



REVOLUTIONARY GOVERNMENT OF ZANZIBAR



OFFICE OF CHIEF GOVERNMENT STATISTICIAN

Quarterly National Accounts Release

Second Quarter (April – June), 2011

OFFICE OF CHIEF GOVERNMENT STATISTICIAN

ZANZIBAR.

September 2011

Forward

This report presents the analysis of Quarterly National Accounts (QNA) estimate in summary form. This gives the summary in the Quarterly National Accounts in a brief description of estimation of GDP on Agriculture, Fishing, Industry, Services, Whole Sale and Retail Trade, Hotel and Restaurants, Transport and Communication, Financial Intermediation, Public Administration, Education, Other services and Taxes and Subsidies.

The Quarterly National Accounts provide the quarterly estimation of Gross Domestic Product (GDP) constant prices for each economic activity which can serve a wider range of purposes. These time series results are essential for planning on the economy development, monitoring and evaluation of sound economic programs on a short term basis.

The National Accounts form a comprehensive framework within which economic and social data can be presented in a coherent, consistent manner. In the mean time, the estimates of National Accounts of Zanzibar developed into quarterly series and cover the period of 2001 to second quarter of 2011.

The Office of Chief Government Statistician (OCGS) in collaboration with various line Ministries engage on data collection process as well as compilation. It is our belief that the quarterly estimation of GDP is necessary input which enabling to put in places the environment for national development and improves the ability of government to formulate appropriate policies, manage the economic and social development process and monitor improvements of the living standards of the people.

The Office of Chief Government Statistician invite comments and suggestions for improvement on the report and enter process of quarterly GDP estimates, and should be send to the below address.

.....
Mohammed Hafidh Rajab
Chief Government Statistician
Office of Chief Government Statistician
Zanzibar.

INQUIRIES

For further information about this publication and related statistics, contact the
Chief Government Statistician
Office of Chief Government Statistician
P.O Box 2321
P +255 24 22 31 869
F +255 24 22 31 742
Email nationalaccounts@ocgs.go.tz, economistat@ocgs.go.tz,
Zanzibar.

Acknowledgment

The need for Quarterly National Accounts (QNA) has gained high priority in recent years; the broad objective is to measure the short-term economic performance. This report is the second series of the QNA estimates released by the OCGS for the year 2011. The report contains the results on time series data of Gross Domestic Product (GDP) estimates from first quarter of 2001 to second quarter of 2011 at constant prices, with 2001 as the base year. The comprehensive set of national accounts tables are given by the industrial economic activities as recommended by the 1993 System of National Accounts (SNA – 1993).

The compilation was undertaken under the supervision of Mr. Abdul Ramadhan Abeid; Acting Head of Economic Statistics Section. The national accounts statistics unit member of staff involved in this assignment are Messrs Khalid Chum; Acting Head of National Accounts Unit, Fadhil A. Hassan, Bakari K. Makame, Bakari Kh. Kondo, Suleiman D. Juma and Suleiman A. Hamad; particularly their dedication and efforts they put into this piece of work is highly appreciated.

The success on production of this report was mainly due to the timely supply of the required input indicators solely provided by the member of staff from all statistics unit in the OCGS. I would wish to thank for their vital contributions and for the role they played which enable to release this quarterly report in timely manner.

The data sources both private and public sector organizations also deserves special acknowledgement for valuable efforts on supplied inputs; acknowledgements also go to the many individuals who helped in collection and processing of the data. It is only through their diligence that we have been able to produce this valuable report.

Table of Contents

Forward	2
Acknowledgment.....	3
Table of Contents	4
Second Quarter National Accounts Analysis in Brief	6
1.0 Introduction	6
1.1 The GDP Growth Rate Reach 1.2 Percent in Second Quarter 2011	6
2.0 Comparative Analysis between the Second Quarter of 2010 and Second Quarter of 2011	7
2.1 Agriculture	7
2.2 Fishing.....	7
2.3 Industry	8
2.4 Services	9
2.4.1 Wholesale and Retail Trade	9
2.4.2 Hotel and Restaurants	9
2.4.3 Transport and Communication.....	9
2.4.4 Financial Intermediation	10
2.4.5 Public Administration	10
2.4.6 Education	10
2.4.7 Health and Other Social Services.....	10

List of Table

Table 1.0: Quarterly GDP Estimated at Constant Price from First Quarter 2001 to Second Quarter 2011	11
Table 2.0: Quarterly GDP Percentage Growth Rates from 2002 to Second Quarter of 2011	11
Table 3.0: The GDP Growth Rates by Activity – Percentage Changes from 2007 – 2011	12

List of Figure

Figure 1: Second Quarter GDP Growth Rates from 2007 to 2011	6
Figure 2: GDP at Constant Prices for Agriculture Sectors	7
Figure 3: Quantity (tons) of Fish Catch	7
Figure 4: Percentage Growth of Manufacturing, Electricity and Construction Industries	8
Figure 5: Percentage Growth of Whole Sales and Retail Trade Activities 2009 – 2011	9
Figure 6: Number of Tourists Arrival in Zanzibar	9
Figure 7: Second Quarter Trends of Deposits and Loans 2007 – 2011	10
Figure 8: Second Quarter Growth Rates of Public Administration 2007 – 2011	10

Second Quarter National Accounts Analysis in Brief

1.0 Introduction

National Accounts data provide the most comprehensive overview of the country's economic performance and the status of the existing of developments in the national economies. In recent years quarterly national accounts have seen a substantial evolution and emerge a useful input for monitoring and evaluating the country economic performance inform monetary policy decisions in short term basis.

The compilation of Zanzibar Quarterly National Accounts focus on the quarterly constant GDP estimates is compiled in line with the annual estimates in terms of its methodology as well as the input indicators used for mostly all industrial activities for which reliable and quick related data are available. Since key statistical data on the relevant quarter will necessarily take some time to collect, revisions will have to be made more frequently, accordingly.

The purpose of this report is to summarize the results of the quarterly estimation of Gross Domestic Product (GDP) for the second quarter of 2011 which comprise the month of April to June 2011. The result presented in this report is useful to a wider range of data users including the compilers of annual national accounts estimates. In the mean time, the reports focus on comprehensive estimates for the constant GDP for each economic activity.

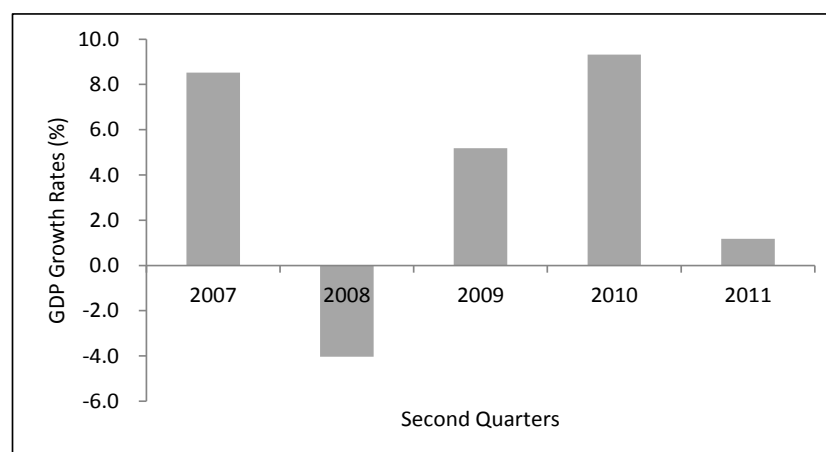
1.1 The GDP Growth Rate Reach 1.2 Percent in Second Quarter 2011

Zanzibar Gross Domestic Product (GDP) grew by 1.2 percent in the second quarter (Q2) of 2011 which is lower compare with a incline of 9.3 percent observed in the same quarter 2010 (figure 1).

The results revealed that decrease of growth rate of 1.2 percent were mainly associated with the decline in specific economic activities which are Fishing, Wholesale and Retail Trades. (Table 3.0)

Other economic activity which shows a remarkable growth is Hotel and Restaurants.

Figure 1: Second Quarter GDP Growth Rates from 2007 to 2011



2.0 Comparative Analysis between the Second Quarter of 2010 and Second Quarter of 2011

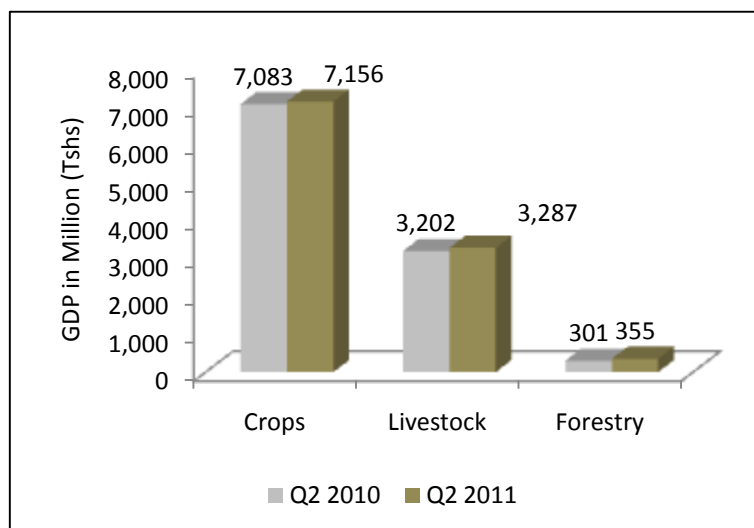
The detail analysis for GDP growth rates of the economic activities in quarterly basis are presented in table 3.0, while the GDP at constant prices are presented in table 2.0.

2.1 Agriculture

The analysis of the GDP at constant prices for agriculture sectors for the second quarter of 2010 and 2011 presented in figure 2 cover three main sub sectors namely crops activities, livestock sectors and forestry and hunting economic activities.

Table 3.0 shows that the percentage change of agriculture grew by 2.0 percent in the second quarter of 2011 compare with 0.2 percent growth recorded in second quarter of 2010.

Figure 2: GDP at Constant Prices for Agriculture Sectors

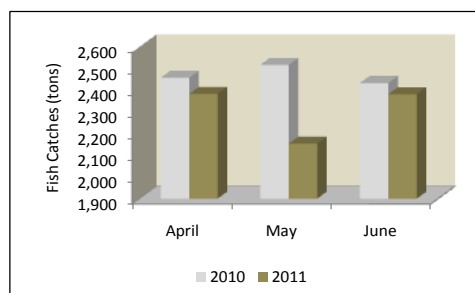


2.2 Fishing

The GDP for fishing activities declined by 6.6 in second quarter of 2011 compare with a incline of 5.8 percent registered in second quarter of 2010.

The decrease of GDP growth for fishing was mainly due to the decrease of a volume of fish catches from 7,408 tons recorded in second quarter of 2010 to 6,919 tons in same quarter of 2011 (figure 3).

Figure 3: Quantity (tons) of Fish Catch.



2.3 Industry

The industry activities include Mining and Quarrying products, Manufacturing activities, Electricity, gas, water supply and Construction. Figure 4 presents the results on percentage changes of manufacturing activities, electricity and construction activities.

The gross value added of manufacturing activities is estimated by applying quarterly volume of production of manufacturing goods. Manufacturing sector grew by 5.4 percent in the second quarter of 2011 which is higher rate as compared with a growth of 3.4 percent reported in the same quarter of 2010.

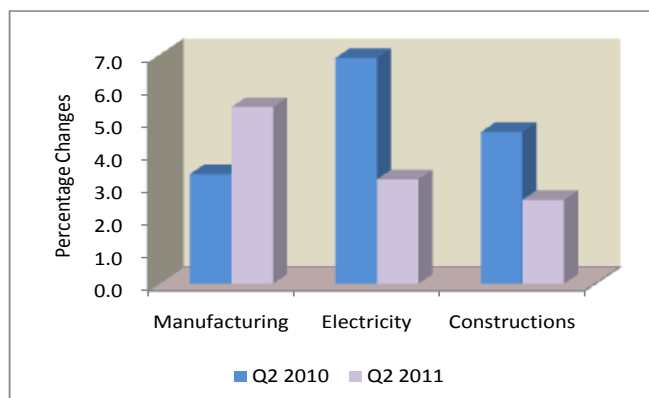
The rate of growth of manufacturing activities in second quarter 2011 was mainly due to the increase on production of the volume for mineral water from 1,899 litres recorded in second quarter of 2010 to 2,423 litres reported in second quarter of 2011 which is an increase of 27.5 percent.

The Mining and Quarrying activities grew by 5.8 percent in the second quarter of 2011 which is higher as compared with the growth of 4.6 percent recorded in the same quarter of 2010.

The quarterly Value Added at constant prices for Electricity, gas and water compiled by using the monthly quantity of electricity distribution and annual figure of water are distributed across the quarters. Electricity and related sectors grew by 3.2 percent in the second quarter 2011 which is lower as compared with the growth of 6.9 percent that was recorded in the same quarter of 2010.

The GDP of construction activities grew by 2.6 percent in second quarter 2011 which is lower compared to 4.6 percent recorded in the same quarter in 2010.

Figure 4: Percentage Growth of Manufacturing, Electricity and Construction Industries



2.4 Services

The Service Industry includes wholesale and retail trade and repair, hotel and restaurant, transport and communication, financial intermediation, real estate, public administration, education, health and other social and community services.

2.4.1 Wholesale and Retail Trade

The economic activities are estimated using imports from the rest of the world as well as items imported from Tanzania Mainland. The estimates of marketed on domestic production are also included.

Wholesale and Retail trade declined by 5.3 percent in the second quarter of 2011 compared to 12.3 percent in the corresponding quarter of 2010.

2.4.2 Hotel and Restaurants

The quarterly GDP growth of hotels and restaurants for both 2010 and 2011 are presented in figure 6; the results show that the second quarter for 2011 grew to 12.4 percent as compared to 2.8 reported in similar quarter of 2010. The increase has associated with the number of tourists' arrivals from 18,216 in 2010 to 20,479 in 2011.

2.4.3 Transport and Communication

The transport activity comprises of land, air and sea transports while the communication includes telecommunication services.

Transport and Communication activities for second quarter 2011 grew by 2.6 percent compared to 29.0 percent growth of the same quarter 2010.

This decline of growth rate is due to decrease on air time sales of telecommunication companies as well as decline of importation on petroleum products such as Motor Spirit Petrol (MSP) and Gasoline Oil (GO) between referenced quarters.

Figure 5: Percentage Growth of Whole Sales and Retail Trade Activities 2009 – 2011

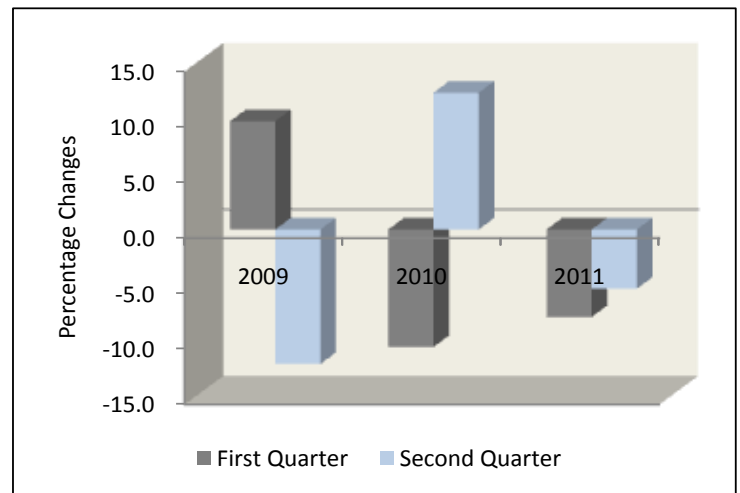
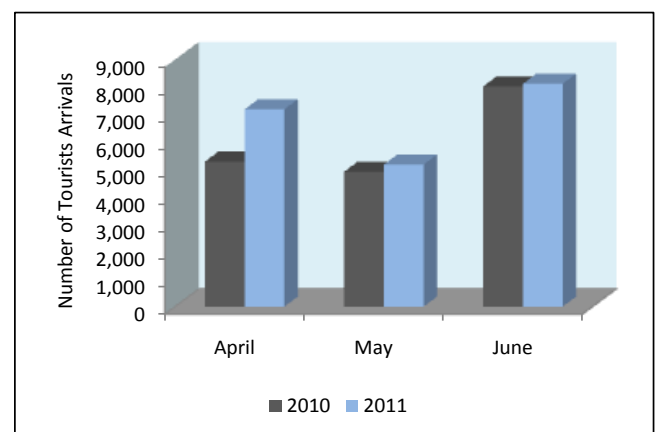


Figure 6: Number of Tourists Arrival in Zanzibar

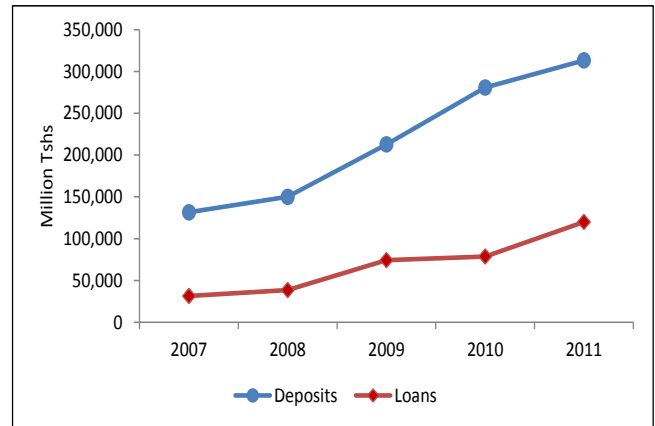


2.4.4 Financial Intermediation

This economic industry includes banking activities, insurance and bureau de change. The compilation of quarterly value added is generated using deposit and loan as indicators.

Financial intermediation registered a growth of 15.0 percent in the second quarter of 2011 compared to 26.1 percent recorded in the corresponding quarter of 2010.

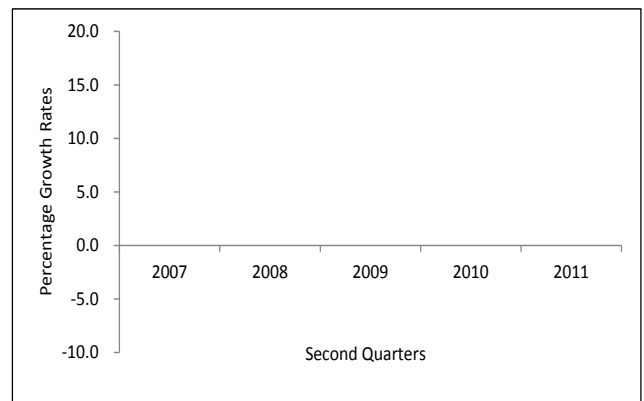
Figure 7: Second Quarter Trends of Deposits and Loans 2007 – 2011



2.4.5 Public Administration

The quarterly estimate of Value Added for public administration has been calculated based on the salary and wage trends in the public sector. The GDP growth rate of Public administration sector for the second quarter 2011 has increased by 6.5 percent compared to 0.4 percent observed in the same quarter of 2010.

Figure 8: Second Quarter Growth Rates of Public Administration 2007 – 2011



2.4.6 Education

The GDP growth rate of education grew at rate of 2.3 percent in second quarter 2011 compared to 4.9 percent recorded in the similar quarter of 2010. This lower rate growth is due to decrease on number of students attendance observed at government's secondary schools.

2.4.7 Health and Other Social Services

The GDP growth rate of these activities grew by 3.9 percent in the second quarter of 2011 compared to 2.9 percent observed in the same quarter of 2010.

Table 1.0: Quarterly GDP Estimated at Constant Price from First Quarter 2001 to Second Quarter 2011

(Million Tshs)

Years	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
First Quarter	43,716	50,442	53,562	62,775	65,491	68,910	71,675	77,363	86,234	83,165	89,430
Second Quarter	47,935	47,971	54,321	59,815	57,918	66,659	72,341	69,420	73,018	79,825	80,762
Third Quarter	61,103	68,848	72,583	74,759	83,166	84,591	90,952	95,940	106,741	118,091	
Fourth Quarter	69,624	74,128	75,364	75,137	79,117	82,679	87,409	96,526	95,952	104,284	
Year	222,378	241,389	255,830	272,486	285,691	302,839	322,377	339,249	361,945	385,364	

Table 2.0: Quarterly GDP Percentage Growth Rates from 2002 to Second Quarter of 2011

Years	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
First Quarter		15.4%	6.2%	17.2%	4.3%	5.2%	4.0%	7.9%	11.5%	-3.6%	7.5%
Second Quarter		0.1%	13.2%	10.1%	-3.2%	15.1%	8.5%	-4.0%	5.2%	9.3%	1.2%
Third Quarter		12.7%	5.4%	3.0%	11.2%	1.7%	7.5%	5.5%	11.3%	10.6%	
Fourth Quarter		6.5%	1.7%	-0.3%	5.3%	4.5%	5.7%	10.4%	-0.6%	8.7%	
Year		8.5%	6.0%	6.5%	4.8%	6.0%	6.5%	5.2%	6.7%	6.5%	

Table 3.0: The GDP Growth Rates by Activity – Percentage Changes from 2007 – 2011

Year	Quarters	Agriculture	Fishing	Mining and Quarrying	Manufacturing	Electricity	Construction	Wholesale and Retail Trade	Hotels and Restaurants	Transport and Communication	Financial Intermediation	Public Administration	Education	Other Services	All industries at basic prices	Taxes on products
2007	1	-2.5	-1.6	47.8	-3.2	3.1	22.2	-2.6	7.0	29.2	18.1	-6.0	2.3	2.7	5.0	-0.7
	2	16.5	5.8	20.9	-15.1	7.0	20.2	3.9	8.3	51.4	21.1	-2.8	-0.6	1.3	10.3	0.5
	3	0.5	-12.2	-15.1	-5.6	8.7	5.2	22.8	3.2	38.5	31.5	1.2	-0.2	2.9	6.3	15.2
	4	-10.0	18.5	-3.6	31.3	11.2	-14.6	17.1	2.1	30.9	14.1	12.9	3.7	15.6	4.8	11.4
2008	1	16.3	-0.7	5.4	-0.9	9.4	1.1	-4.4	18.8	25.7	17.7	-8.4	3.2	6.6	7.3	11.1
	2	-12.5	-14.6	15.9	6.3	-10.4	-16.0	-15.9	-2.7	22.1	4.3	-7.3	7.2	8.5	-4.1	-3.5
	3	6.2	28.9	34.6	4.1	1.2	-7.3	-3.3	-7.8	14.1	-11.6	24.9	6.7	8.5	5.7	4.0
	4	11.9	10.3	39.2	-3.5	3.3	27.4	7.3	-10.3	33.5	7.1	5.6	8.5	-4.0	10.6	9.5
2009	1	2.9	26.8	18.0	2.8	1.5	18.0	9.8	-9.2	27.4	-6.9	34.9	7.0	4.8	11.7	10.1
	2	3.2	29.7	24.8	3.3	19.2	18.1	-12.1	4.7	13.2	7.0	15.0	4.9	4.5	7.8	-7.6
	3	20.3	-6.9	4.3	0.3	4.3	-8.1	20.5	14.4	25.9	11.2	-10.1	5.4	5.0	10.5	15.6
	4	-9.8	-27.6	1.9	3.3	-12.1	-8.5	-2.4	12.7	22.3	1.1	-12.1	5.2	-0.7	-1.8	6.8
2010	1	1.9	-24.8	-3.5	4.3	-31.8	-3.9	-10.6	-15.3	9.9	14.9	-14.7	4.3	2.7	-3.9	-1.7
	2	0.2	5.8	4.6	3.4	6.9	4.6	12.3	2.8	29.0	26.1	0.4	4.9	2.9	8.7	13.0
	3	15.1	3.7	9.9	3.0	6.2	2.6	12.6	-0.2	24.7	22.0	7.7	5.4	3.2	11.3	6.7
	4	-4.1	26.0	11.4	1.9	19.6	2.0	-1.9	25.7	17.0	32.1	19.5	4.7	5.8	8.5	9.4
2011	1	1.5	30.3	7.9	2.0	63.2	3.4	-7.9	34.8	16.4	21.6	10.2	3.7	6.1	4.1	-7.1
	2	2.0	-6.6	5.8	5.4	3.2	2.6	-5.3	12.4	2.6	15.0	6.5	2.3	3.9	-8.0	-7.0