to undertake work at the National and Regional Economic Communities levels to finalise their tariffs offer and initial schedule of specific commitments for trade in services. The URT has made a positive progress in intra-EAC trade. There has been tangible progress in the implementation of the Customs Union and Common Market Protocols.

Goal 9: Well Established and Functional Continental Financial and Monetary Institutions

URT recognizes the important role that the African Union financial institutions can play in the implementation of African Continental Free Trade Area (AfCFTA) and the continental integration Agenda. Article 19 of the AU Constitutive Act provides for three specific financial organs to be created, the African Central Bank (ACB), African Investment Bank (AIB) and African Monetary Fund (AMF). The role of these institutions is to implement the economic integration called for in the 1991 Treaty for establishing the African Economic Community (Abuja Treaty). However, the URT has neither signed nor ratified the documents for the establishment of these institutions.

Goal 10: World - Class Infrastructure Connecting Africa

The Government has set strategies to connect the country with neighbouring countries by constructing roads identified in the Development Corridors, especially highways at the asphalt level. To facilitate the construction of these roads, the Government has set aside nine (9) Transport Corridors for economic growth in the fields of tourism, agriculture, mining, fisheries, ports, factories, energy sources, etc. In addition, the Government has put in place strategies to connect Regional Headquarters to paved roads with the aim of facilitating domestic transport in order to reach areas with productive and social services easily. In Zanzibar, the constructions, upgrading and rehabilitations of various infrastructure systems, roads, airports and harbors have increased.

5.3.3. Aspiration 3: Africa of Good Governance, Democracy, Respect for Human Rights, Justice and the Rule of Law

Goal 11: Democratic Values, Practices, Universal Principles of Human Rights, Justice and the Rule of Law Entrenched

The URT has taken significant measures to build institutions, review the existing laws and enact new ones, and carry out legal reforms in order to realise good governance, accountability, transparency and rule of law in all its functions. The Office of Attorney General (OAG) has made efforts to ensure that all the National and International laws, conventions, treaties and standards that promote the justice, rule of law and good

governance are adhered to by drafting and translating them in the Kiswahili language; revising out-dated laws; providing legal advices to MDAs, LGAs and the general public; and vetting, negotiating and reviewing bilateral and multilateral contracts. The Government continues to value and maintain democracy and its processes. In 2020, the Government conducted the general election in a fair and free environment whereby the people got their democratic opportunity to elect their leaders, including the President, Members of Parliament and Councillors in a peaceful way.

Goal 12: Capable Institutions and Transformed Leadership in Place at all Levels

The URT and RGoZ are formed by strong institutions that are accountability, transparency and justice. The governments are organized and working in a coordinated manner through the Executives, Parliaments and Judiciary systems. The Parliament as a body that is responsible for enacting laws and approving plans and budgets. The judiciary translates laws and dispense justice with equity, while the Executive, through MDAs and other institutions, formulates and implements the plans to ensure that the socioeconomic and cultural well-being of all the citizens is achieved in a peaceful means. Key overseers of this delivery include the Good Governance Unit, Ethics Commission, Prevention and Combating of Corruption Bureau under the President's Office, and Controller and Auditor General. Other independent government departments include Tanzania's Commission for Human Rights established as well as designated Civil Society Organizations (CSOs) championing peace, security and human rights.

5.3.4. Aspiration 4: A Peaceful and Secure Africa

Goal 13: Peace, Security and Stability is Preserved

The URT and RGoZ continued to enjoy peace and stability during the period under review, underpinned by the existence of a relatively favourable social, political and economic environment. Despite ethnic, religious as well as other forms of social diversity, the country remained free of endemic conflicts. The Governments have observed the principles of good governance, laying strong emphasis on upholding the rule of law, enhancing transparency, accountability and responsiveness to the needs and expectations of the public. Likewise, the Governments have improved citizens' participation in social, economic and political undertakings; implemented policies and interventions aimed at promoting equity and inclusiveness; and streamlined administrative operations to increase its effectiveness and efficiency.

Goal 14 and Goal 15: A Stable and Peaceful Africa

In the period under review, the URT continued to be an active participant in regional, continental and multilateral efforts for bringing about peace, security and stability on the African continent. The URT maintained its contribution of civilians and troops to six (6) United Nations (UN) peacekeeping missions in African countries. Up to July 2021, the

URT had contributed 1,492 troops to six (6) United Nations (UN) peacekeeping missions. In addition to peacekeeping operations, the URT upheld her active participation in Southern African Development Community's (SADC) efforts to end internal conflicts plaguing some member states, including the Democratic Republic of Congo (DRC), Lesotho, Madagascar, Comoros and Mozambique.

5.3.5. Aspiration 5: Africa with a Strong Cultural Identity, Common Heritage, Values and Ethics season

Goal 16: African Cultural Renaissance is Pre – eminent

Tanzania is a country with a remarkable variety of cultural heritage resources which include ethnographical, paleontological, archaeological and historical ones. This heritage portrays a wider array of heritage spanning from the period of Dinosaur to the very recent period of Homo sapiens of our time. Tanzania is renowned as an Island of peace and harmony which is attributed to culture of the Tanzanians who are united by Kiswahili, the national language. To safeguard its rich and diversified culture, the country has established different institutions to promote and develop an authentic Tanzanian cultural and arts tradition; uphold professionalism, excellence, creativity and regulate issues related to promotion of the Kiswahili language and protection of copyrights and neighbouring rights.

5.3.6. Aspiration 6: Africa whose Development is People-Driven, Relying on the Potential of the African People

Goal 17: Full Gender Equality in All Spheres of Life

Women participation in various spheres is vital in ensuring sustainable development, achieving gender equality, and eliminating gender-based violence. The Government has continued to implement various programmes to empower women with the aim of increasing economic opportunities and building business capacity, access to capital, markets, credit facilities and mainstreaming of gender issues into policies, plans and budgets. In terms of land ownership, the Government has put in place measures to increase women's ownership, use and control of land. The progressive initiative on land tenure has improved family economy, productivity and women's confidence in leadership and economic activities. In Zanzibar, significant achievements have been observed in maintaining equal economic rights for women. Zanzibar has an effective legal framework and is committed herself to alleviating inequality at all levels.

Goal 18: Engaged and Empowered Youth and Children

Youth employment is about 57.1 percent of the national labour force and has been growing yearly. It is also informed that about 48 percent of all micro, small and medium enterprises (MSMEs) in Tanzania are owned by youth. In recognition of the contribution

of young men and women in socio-economic development, the Government, in collaboration with various stakeholders, has undertaken a number of initiatives to empower the youths for example in the agriculture, agribusiness and other sectors.

Zanzibar has made several efforts to strengthen the business environment by implementing programs, projects, and initiatives at all levels. These allowed the private sector and investment to thrive responsibly and create decent work for all vulnerable groups, including persons with disability, the elderly, youths, women, and men. The RGoZ has managed to create a total of 13,196 employment opportunities for youths outside and inside the country over the years from 2015/16 to 2019/2020 (8,553 and 4,643 inside and outside employment respectively).

5.3.7. Aspiration 7: Africa as a Strong and Influential Global Partner

Goal 19: Africa as a Major Partner in Global Affairs and Peaceful Co-existence

Tanzania has adopted new Statistics Act No. 9 of 2015 which is operational, designating National Bureau of Statistics, (NBS) as an autonomous public office and was given mandate to provide official statistics to the Government, general domestic and international business communities. In addition, the NBS has been mandated to play the role of a coordinating agency, within the NSS to ensure that quality official statistics are produced. Between 2018 and 2019 there have been several amendments to the Act with the aim of smoothening the applicability of the Act by different users and producers of statistics. Also, the Office of Chief Government Statistician (OCGS) in Zanzibar was established by Act no.9 of 2007. The OCGS is the Zanzibar Government agency responsible for the development and management of official statistics and the authoritative source and custodian of official statistics in Zanzibar.

Goal 20: Africa Takes Full Responsibility for Financing her Development

The URT and RGoZ continue with various efforts to uncover tax evasions and further rolling out of digital technology in tax and non-tax collections, attract private capital into Public-Private Partnerships (PPPs), use Official Development Assistance (ODA) to leverage other financial sources and accelerate the introduction of innovative financing mechanism. The Tanzania Revenue Authority, (TRA) is an authority responsible to assess, collect and account for all revenues. TRA has positioned ICT to integrate and systemize its operations for efficiency in service delivery and reinforce collection of various taxes and other sources of revenue. It has automated systems for e-filing (data warehouse, central motor vehicle registration and driver licensing). These efforts have led to both tax and none-tax domestic revenues. Also, the degree to which the government controls the economy's resources has increased from 11.9 percent in 2013/14 to 12.2 percent in 2019/20. Despite the increase, a trend of tax revenue-to-GDP ratio shows an upward and downward movement, implying no radical improvement.

The total Zanzibar tax revenue in relation to percent of GDP shows the performance rate of 15 percent of the expected target. This is mainly attributed to a number of interventions, such as strengthening the revenue collection system by introducing the e-tax system; reviewing the tax collection system; improving tax compliancy; enhancing the collection of non-tax revenue; ensuring timely audit of public sectors and issuance of audit reports to clients and stakeholders; strengthening of internal audit system; and promoting special banking products for the diaspora. The implementation of these interventions has resulted in the increase of Revenue-to-GDP ratio from 18.1 percent in 2015 to 22 percent in 2020.

5.4. Socio-Economic Impacts of Covid - 19

Tanzania has not been exceptional to the economic impacts of the COVID-19 pandemic. Like other countries, the United Republic of Tanzania was affected by COVID-19 pandemic in different social and economic aspects. Since the first case was announced in March 2020, several thousand cases have been confirmed with several hundred deaths (*real-time data*). There were a number of transmitting factors and effects that exposed Tanzanian national economic sectors, markets and revenue systems to great economic risk if COVID-19 was not well managed.

COVID-19 has both direct and indirect economic and social impacts that are widely spread across economic agents, households, firms and government/public sectors. At household level, direct impact ranged from loss of income due to illness and quarantine, increase in cost on medical or hygiene related items like water containers/buckets and soap/detergents; and loss of jobs.

The impact that occurs in partner countries such as the United Kingdom, Italy, United States, and United Arab Emirates, including migrant workers in these countries losing their jobs is also likely to affect some households in Zanzibar that depend on remittances. As at firm level, production especially on goods related to tourism business declined, while at macro level, there is decline of Government revenue, employment and increased expenditure in medical related services and subvention to semi-autonomous institutions that relied on fees and charges from tourist arrivals to execute their mandate, including Zanzibar Airport Authority (ZAA).

5.5. Major Challenges

- i. Shortage of adequate, desired and qualified human resources in many social economic sectors
- ii. Insufficient capital equipment, machineries, technologies and other basic inputs in the education, hospitals and health centres. Also, there is low level of

technology application and development. There are ineffective mechanisms for technology transfer and commercialization of research results.

- iii. Insufficient financial resources, budgetary allocation for the implementation of research, conservation and promotion activities of natural and cultural resources;
- iv. Inadequate local community education, information, and knowledge and participation in conservation and management of natural and cultural resources;
- v. Limited linkage of the strategic economic sector (e.g., tourism) magnets to local economy thus perpetuating enclave situation;
- vi. Weak manufacturing/industrial entrepreneurship base; low productivity levels and high cost of utilities; and poor-quality goods and packaging, as well as low supply capacity
- vii. Inadequate supportive environment for private sector involvement in research such as appropriate incentives and linking with Research and Development (R&D) institutions;
- viii. Dependence on rain-fed agriculture and continued reliance on hand-hoe driven agriculture technologies;
- ix. Low morale of community members to participate in development projects: The ineffective community participation in development agenda is major cause of lack of sustainability of most development projects in the country.
- x. Inadequate statistical capacity in some sectors. Some sectors have no statistics units and for those which do, the units are inadequately staffed, resourced and have insufficient infrastructure. Staff capacity gaps at OCGS and other institutions are common.

5.6. Opportunities

- i. Tanzania has an opportunity to establish special and dedicated schools with curriculums that prepare youths as responsible citizens satisfied with the African way of working and living. The country has human resources with potentials, creative thinkers, and actors but remains untapped due to lack of grassroots-based programs to identify and harness creative individuals from their early years of life in schools and villages/streets.
- ii. Increased globalization and effective utilization of advanced technologies that altered financial systems, product and service markets to attract more unbanked population of both urban and rural area of the country. The Tanzanian population is potential for increased mobile banking and integration of mobile financial services to the banking and non-banking systems.

ANNEXES

ANNEX I: Mainland Tanzania Dashboard

ANNEX II: Zanzibar Dashboard

Annex III: Trends of National Yields in Different Agricultural Products (Area ('000'ha), Production ('000'tons) and Yield (tonnes/ha))

Crop	Data	Year						
		2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19
Cashewnut	Production ('000' tons)	127.95	130.12	197.93	155.42	265.24	313.83	225.106
	Yield (tons/ha)	0.3	0.3	0.4	0.3	0.5	0.3	0.1
Cassava	Production ('000' tons)	4,755.16	4,992.76	5,886.44	6,614.35	4,025.26	8,372.22	8,184.09
	Yield (tons/ha)	5.5	6.2	5.4	5.9	3.3	8.5	8.3
Coffee	Production ('000' tons)	71.20	48.98	41.67	60.92	48.33	44.26	68.147
	Yield (tons/ha)	0.3	0.3	0.2	0.3	0.2	0.2	0.3
Cotton	Production ('000' tons)	357.13	245.83	203.31	149.45	132.93	222.04	348.90
	Yield (tons/ha)	0.8	0.8	0.5	0.4	0.2	-	0.5
Maize	Production ('000' tons)	5,356.35	6,734.44	5,902.78	6,148.70	6,680.76	6,273.15	5,652.01
	Yield (tons/ha)	1.3	-	1.6	1.7	1.7	1.8	1.6
Oil Palm	Production ('000' tons)	40.50	41.00	41.48	41.93	42.28	40.50	42.18
	Yield (tons/ha)	1.8	1.7	1.7	1.8	1.8	1.8	1.6
Paddy	Production ('000' tons)	2,194.75	2,586.35	2,979.86	3,429.34	2,451.71	3,414.82	3,174.77
	Yield (tons/ha)	2.4	2.7	2.6	3.1	2.2	3.3	3.0
Sisal	Production ('000' tons)	34.87	37.29	39.20	42.31	36.53	43.28	33.27
	Yield (tons/ha)	1.0	0.9	0.8	1.2	0.9	1.1	0.8
Sorghum	Production ('000' tons)	832.08	883.20	676.77	729.45	755.04	672.24	731.88
	Yield (tons/ha)	1.2	1.0	0.9	1.0	1.0	1.1	1.1
Sugar	Production ('000' tons)	296.70	294.30	304.01	293.075	330.84	303.75	359.219
Sugarcane	Production ('000' tons)	2,992.18	2,966.54	3,133.07	2,839.23	3,060.61	3,117.81	3,589.46
	Yield (tons/ha)	51.1	51.1	71.2	67.3	69.9	69.9	69.9
Tea	Production ('000' tons)	33.70	33.50	35.75	32.63	26.98	34.010	37.19
	Yield (tons/ha)	1.6	1.6	1.6	1.4	1.2	1.5	1.7
Tobacco	Production ('000' tons)	86.36	100.00	87.74	60.69	58.64	50.52	70.82
	Yield (tons/ha)	1.1	1.1	1.1	1.1	1.7	1.1	1.6
Wheat	Production ('000' tons)	103.97	167.04	72.48	76.41	50.47	56.65	63.39
	Yield (tons/ha)	1.0	1.7	0.8	1.2	1.2	1.1	1.5

Source: Ministry of Agriculture (2020)

Annex IV: Women Participation in Leadership and Decision Making in Tanzania Mainland

Representation in the Cabinet	2016	2017	2018	2019	2020	2021	Remarks
Ministers	21	21	14	18	18	21	Below average
Deputy Ministers	21	31	33	28	28	25	Average
Representation in the Parliament							
Category	2016	2017	2018	2019	2020	2021	
Elected MP	25	25	25	25	25	27	Below average
Special Seats MP	113	113	113	113	113	113	-
Appointed MP	2	2	2	2	2	2	Average
Mps from HOR (Zanzibar)	2	2	2	2	2	2	-
Women in Management Positions in the Public Sector							
Category	2016	2017	2018	2019	2020	2021	
Permanent Secretary	21	21	14	17	17	17	Below average
Principle Secretary (Chief Secretary)	0	0	0	0	0	0	Below average
Director generals	13	13	13	13	13	13	Below average
Executive Directors	14	14	14	14	14	14	Below average
Directors	26	26	26	26	20	20	Below average
Women in the Judiciary							
Category	2016	2017	2018	2019	2020	2021	
Registrars	0	0	0	0	35	35	Above average
Chief Justice	0	0	0	0	0	0	-
Judges	41	41	40	39	38	40	Above average
Magistrates	0	0	0	0	52	48	Above average
Women Leaders in State Owned Enterprises							
Category	2016	2017	2018	2019	2020	2021	
Chief Executive Officers	26	26	26	26	26	26	Below average

Source: MOHCDGEC Information Data, 2021