

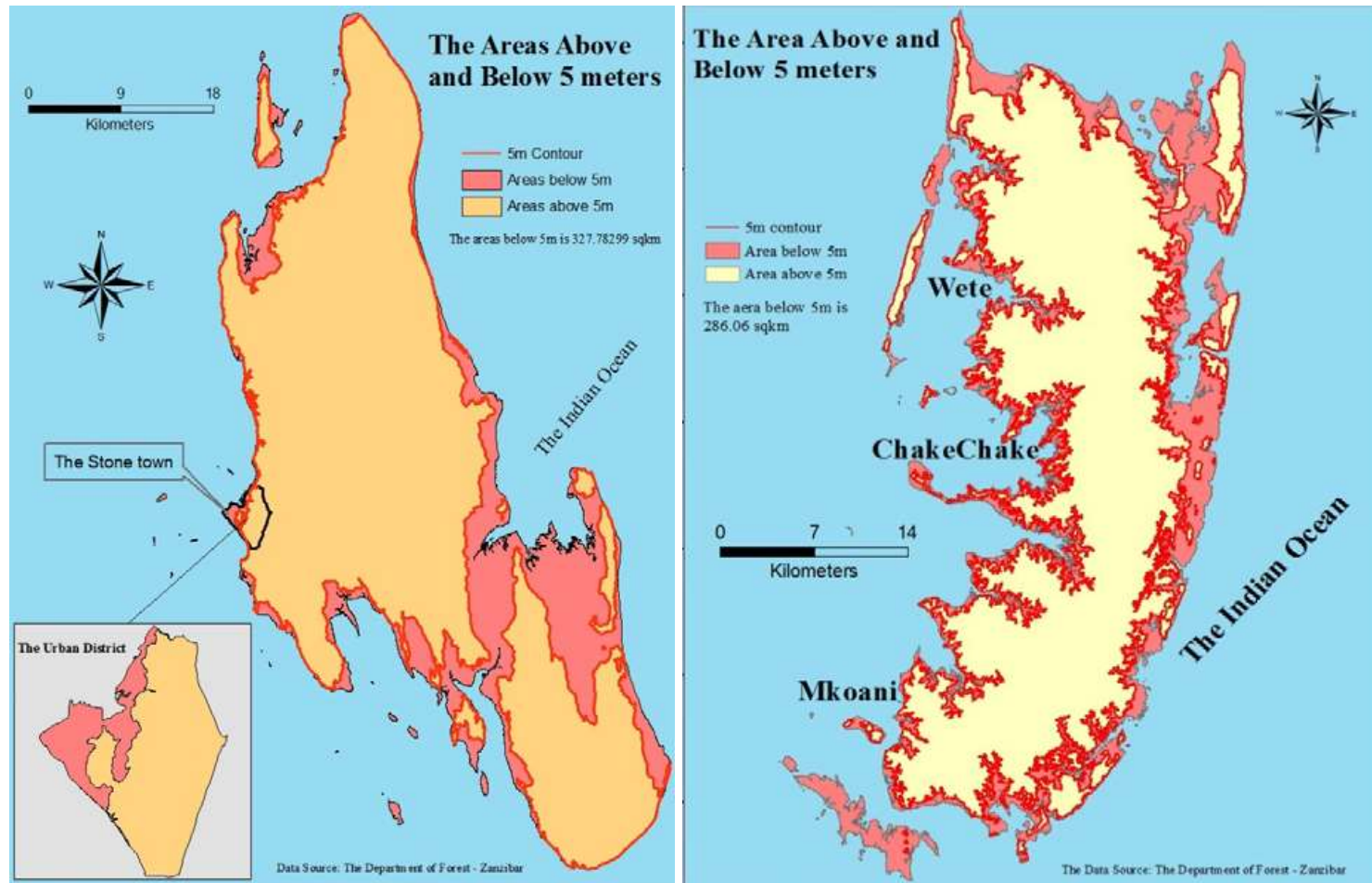
# **Delivering growth and poverty reduction in Zanzibar while adapting to climate change**

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Strong Growth, Resilient Economy  
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# Unguja and Pemba – Low-Lying Areas Below the 5 Meter Contour Line



Source: CGAP and RGoZ (2012), *The Economics of Climate Change in Zanzibar*

# ZANZIBAR AND CLIMATE CHANGE

- Zanzibar 's economy is very dependent on climate
- Zanzibar climate is changing and recent decades have seen rising temperature, increased rainfall variability, higher wind speed and high tide level and extreme weather events
- Zanzibar experiencing droughts and flood which have had economic costs interms of GDP
- Zanzibar is not adequately adapted to the current climate change impact
- Zanzibar need to address adaptation deficit to lead to immediate benefit a as well as providing resilience to future climate change

# Zanzibar's Growth & Climate Resilience

Climate-sensitive activities still dominate the economy (agriculture, fishing, tourism).

However, recent growth has been both robust and driven by a range of sectors.

# Is Zanzibar growing in a way that is resilient or more vulnerable to the changing climate?

Robust growth good for resilience.

Service sector (Tourism, Transport and Communications, Trade, and Construction) has been key drivers of growth.

However, climate-sensitive sectors still play an important role in growth because of intersectoral linkages (e.g. growth in Transport linked to Tourism and agriculture). Climate-sensitive sectors also continue to be important for employment and livelihoods.

# Growth Targets

2013 GDP growth: 7.4%

Average growth 2009-2013: 6.7%

Vision 2020 target: 9-10% by 2020

Source: OCGS (2014)

# Challenges for Growth given CC

- Droughts, floods, rising temperatures → agriculture, tourism
- Increasing wind speeds → fishing, agriculture and damages
- Rising sea temperatures and acidification → seaweed, tourism, fishing
- Rising sea levels → tourism, infrastructure
- Health, energy and water supply also likely to be affected

# Challenges to Poverty Reduction

- Climate impacts are likely to make it more difficult to deliver on poverty reduction targets. For example:
  - Many of the poorest depend on small-scale agriculture or fishing. They are ill-prepared to cope with variability
  - This could increase the chance of children dropping out of school to join the workforce
  - Access to clean water could become more difficult



# Opportunities for Growth and Poverty Reduction given CC

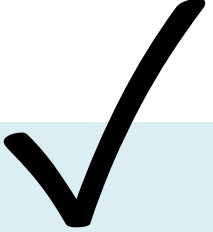
- Incentives to diversify production (manufacturing, tradable services)
- Promotes a focus on sustainable growth and development to extricate from poverty and achieve development goals
- New sources of financing and technical assistance
- Some strategic interventions justified in the short-term by current climate conditions or wider benefits
- Adapts to climate variability and change is critical towards building resilience in order to sustain and enhance development

# Should Zanzibar act now or later to adapt to climate change and build a low-carbon economy? What are the trade-offs?

## Why act later?

- Zanzibar could better afford adaptation when it has a higher income.
- Energy efficiency measures now could push up costs for tourism industry.
- Capacity to implement development plans is currently limited. Making climate change a priority could hinder other programmes.

## Why act now?

- Zanzibar is not dependent on carbon-intensive sectors, i.e. no heavy industry.
  - Infrastructure put in place now will be there for decades.
  - Action is needed to manage natural resource use even without climate risks.
  - Win-win options give environmental and socio-economic benefits.
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The Revolutionary Government of Zanzibar has produced a **Zanzibar Climate Change Strategy** (2014):

- vision and objectives
- the risks and opportunities of climate change
- strategic action

The vision is to build a climate resilient and sustainable Zanzibar by 2030.

**Thank you for listening.**

