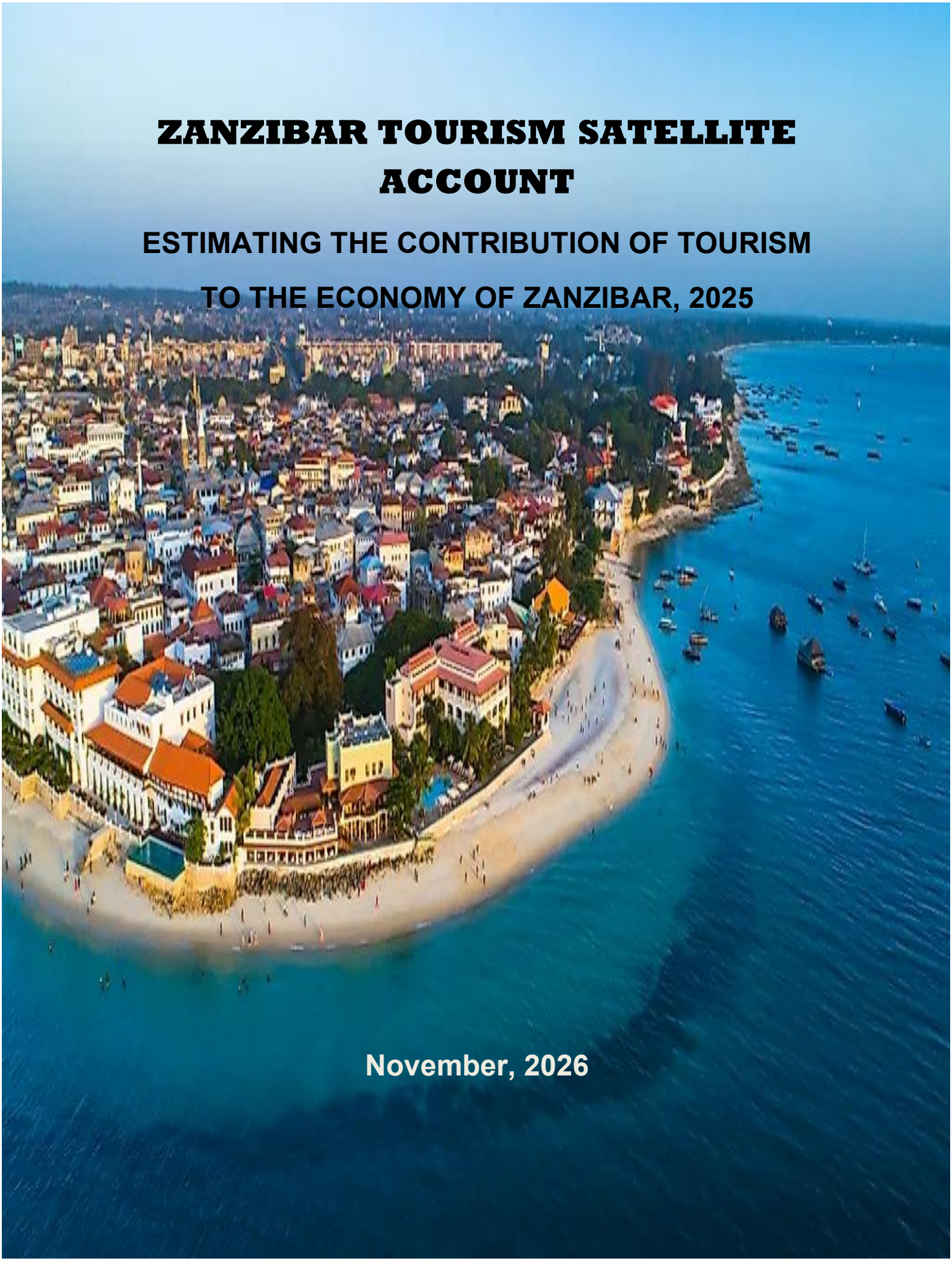
ZANZIBAR TOURISM SATELLITE ACCOUNT

ESTIMATING THE CONTRIBUTION OF TOURISM TO THE ECONOMY OF ZANZIBAR, 2025



November, 2026

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Foreword

The Revolutionary Government of Zanzibar reaffirms its unwavering commitment to advancing tourism as a cornerstone of our national development agenda. Tourism remains one of the most vital sectors of our economy, contributing significantly to employment creation, foreign exchange earnings, and the overall prosperity of our people. The 2025 Tourism Satellite Account (TSA) Report provides a comprehensive and authoritative measurement of tourism's economic impact, offering policymakers, stakeholders, and development partners a reliable framework for evidence-based planning and decision-making.

This report demonstrates the dominant role of leisure and holiday travel in driving visitor expenditure, while also highlighting the growing importance of diverse motivations such as family connections, business engagements, and other specialized purposes. By quantifying both direct and indirect contributions, the TSA strengthens our capacity to design strategies that enhance competitiveness, sustainability, and inclusivity in the tourism sector.

The Revolutionary Government of Zanzibar recognizes tourism not only as an economic engine but also as a vehicle for cultural exchange, environmental stewardship, and social cohesion. The insights contained in this report will guide investment priorities, infrastructure development, and community-based initiatives, ensuring that the benefits of tourism are widely shared across our islands.

We extend our sincere appreciation to all institutions, professionals, and partners who contributed to the preparation of this report. Their collaboration reflects the collective responsibility we share in safeguarding and advancing Zanzibar's tourism agenda. It is our expectation that the 2025 TSA will serve as a valuable reference for researchers, policymakers, and industry leaders, and that it will inspire continued efforts to position Zanzibar as a resilient, competitive, and sustainable tourism destination.

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Acknowledgments

The Revolutionary Government of Zanzibar extends its sincere appreciation to all institutions, professionals, and partners who contributed to the successful preparation of the 2025 Tourism Satellite Account (TSA) Report. This report reflects our collective commitment to strengthening evidence-based policy-making and advancing tourism as a pillar of sustainable economic growth.

We acknowledge with gratitude the technical leadership of the Office of the Chief Government Statistician (OCGS), whose expertise in data collection, processing, analysis and Report Writing has been central to the credibility of this report. Special recognition is also given to the Ministry of Natural Resources and Tourism (MNRT), the Bank of Tanzania (BOT), the National Bureau of Statistics (NBS), the Immigration Services Department and Zanzibar Commission for Tourism (ZCT) for conducting the Tanzania Tourism Sector Survey and producing the report, highly contributed to the computation of 2025 Zanzibar TSA.

We further extend our profound gratitude to the World Bank for financing the preparation and implementation of the 2025 Tourism Satellite Account through Tanzania Statistical Master Plan II (TSMP II). Their support has been instrumental in strengthening our capacity to measure the economic contribution of tourism with accuracy and reliability. The World Bank's commitment reflects a shared vision of promoting sustainable development, evidence-based policy-making, and inclusive growth in Zanzibar's tourism sector

The Revolutionary Government of Zanzibar reaffirms its commitment to transparency, accountability, and innovation in tourism management. It is our hope that this report will serve as a valuable resource for policymakers, researchers, and industry leaders, and that it will inspire continued efforts to position Zanzibar as a resilient, competitive, and sustainable tourism destination.

Concept and Definition

Visitor

A visitor is a traveler taking a trip to a main destination outside his/her usual environment, for less than a year, for any main purpose (business, leisure, or other personal purposes) other than to be employed by a resident entity in the country or place visited.

Tourist

A tourist is defined as a non-resident visitor staying overnight.

Excursionist

An excursionist (same-day visitor) is a non-resident visitor arriving and leaving in a country the same day.

Inbound tourism

Inbound tourism comprises the activities of a non-resident visitor within the country of reference.

Outbound tourism

Outbound tourism covers the activities of a resident visitor outside the country of reference as part of an outbound tourism trip.

Domestic tourism

Domestic tourism comprises activities of a resident visitor within the country of reference either as part of a domestic tourism trip or part of an outbound tourism trip.

Internal tourism

Internal tourism comprises domestic and inbound tourism.

Supply and use table (SUT)

The SUT is a core table in the System of National Accounts which presents by product group, the resources, and uses of goods and services for the total economy.

Domestic tourism expenditure

Domestic tourism expenditure is the tourism expenditure of a resident visitor within the economy of reference.

Inbound tourism expenditure

Inbound tourism expenditure is the tourism expenditure of a non-resident visitor within the economy of reference.

Outbound tourism expenditure

Outbound tourism expenditure is the tourism expenditure of a resident visitor outside the economy of reference.

Tourism balance of trade

Tourism imports comprise goods and services purchased by residents on a trip outside the country while tourism exports comprise goods and services purchased by non-residents visitors in the country. The tourism balance of trade is defined as tourism exports net of tourism imports.

Gross output

Gross Output for the tourism sector includes the value of goods and services produced by tourism industries (tourism output) and imported items purchased by tourists.

Intermediate consumption

Intermediate consumption of industries covers non-durable goods and services used up in the production process. For this TSA, intermediate consumption of industries (providing the product) has been calculated as a percentage of gross output assuming the same ratios of the SUT.

Valuation

Gross output is valued at basic prices; that is, the amount receivable by the producer exclusive of taxes payable and inclusive of subsidies receivable on the products. Intermediate consumption is at purchaser's price; that is, it includes trade margins of wholesalers and retailers and additional transport charges payable by the purchaser and non-deductible VAT.

Direct employment in the tourism industry

Direct tourism employment is derived by applying the technical ratio (value-added of tourism share over value-added of the whole industry) to the number of people employed in each industry. This approach produces a value for the number of people in each industry because of tourism.

Taxes on products

Taxes on products are payable on goods and services when they are produced, sold, or used. These include excise duties, import duties, and Value Added Tax (VAT).

Taxes on production

Taxes on production are taxes payable out of the value-added of producers. This category of taxes includes taxes levied on property, fixed assets, and labour employed. Examples are municipal rates, motor vehicle licenses, and business licenses.

Basic price

The basic price is the amount receivable by the producer from the purchaser for a unit of a good or service produced as output minus any tax payable, and plus any subsidy receivable, on that unit as a consequence of its production or sale; it excludes any transport charges invoiced separately by the producer.

Domestic tourism consumption

This is the tourism consumption of a resident visitor within the economy of reference.

Gross margin

The gross margin of a provider of reservation services is the difference between the value at which the intermediated service is sold and the value accrued to the provider of reservation services for this intermediated service.

Inbound tourism consumption

This is the tourism consumption of a non-resident visitor within the economy of reference.

Internal tourism consumption

This is the tourism consumption of both resident and non-resident visitors within the economy of reference. It is the sum of domestic tourism consumption and inbound tourism consumption.

National tourism consumption

This is the tourism consumption of resident visitors, within and outside the economy of reference. It is the sum of domestic tourism consumption and outbound tourism consumption.

Non-monetary indicators

This is the data measured in physical or other non-monetary units should not be considered a secondary part of a satellite account. They are essential components, both for the information they provide directly and to analyze the monetary data adequately.

Outbound tourism consumption

This is the tourism consumption of a resident visitor outside the economy of reference.

Production account

Records the activity of producing goods and services as defined within the SNA. Its balancing item, gross value added, is defined as the value of output less the value of intermediate consumption and is a measure of the contribution to GDP made by an individual producer, industry, or sector. Gross value added is the source from which the primary incomes of the SNA are generated and are therefore carried forward into the primary distribution of income account. Value-added and GDP may also be measured net by deducting consumption of fixed capital, a figure representing the decline in value during the period of the fixed capital used in a production process.

Social transfers in kind

This is a special case of transfers in kind is that of social transfers in kind. These consist of goods and services provided by general government and Non-Profit Institutions Serving Households (NPISHs) that are delivered to individual households. Health and education services are prime examples. Rather than provide a specified amount of money to be used to purchase medical and educational services, the services are often provided in kind to make sure that the need for the services is met. Sometimes the recipient purchases the service and is reimbursed by the insurance or assistance scheme. Such a transaction is still treated as being in kind because the recipient is merely acting as the agent of the insurance scheme.

Total tourism internal demand

This is the sum of internal tourism consumption, tourism gross fixed capital formation, and tourism collective consumption. It does not include outbound tourism consumption.

Tourism consumption

This is the same formal definition as tourism expenditure. Nevertheless, the concept of tourism consumption used in the Tourism Satellite Account goes beyond that of tourism expenditure. Besides the amount paid for the acquisition of consumption goods and services,

and valuables for own use or to give away, for and during tourism trips, which corresponds to monetary transactions (the focus of tourism expenditure), it also includes services associated with vacation accommodation on own account, tourism social transfers in kind and other imputed consumption. These transactions need to be estimated using sources different from information collected directly from the visitors, such as reports on home exchanges, estimations of rents associated with vacation homes, calculations of Financial Intermediation Services Indirectly Measured (FISIM), et cetera.

Tourism commodity/Product ratio

This ratio measures the proportion of domestic tourism product supply sold to visitors. Generally, tourism characteristic products have a higher tourism ratio than tourism-connected products. Tourism consumption expenditure table provides the statistics on tourist demand for each tourism product. Tourism products supply table reflects the supply of tourism products in domestic industries. Most tourism products are not produced solely for tourism purposes. To separate the tourism and non-tourism components for a product, tourism spending was extracted from tourism product supply to give the tourism ratio of products.

Tourism industry ratio

This is the ratio of the tourism demand for all tourism commodities produced by a given industry to its output of those commodities. The ratio is used specifically in the calculation, by industry, of GDP, employment and GFCF that is attributable to tourism.

Number of establishments

The number of establishments represents the business units operating in each tourism industry and covered by the compilation. Establishment counts are obtained from the Spice Farm and Tourism-Related Business Survey and supported by business registration information and official statistical publications, where appropriate.

Total employment

Total employment refers to the number of jobs reported or estimated in each tourism industry. The table disaggregates employment by sex, allowing an assessment of male and female participation across the different tourism activities.

Employee

Employee is a person working for an employer in return for remuneration in cash or in kind. The employee category is compiled from the employment information available in the Spice

Farm and Tourism-Related Business Survey and validated, where possible, against the employment-status classifications in the ILFS. Employees are classified by sex to provide information on the distribution of paid employment across tourism industries.

Self-employed person

Self-employed person is an individual engaged in his/her own economic activities, subject to the employment-status definitions used in the source data. They may operate independently or manage their own businesses.

Acronyms and Abbreviations

AAKIA	Abeid Amani Karume International Airport
ALS	Average Length of Stay
BOP	Balance of Payments
BOT	Bank of Tanzania
FISIM	Financial Intermediation Services Indirectly Measured
GDP	Gross Domestic Product
GFCF	Gross Fixed Capital Formation
GVA	Gross Value Added
GVATI	Gross Value Added of Tourism Industries
HAZ	Hotel Association of Zanzibar
HFCE	Household Final Consumption Expenditure
IHBS	Integrated Household Budget Survey
ILFS	Integrated Labour Force Survey (ILFS)
ILO	International Labour Organization
ISIC	International Standards Industrial Classification
JNIA	Julius Nyerere International Airport
LGAs	Local Government Authorities
MICE	Meetings, Incentives, Conference and Exhibitions
MNRT	Ministry of Natural Resources and Tourism
MTH	Ministry of Tourism and Heritage
OCGS	Office of the Chief Government Statistics
SNA 2008	System of National Accounts 2008
SUT	Supply and Use Table
TCT	Tourism Confederation of Tanzania
TDGDP	Tourism Direct Gross Domestic Product
TDGVA	Tourism Direct Gross Value Added
TSA	Tourism Satellite Account
TSMP	Tanzania Statistical Master Plan II
UNDP	United Nations Development Programs
UNECA	United Nations Economic Commission for Africa
UNESCO	United Nations Educational, Scientific and Cultural Organization

UNWTO	United Nations World Tourism Organization
URT	United Republic of Tanzania
VAT	Value Added Tax
VFR	Visiting Friends and Relatives
WTTC	World Travel and Tourism Council
ZAA	Zanzibar Airport Authority
ZATI	Zanzibar Association of Tourism Investors
ZATO	Zanzibar Association of Tour Operators
ZCT	Zanzibar Commission for Tourism
ZIFF	Zanzibar International Film Festival
ZIPA	Zanzibar Investment Promotion Authority
ZPC	Zanzibar Port Cooperation

Executive Summary



Executive Summary

The Tourism Satellite Accounts (TSAs) provide an internationally recognized and standardized method of assessing the scale of tourism-related production and its links across different sectors. Tourism's economic contribution to Zanzibar's economy was measured through the construction of the 10 TSA tables. Overall, the derived accounts analyzed all aspects of demand for goods and services associated with tourism within the economy, monitored the operational interface of the supply of such goods and services, and evaluated how supply interacts with other economic activities.

The main objective of this project was to establish the direct economic contribution of tourism to Zanzibar's economy. The specific goals were to estimate tourism demand and tourism supply, assess value added by tourism activities in the economy, establish the level of employment generated by tourism activities, measure the gross fixed capital formation by the sector, and measure the collective consumption of tourism services by the Government.

The TSA for Zanzibar was constructed to achieve these objectives by establishing macroeconomic aggregates that describe the size and economic contribution of different forms of tourism. This required gathering data on tourism consumption, domestic supply and imports, and constructing detailed production accounts of the tourism industries, including linkages with other productive economic activities.

Balance of payments (BOP) travel statistics (2025), inbound and outbound expenditure surveys (2025) and macroeconomics aggregates from National Accounts (NA) provided data for analysis. The TSA for the year 2025 was constructed based on various classification schemes and recommended approaches. The Tourism Satellite Account: Recommended Methodological Framework (TSA: RMF 2008) and International Recommendations for Tourism Statistics (2008) guided the study.

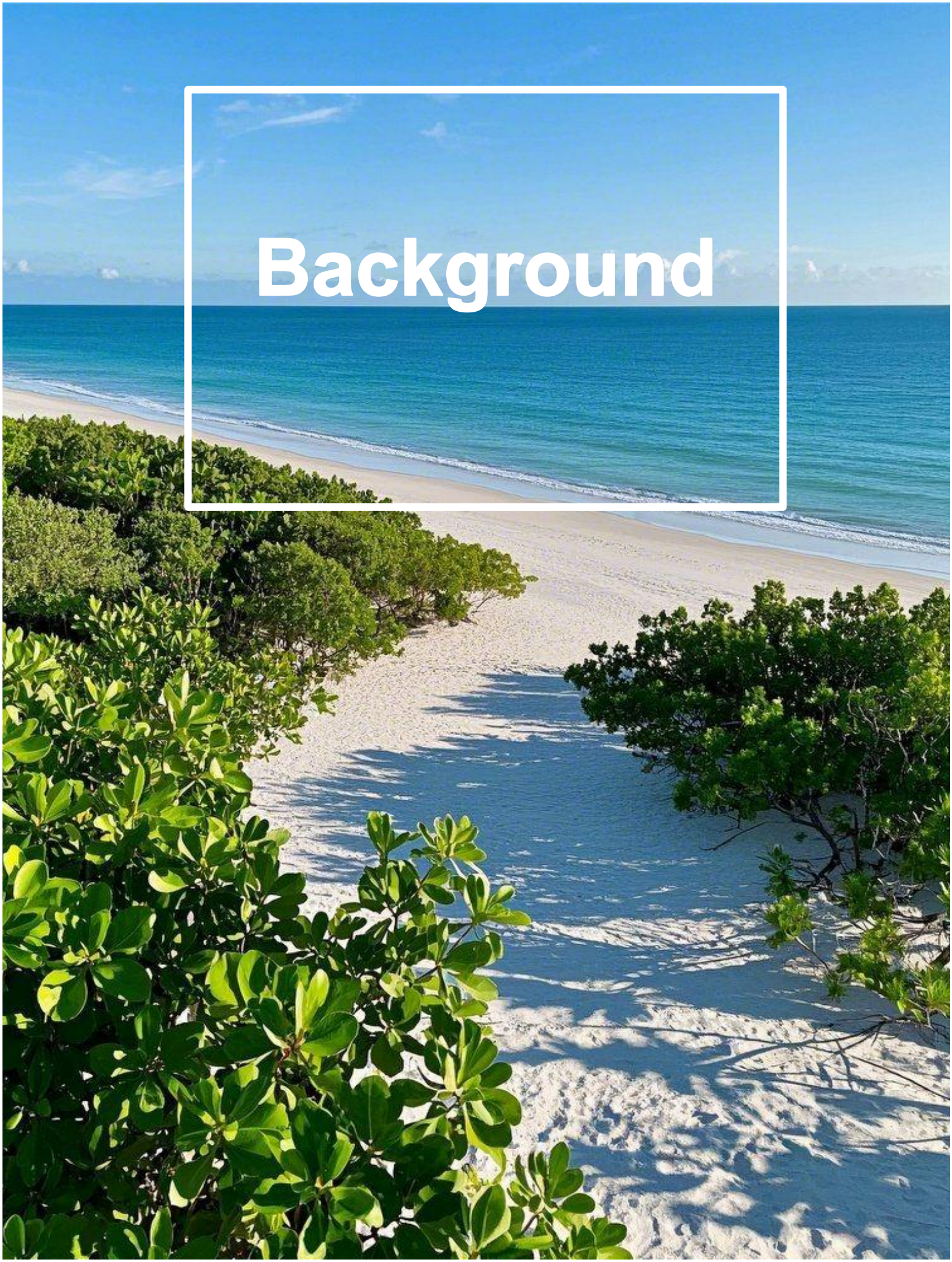
In 2025, inbound tourism generated TZS 3.66 trillion (TSA Table 1) while domestic tourism realized TZS 118.7 billion (TSA Table 2). An estimated amount of TZS 101.98 billion was spent by outbound visitors in 2019.

The 2025 TSA established Internal Tourism Consumption (ITC) to be TZS 3.99 trillion (at purchasers' prices) covering inbound and domestic tourism expenditure plus other

components of tourism consumption. These other consumption components accrued to TZS 208.7 billion (TSA Table 4). Gross Value Added of tourism industries (GVATI) was estimated at TZS 8.55 trillion (TSA Table 5).

Almost 62.1 percent of the total persons in private sector formal employment were directly engaged under Zanzibar's tourism sector. Total gross fixed capital formation as represented by approved capital formation under tourism related industries was estimated at TZS 602.6 billion (32% of the national total) over the year 2025 (TSA Table 8).




Background

1. GENERAL BACKGROUND

1.1. Zanzibar Profile

1.1.1. Location and Size

Zanzibar is a semi-autonomous region of Tanzania located in the Indian Ocean, just off the East African coast. It lies about 25–50 Kilometers from mainland Tanzania, positioned between latitudes **5°–7° South** and longitude **39° East**. The archipelago consists mainly of two large islands—Unguja (often called Zanzibar Island) and Pemba—along with more than 50 smaller islets. The capital, Zanzibar City, is situated on Unguja, with its historic Stone Town recognized as a UNESCO World Heritage Site.

Covering a total area of approximately **2,462 km² (951 sq mi)**, Zanzibar is relatively small but geographically diverse. Unguja, the largest island, measures about 85 km long and 30 km wide, while Pemba is smaller but known for its fertile soils and lush vegetation. The islands are surrounded by coral reefs, creating lagoons and sandy beaches, and the highest point is **Masingini, at about 119 meters above sea level**.

1.1.2. Governance

Zanzibar's governance is semi-autonomous within Tanzania, guided by its own Constitution and institutions. The President of Zanzibar leads both the government and the Revolutionary Council, supported by First and Second Vice Presidents. Laws are made by the House of Representatives, while the judiciary operates independently to protect rights. Oversight bodies like the Anti-Corruption Authority and Auditor General ensure accountability. In essence, Zanzibar runs a multiparty democratic system with separation of powers, managing its internal affairs while remaining part of Tanzania's Union for national matters.

1.1.3. Economy

Zanzibar's economy is largely driven by tourism, agriculture, and trade. The islands are famous as the "Spice Islands," producing cloves, nutmeg, cinnamon, and black pepper, which remain important export crops. Tourism is the fastest-growing sector, with Zanzibar's beaches, cultural heritage, and biodiversity attracting visitors worldwide. Fishing and small-scale farming also support local livelihoods, while trade benefits from Zanzibar's strategic location in the Indian Ocean. Despite these strengths, the economy faces challenges such as

reliance on a few key sectors, youth unemployment, and the need for sustainable resource management. Overall, Zanzibar's economy blends traditional agriculture with modern tourism and services, making it vital to both local development and Tanzania's Union economy.

1.1.4. Language

Swahili is the main language spoken In Zanzibar which serves as both the official and communication language. English is also widely used, especially in government, education, and tourism, while Arabic holds cultural and religious significance due to Zanzibar's historical ties with the Arab world. Local dialects and indigenous languages are spoken in some communities, but Swahili remains the unifying language across the islands, reflecting Zanzibar's identity as part of the wider East African coast.

1.1.5. Climate

Zanzibar has a tropical climate characterized by warm temperatures and high humidity throughout the year. The islands experience two main rainy seasons; the long rains (Masika) from March to May and the short rains (Vuli) from October to December. The dry periods, especially from June to September, bring cooler and less humid weather, making them popular for tourism. Average temperatures range between 25°C and 32°C, with the coastal breezes from the Indian Ocean helping to moderate the heat. Overall, Zanzibar's climate is ideal for agriculture, particularly spice farming, and supports its thriving beach tourism industry.

1.1.6. Population

Zanzibar's population is projected to be 2,098,881 people, making it one of the most densely populated regions in Tanzania due to its relatively small land area. Women (1,076,898) slightly outnumber men (1,021,983), and the population is predominantly youthful, with a large share under 25 years of age. Most residents live on Unguja Island, especially in Zanzibar City, while Pemba Island remains more rural and agriculturally based. This growing and youthful population provides opportunities for labor force expansion but also creates challenges in employment, housing, and access to social services such as health and education.

1.1.7. Religion

Religion in Zanzibar is predominantly Islam, with the vast majority of the population being Muslim, reflecting the islands' deep historical ties to Arab traders and Islamic culture. Mosques are central to community life, and Islamic traditions strongly influence social norms, education, and governance. Alongside Islam, small communities of Christians and followers of indigenous beliefs also exist, contributing to Zanzibar's cultural diversity. Overall, religion plays a vital role in shaping the identity, values, and daily life of the people of Zanzibar.

1.1.8. Attractions

Historical Sites

Zanzibar is rich in historical sites that reflect its diverse cultural heritage and long history as a trading hub. The most famous is Stone Town, a UNESCO World Heritage Site known for its winding alleys, carved wooden doors, and historic buildings such as the House of Wonders (Beit-al-Ajaib) and the Old Fort. Other notable sites include Palace Museum (Beit el-Sahel), which showcases the history of the sultans, and Prison Island, once used for detaining slaves and now home to giant tortoises. These landmarks, along with numerous mosques and traditional houses, highlight Zanzibar's blend of African, Arab, Indian, and European influences, making its historical sites central to its identity and tourism appeal.

Beach and Marine Activities

Zanzibar is renowned for its stunning beaches and vibrant marine activities that attract visitors from around the world. Popular beaches such as Nungwi and Kendwa offer crystal-clear waters, white sands, and lively atmospheres perfect for relaxation and nightlife. Marine activities include snorkeling and scuba diving around coral reefs rich in biodiversity, dhow sailing for sunset cruises, and deep-sea fishing in the Indian Ocean. Visitors can also explore Mnemba Atoll, a marine conservation area famous for its colorful fish and dolphins. Together, these beaches and ocean adventures make Zanzibar a premier destination for both leisure and eco-tourism.

Flora and Fauna

Zanzibar's flora and fauna are diverse, reflecting its tropical climate and island environment. The islands are home to lush vegetation, including coconut palms, mangroves, and spice plantations of cloves, cinnamon, and nutmeg that give Zanzibar its nickname "Spice Islands." Unique wildlife includes the endangered Zanzibar red colobus monkey, found in Jozani Forest, as well as giant tortoises on Prison Island and a variety of bird species. The surrounding Indian Ocean supports rich marine life, with coral reefs, dolphins, and colorful fish that make Zanzibar a hotspot for biodiversity and eco-tourism.

Sea Sports

Sea sports in Zanzibar are a major attraction to the islands. Visitors enjoy activities such as snorkeling and scuba diving around coral reefs, dhow sailing for traditional sunset cruises, and deep-sea fishing in the Indian Ocean. Other popular options include kite surfing and windsurfing which take advantage of the steady ocean breezes and calm lagoons. With its diverse range of water-based adventures, Zanzibar offers both relaxation and excitement, making sea sports an essential part of its tourism experience.

Zanzibar Cuisine

Zanzibar's cuisine is a flavorful blend of African, Arab, Indian, and European influences, shaped by its history as a trading hub. Known as the "Spice Islands," Zanzibar incorporates cloves, cinnamon, nutmeg, and cardamom into many dishes. Popular meals include pilau rice and biriani, richly spiced with local flavors, as well as fresh seafood such as grilled fish, octopus, and prawns. Street foods like Zanzibar pizza and sugarcane juice reflect the islands' creativity and cultural mix. Overall, the cuisine is aromatic, diverse, and deeply tied to Zanzibar's heritage and identity.

Festival

Zanzibar hosts vibrant festivals that celebrate its rich culture, history, and diversity. The most famous is the Zanzibar International Film Festival (ZIFF), which attracts filmmakers and artists from across Africa and beyond. Another highlight is the Mwaka Kogwa Festival, rooted in Persian traditions, where locals mark the New Year with rituals, songs, and symbolic mock fights. Music and arts are showcased during the Sauti za Busara Festival, bringing together performers from across the continent. These festivals not only entertain but also strengthen Zanzibar's identity as a cultural hub in East Africa.

1.2. Zanzibar's Need for a Tourism Satellite Account

The Tourism Satellite Account (TSA) is very important for Zanzibar because it provides a clear and reliable way of measuring the real contribution of tourism to the economy. Through TSA, the government and stakeholders can know exactly how much tourism adds to GDP, employment, and foreign exchange earnings. This helps in designing better policies, attracting investors, and allocating resources to areas that bring the highest benefits. TSA also identifies leakages where tourism income leaves the local economy, allowing Zanzibar to strengthen local participation and ensure that ordinary citizens benefit more from the sector. Since TSA follows international standards, it makes Zanzibar's tourism statistics comparable with other countries, which increases credibility in global markets. In short, TSA is needed to guide sustainable tourism development, improve planning, and ensure that tourism continues to be a strong pillar of Zanzibar's economy.





1.3. Tourism Satellite Account Background

TSA integrates data related to the supply and use of tourism-related goods and services into a single table. The Satellite Account summarizes the contribution tourism makes to production and employment in a consistent and integrated manner with the official national accounts of a country. The Account measures expenditure by both resident and non-resident visitors, and thus gives a picture of the overall size of the tourism industry, including its contribution to Gross Domestic Product (GDP) and employment. The Account is implemented in accordance with the United Nations World Tourism Organization (UNWTO) recommended methodological framework. It is designed to measure goods and services associated with tourism according to international standards, concepts, classifications, and definitions.

Tourism has grown considerably over recent decades as an economic and social phenomenon. The problem with measuring tourism spending is that the tourism industry or group of sectors identified within the industry do not exist as a distinct entity in the national accounts or national statistical system. Therefore, tourism activity is concealed within other industrial activities such as accommodation, transportation, culture, sports and recreation. As such, statistical data on economic activities associated with tourism is fragmented and dispersed. The result is that the value added by the tourism industry is usually underestimated under national economic data used by government and private sector decision makers.

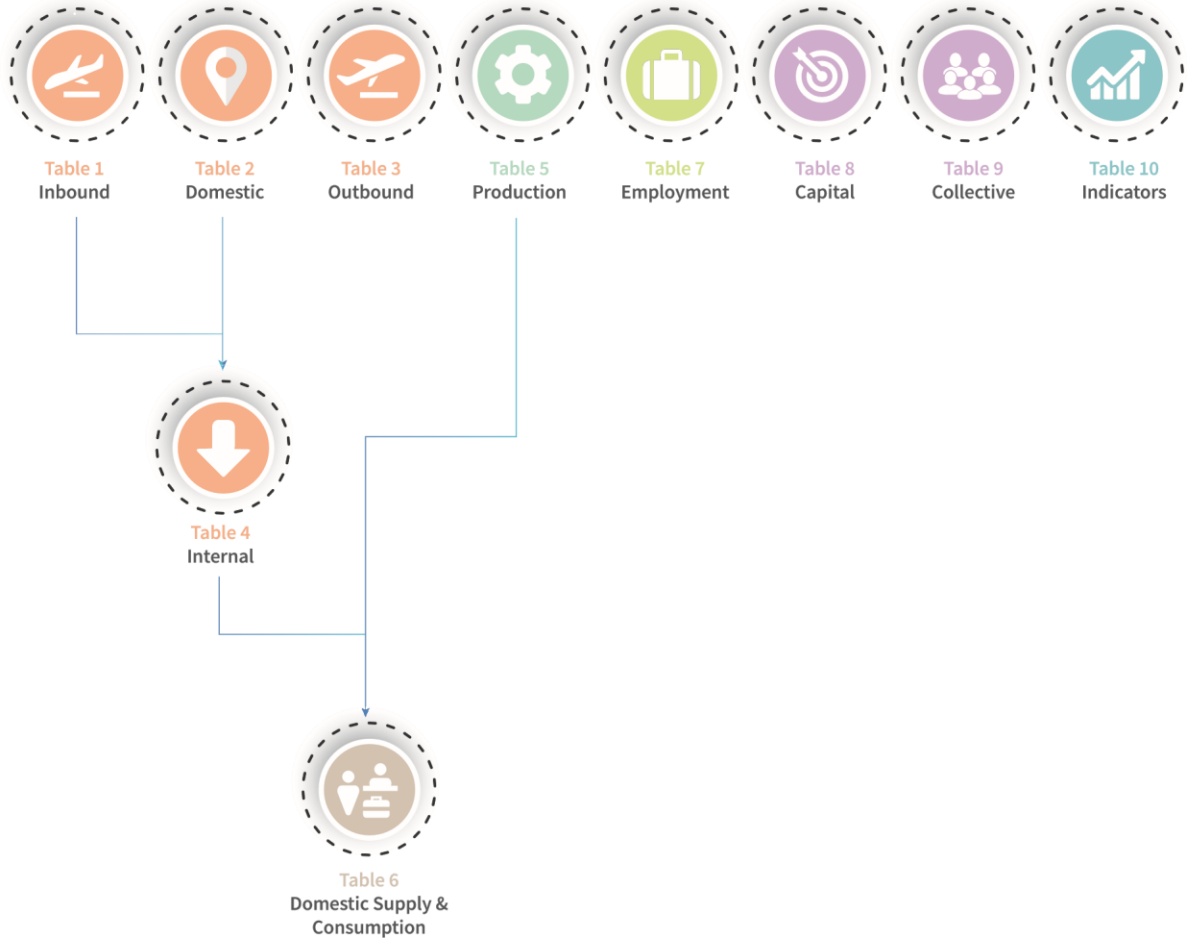
The tourism industry can be identified by measuring the demand for various commodities by visitors in a particular destination. Identified tourism commodities can then be linked to the supply side. The industries that are characteristic of or connected to tourism are then identified through their relative dependence on tourism generated demand.

The UNWTO TSA Recommended Methodological Framework 2008 (RMF 2008) details the compilation of ten (10) tables showing the inter-relationships among the economic variables in the TSA system. The tables are designed to show the TSA variables' interaction and their link with those of the national accounts. The 10 TSA tables are organized in such a way as to present:

- Data on tourism consumption expenditure (in cash) associated with the different forms of tourism (Tables 1 to 3).
- Non-cash transactions occurring within the domestic economy are added to generate internal tourism-consumption aggregates (Table 4).

- These, in turn, are compared to supply in the domestic economy to provide the framework for the development of analysis based on an input-output structure (Tables 5 and 6).
- Tables 7-9 present employment and other variables such as gross fixed capital formation and collective tourism consumption
- Table 10 presents some important non-monetary indicators associated with tourism.

Figure 1.1: Interaction of the TSA variables and their link with those of the National Account



1.4. Overview of TSA Compilation Stages

The compilation of a Tourism Satellite Account (TSA) generally follows several structured stages to ensure accurate measurement of tourism's economic contribution. It begins with data collection and integration, where information is gathered from multiple sources such as visitor surveys, business records, and national accounts. This is followed by classification and harmonization, aligning tourism-related activities with international standards to ensure comparability. Next is the data processing stage, where tourism expenditure is linked to supply and production accounts, allowing analysts to trace how tourism demand affects different sectors of the economy. Afterward, tabulation and analysis are carried out to produce standardized TSA tables that show tourism's impact on GDP, employment, and foreign exchange earnings. TSA Tables 1 to 3 are compiled by aggregating expenditure from inbound, outbound and household based (HBS) surveys. Table 4 is compiled based on Tables 1 to 3. Table 5 is made by recompiling the SNA Supply and Use Tables. The total output of tourism industries in Table 6 is estimated by dividing Table 5 by Tables 1 to 4. By multiplying the input coefficients or value-added coefficients with the total output by industry, each item of gross value added is calculated in Table 6. The input coefficients or value-added coefficients are obtained from the SNA Use Table. As result, the tourism GDP is estimated and published in official reports, and made available for policymakers, investors, and researchers. Together, these stages provide Zanzibar with a reliable framework to understand and maximize the benefits of tourism in its economy.

1.5. Difficulties and Challenges

- One of the main challenges encountered during the compilation of the 2025 Zanzibar Tourism Satellite Account (TSA) was the availability, completeness and quality of data from different sources. The information was collected from various surveys, administrative records and published reports. However, these sources did not always provide information at the same level of detail or use similar definitions and classifications required for TSA compilation. To address these challenges, the available data were reviewed, cleaned, adjusted and harmonized before being used in the TSA. This process helped ensure that information from different sources was consistent and suitable for estimating tourism-related activities. Where current data were not available

for some indicators, estimates were made using related information, available survey results, administrative records and other relevant economic indicators.

- In addition, the compilation followed the TSA methodological framework to ensure that tourism supply and consumption were properly linked. This was important in establishing a balance between the goods and services supplied by different industries and those consumed by tourists. Although some information was not directly available, the estimation approaches applied enabled the compilation of the main TSA tables and the assessment of tourism's direct contribution to Zanzibar's economy.
- Regarding collective consumption by government, the available Government Finance Statistics (GFS) did not provide sufficient detail to separately identify and estimate this component in line with the recommended TSA methodology. Nevertheless, the approach adopted for the 2025 TSA compilation allowed the estimation of the main tourism indicators and tourism's direct economic contribution without separately presenting collective government consumption.
- Furthermore, confidence intervals were not calculated for the 2025 TSA estimates. This was mainly because many of the data sources used were administrative records, routine statistical reporting systems and other existing data sources that did not provide the sampling information required to calculate confidence intervals. Therefore, the quality of the estimates was assessed through data validation, cross-checking information from different sources, reviewing consistency and applying appropriate estimation procedures. The absence of confidence intervals does not necessarily mean that the TSA estimates are unreliable. It means that statistical measures of sampling uncertainty could not be calculated using the available data. Other quality checks, including consistency checks, validation and comparison across data sources, remain important in assessing the reliability of the results.

1.6. System of National Accounts (SNA)

The System of National Accounts (SNA) is the internationally agreed standard set of recommendations on how to compile measures of economic activity. The SNA describes a

coherent, consistent, and integrated set of macroeconomic accounts in the context of a set of internationally agreed concepts, definitions, classifications, and accounting rules.

In addition, the SNA provides an overview of economic processes, recording how production is distributed among consumers, businesses, government, and foreign nations. It shows how income originating in production, modified by taxes and transfers, flows to these groups and how they allocate these flows to consumption, savings, and investment. National accounts are some of the building blocks of macroeconomic statistics that form a basis for economic analysis and policy formulation.

The SNA is intended for use by all countries, having been designed to accommodate the needs of countries at different stages of economic development. It also provides an overarching framework for standards in other domains of economic statistics, facilitating integration of these statistical systems to achieve consistency with the national accounts.

1.7. Supply and Use Tables (SUTs)

A key framework in national economic accounting is the Supply and Use Table (SUT). A complete SUT is the nucleus of the TSA. SUT presents a comprehensive picture of the structure of a country's economy for a given year in terms of the supply and use of (demand for) all goods and services (products). It serves two primary purposes:

i. It is fundamental to establishing the level of GDP.
ii. It plays a key role in economic analysis in which the effects of policy changes and external shocks can be predicted.

SUT framework incorporates all three approaches to measuring GDP:

i. Production approach
ii. Expenditure approach, and
iii. Income approach

Balancing SUTs provides a framework for estimating otherwise unavailable data (filling the gaps) and ensuring consistency between different sources by eliminating discrepancies.

1.8. System of Tourism Statistics

Before a TSA can be constructed, there must be an adequate system of tourism statistics. This is a prerequisite for the preparation of the TSA tables. In most countries, there are challenges in the collection, compilation, and publication of tourism statistics.

1.9. Classifications and Sources of Data

1.9.1. Classifications

The United Nations international classifications, namely the Central Product Classification (CPC version 2) to identify tourism products and the International Standard Industrial Classification of Economic Activities (ISIC revision 4) for tourism activities were applied in this study.

1.9.2. Source of Data

The compilation of tourism employment statistics draws on six principal data sources.

No.	Data source	Main purpose in the estimation
i.	2025 Zanzibar Statistical Abstract	Provides official statistics, including tourism information, for benchmarking and used for validation of the compiled estimates.
ii.	2025 Integrated Household Budget Survey (IHBS)	Provides information on demographic characteristics, education, mobility, domestic tourism, health, clean energy for lighting and cooking, housing, water, sanitation, insurance, identity cards, remittances, climate adaptation, disability, tourism characteristics, time use, and household expenditure. These data support the analysis of domestic tourism and household characteristics relevant to tourism participation and expenditure.
iii.	2025 Tanzania Tourism Sector Survey	Provides information on international visitors through eight exit points, using structured questionnaires to collect visitors' demographic characteristics, travel experiences, and expenditure. The survey primarily supports analysis of

		inbound tourism and visitor expenditure rather than direct measurement of employment in tourism establishments.
iv.	2024 Zanzibar Census of Registration	Provides information on business activities operating at fixed premises and demographic characteristics. Business registration information supports the identification, classification, and validation of establishments, while demographic information can support consistency checks where relevant variables are available.
v.	2024 Integrated Labour Force Survey (ILFS)	Provides information on employment status, sex, occupation, industry, and the distinction between employees and self-employed persons. It supports the classification and validation of employment estimates across tourism industries.
vi.	2025 Spice Farm and Tourism-Related Business Survey	Provides establishment-level information on tourism-related businesses, including business characteristics, employment, and sex-disaggregated staffing, where collected. It serves as a key source for compiling employment estimates in the tourism-related activities covered by the survey.

1.9.3. Reference Compilation Manuals

i. Tourism Satellite Account: Recommended Methodological Framework 2008 (United Nations) (https://unstats.un.org/unsd/publication/seriesf/ seriesf_80rev1e.pdf).

ii. International Recommendations for Tourism Statistics 2008 (United Nations) https://unstats.un.org/unsd/tourism/publications/E-IRTS-Comp-Guide%20 2008%20For%20Web.pdf.

iii. System of National Accounts 2008 (United Nations) (https://unstats.un.org/ unsd/nationalaccount/docs/sna2008.pdf).

1.9.4. Purpose and Objectives of TSA

TSA provides the framework from which a country can determine the activities that are most dependent on tourism, and activities that visitors consume or spent most on. Understanding these relationships allows for stronger linkages to be developed within economies and helps position the tourism industry to contribute more significantly to national development.

The development of a TSA framework has been driven by the recognition that its implementation will serve to:

i. Increase and improve knowledge of tourism's importance concerning overall economic activity in a given country;

ii. Provide a coherent and credible set of tourism accounts that can also be compared internationally across countries;

iii. Develop quantitative estimates of tourism value-added and, thus, analyze the importance of tourism to an economy;

iv. Provide an instrument for designing more efficient policies on tourism and its employment aspects;

v. Identify employment generation in tourism industries and the role tourism plays in job creation for different types of workers;

vi. Create awareness among players directly and indirectly involved in tourism of the economic importance of this activity; and

vii. Overall, TSA provides the basis for applying tourism multipliers and other models to measure the secondary and tertiary impacts of tourism expenditure across the whole economy.

2. METHODOLOGY

2.1. Calculation of Inbound and Outbound Tourism Expenditure by Product

2.1.1. Introduction

This methodological report sets out the approach for estimating inbound tourism expenditure by product for the Zanzibar Tourism Satellite Account (TSA). The methodology is designed to translate expenditure information collected from inbound visitors into aggregate expenditure estimates that are consistent with the number of inbound overnight visitors and the TSA product classification.

The approach combines visitor expenditure information, primarily from the International Visitors Exit Survey, Spice Farm and Tourism Related Activities Survey and administrative data, with official visitor arrival statistics. The resulting estimates are intended to provide a systematic basis for compiling inbound tourism consumption by product.

2.1.2. Objectives

- Estimate total inbound tourism expenditure for each relevant tourism product.
- Ensure that expenditure reported by sampled visitors is appropriately scaled to the total inbound overnight visitor population.
- Provide transparent and reproducible formulas for TSA compilation.
- Distinguish expenditure on standard TSA tourism-characteristic products from Zanzibar country-specific tourism goods and services.
- Provide a methodological basis for reconciliation with the supply side and other TSA tables.

2.1.3. Conceptual and Statistical Framework

Inbound tourism expenditure refers to expenditure by non-resident visitors within Zanzibar during their trip. The estimation should be based on the expenditure concept, reference population, and product classification adopted for the TSA. Care should be taken to exclude expenditure that does not represent tourism consumption in Zanzibar, such as expenditure outside the territory or items outside the TSA consumption boundary.

The primary estimation principle is to derive a representative average expenditure per visitor for each product and multiply it by the corresponding population of visitors. Where the survey

contains sampling weights, the weighted mean should be used rather than an unweighted mean.

2.1.4. General Estimation Method

The basic estimator for product p is:

$$\mathbf{TE_p = V_p \times AE_p}$$

Where:

TE_p = estimated total inbound tourism expenditure on product p; V_p = estimated number of inbound overnight visitors who consumed product p; and AE_p = average expenditure per relevant visitor on product p.

The average expenditure per relevant visitor is calculated as:

$$\mathbf{AE_p = \Sigma(w_i \times E_{ip}) / \Sigma(w_i), \text{ for visitors with } E_{ip} > 0}$$

Where E_{ip} is the expenditure reported by visitor i on product p and w_i is the survey weight for visitor i. If no survey weights are available, the arithmetic mean may be used, provided the sample is representative.

If the survey estimates expenditure for all sampled visitors, including zero expenditure, the equivalent formulation is TE_p = V × mean expenditure per visitor, where the mean includes zero expenditure observations. This is preferable when the objective is to estimate expenditure for the full visitor population. When a conditional mean among consumers is used, the number of consuming visitors must be estimated separately.

2.1.5. Visitor Population and Participation Rates

The total inbound overnight visitor population should be obtained from official immigration, tourism arrival, or other agreed administrative statistics. The population must correspond to the same reference period and geographic coverage as the survey.

For products not consumed by all visitors, the methodology should not automatically multiply average expenditure among consumers by all visitors. Instead, either of the following equivalent approaches should be used:

- Population approach: $TE_p = V \times P_p \times AE_p|\text{consumer}$, where P_p is the proportion of visitors consuming product p.

- All-visitor approach: $TE_p = V \times AE_p|$all visitors, where zero expenditure is retained for non-consumers.

The second approach is generally preferred where the microdata permit zero expenditure to be retained because it directly estimates average expenditure across the complete visitor population.

2.1.6. Product-Specific Estimation Methodology

Accommodation

Recommended formula: TE_accom = V_overnight × AE_accom

Use the average accommodation expenditure per relevant inbound overnight visitor. If the survey expenditure refers to the full stay, ensure that the visitor population and survey reference period are consistent. Day visitors should be excluded where accommodation is not applicable.

Food and Beverage

Recommended formula: TE_F&B = V × AE_F&B

Estimate average expenditure on food and beverage serving services. If expenditure is collected separately for hotels, restaurants, cafés and other establishments, aggregate the relevant products before applying the TSA classification.

Road Passenger Transport

Recommended formula: TE_road = V × P_road × AE_road|consumer

Use the number/proportion of inbound visitors who consumed road passenger transport services. Alternatively, retain zero expenditure observations and use the all-visitor mean.

Water Passenger Transport

Recommended formula: TE_water = V × P_water × AE_water|consumer

Apply to visitors who used water passenger transport services, such as relevant ferry or boat passenger services, subject to the TSA product boundary. Excursions that are tourism experiences rather than passenger transport should be classified separately where appropriate.

Air Passenger Transport

Recommended formula: $TE_{air} = V \times P_{air} \times AE_{air|consumer}$

Use expenditure attributable to passenger air transport services within the defined TSA boundary. Avoid double counting international transport components already treated under the agreed TSA treatment.

Rental of Transport Equipment

Recommended formula: $TE_{rental} = V \times P_{rental} \times AE_{rental|consumer}$

Estimate expenditure by visitors renting vehicles or other transport equipment. Include only the rental service component and apply the agreed treatment for fuel, drivers and other separately purchased services.

Travel Agencies and Other Reservation Services

Recommended formula: $TE_{agency} = V \times P_{agency} \times AE_{agency|consumer}$

Use expenditure paid for travel agency, tour operator, booking and related reservation services that fall within the TSA classification. Package-tour expenditure should be decomposed where possible to avoid double counting other products.

Cultural Services

Recommended formula: $TE_{cultural} = V \times P_{cultural} \times AE_{cultural|consumer}$

Include admission fees and other payments for museums, heritage sites, cultural performances and other services classified as cultural services. Zanzibar-specific cultural experiences should be classified consistently with the country-specific service list.

Sports and Recreation Services

Recommended formula: $TE_{recreation} = V \times P_{recreation} \times AE_{recreation|consumer}$

Estimate expenditure on sports, recreation and leisure services. Where a specific activity is already classified under another tourism-characteristic service, it should not also be counted as a country-specific service.

2.1.7. Country-Specific Tourism Characteristic Goods

Country-specific tourism characteristic goods are goods that are particularly relevant to Zanzibar's tourism activity and are identified for the country-specific component of the TSA. The list should be validated against the Zanzibar product classification, visitor expenditure data and the supply-use framework.

i. Spices and spice products
ii. Traditional handicrafts
iii. Kanga/Kitenge and other locally produced textiles
iv. Locally produced artwork
v. Coconut-based products
vi. Seaweed-based products
vii. Zanzibar-themed souvenirs
viii. Locally produced jewellery and ornaments
ix. Other locally produced cultural products

For each country-specific good g:

$TE_g = V \times P_g \times AE_{g|consumer}$

Where expenditure is measured for all visitors with zero expenditure retained, the equivalent formula is $TE_g = V \times AE_{g|all\ visitors}$. The product should be recorded at the appropriate Zanzibar SUT/product-code level to support supply-use balancing.

2.1.8. Country-Specific Tourism Characteristic Services

Country-specific tourism characteristic services should capture services that are particularly associated with Zanzibar's tourism offering and that are not already fully represented in the standard international TSA service categories. Classification should avoid double counting with transport, accommodation, food and beverage, travel agency, cultural, and sports/recreation services.

i. Spice farm tourism services
ii. Dhow and traditional boat excursion services
iii. Marine and island excursion services
iv. Dolphin-watching services

v. Community/village tourism services
vi. Local cooking and culinary experience services
vii. Traditional arts and craft experience services
viii. Seaweed farm tourism services
ix. Zanzibar-specific wellness/traditional spa services

For each country-specific service s:

$TE_s = V \times P_s \times AE_{s|consumer}$

Where the survey mean is calculated across all visitors, including zero expenditure, use $TE_s = V \times AE_{s|all\ visitors}$. Participation rates should be used when the average is conditional on visitors who consumed the service.

2.1.9. Data Sources

Data source	Main use	Methodological consideration
International Visitor Exit Survey	Visitor expenditure, product participation, trip characteristics	Use survey weights where available; retain zero expenditure for non-consumers when estimating all-visitor means.
Official visitor/immigration statistics	Total inbound overnight visitors	Match reference period, residence concept and geographic coverage with the survey.
IHBS 2025 data	Domestic expenditure/context and supporting benchmarks	Use where relevant to product expenditure and national accounts reconciliation.
2025 Spice Farm Survey and related activities surveys	Spice tourism and related country-specific activities	Use to identify expenditure components and validate visitor spending estimates including. i. Zanzibar-Specific Tourism Characteristic Goods ii. Zanzibar-Specific Tourism Characteristic Services
Tourism establishment/enterprise surveys	Supply-side validation	Use to cross-check turnover, prices, output and product composition.
Administrative records	Site admissions, transport and other activity data	Assess coverage, valuation and possible duplication before use.

2.1.10. Treatment of Package Tours and Bundled Expenditure

Package expenditure requires particular attention because a single payment may cover accommodation, food, transport, excursions, guiding and other services. Wherever possible, the total package value should be allocated across its constituent products using respondent information, supplier data, package composition, or other reliable allocation ratios. The same expenditure should not be recorded in more than one product.

2.1.11. Treatment of Expenditure by Residence and Trip Type

The inbound tourism expenditure estimate should include expenditure by non-resident visitors whose trip meets the agreed inbound tourism definition. Visitors should be classified consistently by country of residence rather than nationality where the TSA framework requires residence. Overnight visitors and same-day visitors should be treated separately when their expenditure patterns or population totals differ.

2.1.12. Price and Valuation Considerations

Expenditure should be measured at the valuation adopted for the TSA compilation. The reference period should be clearly stated. Where expenditure is reported in foreign currency, amounts should be converted using the agreed exchange-rate methodology. If the TSA is compiled at current prices, the estimates should be valued at current-period prices; constant-price analysis should be undertaken separately using the appropriate deflators.

2.1.13. Quality Assurance and Validation

- Check that the visitor population used in each calculation corresponds to the survey reference period.
- Check survey weights, missing values, zero expenditure and extreme expenditure observations.
- Compare estimated expenditure per visitor with previous TSA periods and relevant tourism indicators.
- Cross-check major products against establishment turnover, administrative records and supply-side estimates.
- Check for double counting between standard tourism products and country-specific products/services.

- Reconcile the product estimates with total inbound tourism expenditure and the relevant TSA tables.
- Document all adjustments, imputation procedures, allocation ratios and assumptions.

2.1.14. Recommended Master Formula

For consistency across all products, the formula is:

$TE_p = V \times P_p \times AE_{p|consumer}$

where V is the total inbound visitor population, P_p is the estimated proportion of visitors consuming product p, and $AE_{p|consumer}$ is the weighted average expenditure among consumers of p.

An equivalent and often preferable microdata formulation is:

$TE_p = V \times [\Sigma(w_i E_{ip}) / \Sigma(w_i)]$

In this formulation, all sampled visitors are included and non-consumers have expenditure equal to zero. This avoids the need to estimate participation separately and should be preferred when the survey design and weights support a representative all-visitor estimate.

2.1.15. Summary of Formulas Used in Compilation

Product group	Recommended estimator	Key population
Accommodation	$V_{overnight} \times AE_{accommodation}$	Inbound overnight visitors
Food & Beverage	$V \times P_{F\&B} \times AE_{F\&B\|consumer}$	Visitors consuming F&B services
Road transport	$V \times P_{road} \times AE_{road\|consumer}$	Visitors using road passenger transport
Water transport	$V \times P_{water} \times AE_{water\|consumer}$	Visitors using water passenger transport
Air transport	$V \times P_{air} \times AE_{air\|consumer}$	Visitors using applicable air services
Transport equipment rental	$V \times P_{rental} \times AE_{rental\|consumer}$	Visitors renting transport equipment
Travel agencies/reservation	$V \times P_{agency} \times AE_{agency\|consumer}$	Visitors using agency/reservation services
Cultural services	$V \times P_{cultural} \times AE_{cultural\|consumer}$	Visitors consuming cultural services
Sports & recreation	$V \times P_{recreation} \times AE_{recreation\|consumer}$	Visitors consuming recreation services
Country-specific goods	$V \times P_{good} \times AE_{good\|consumer}$	Visitors purchasing each good
Country-specific services	$V \times P_{service} \times AE_{service\|consumer}$	Visitors consuming each service

2.2. Estimation of Tourism Indicators from the Integrated Household Budget Survey

2.2.1. Background and Purpose

The Integrated Household Budget Survey (IHBS) provides an important household-based source for measuring residents' tourism participation, travel characteristics and expenditure. This methodology establishes a direct approach for deriving three key indicators: (i) tourists' average length of stay by nights using survey weights; (ii) tourists' expenditure per night and total expenditure using weighted survey data; and (iii) domestic tourism expenditure by product.

The methodology is designed for Zanzibar's Tourism Satellite Account (TSA) and links IHBS microdata to aggregate tourism indicators. All estimates should use the final survey weights applicable to the relevant unit of analysis.

2.2.2. Conceptual Scope

Domestic tourism refers to residents travelling within the statistical territory covered by the Zanzibar TSA and consuming tourism-related goods and services domestically. Outbound tourism refers to residents travelling outside that territory. Expenditure incurred abroad should therefore not be included in domestic tourism expenditure.

Where the IHBS contains both domestic and outbound trips, the trip type and destination should be used to separate the two populations. The same weighting principles can be applied to outbound trips to produce a separate outbound tourism estimate.

2.2.3. Unit of Analysis and Weighting

The preferred unit is the individual qualifying tourism trip. If the IHBS collects information at household level, household travel records should remain at household level unless the questionnaire supports a reliable person/trip conversion.

Weighted Total = $\Sigma(w_i \times X_i)$

Where w_i is the final IHBS survey weight and X_i is the variable being aggregated. Weighted estimates should be calculated after data cleaning and editing.

2.2.4. Indicator 1: Tourists' Average Length of Stay by Nights

a. Definition

Average length of stay is the weighted average number of nights spent on qualifying overnight tourism trips.

Average Length of Stay = $\Sigma(w_i \times Nights_i) / \Sigma(w_i)$

The denominator should contain only the weighted overnight tourists or trips included in the numerator. Same-day visitors should not be included in an overnight average.

- Identify qualifying domestic overnight tourism trips.
- Check arrival/departure dates and reported nights for consistency.
- Apply the final IHBS weight to each eligible trip.
- Calculate weighted tourist-nights as $\Sigma(w_i \times Nights_i)$.
- Calculate the weighted number of overnight tourists/trips as Σw_i.
- Divide weighted tourist-nights by the weighted number of overnight tourists/trips.

2.2.5. Indicator 2: Tourists' Expenditure per Night and Total Expenditure

a. Total Weighted Expenditure

Total Tourism Expenditure = $\Sigma(w_i \times E_i)$

E_i is total tourism expenditure reported for trip i. Only expenditure belonging to the defined domestic tourism population should be included.

b. Average Expenditure per Tourist/Trip

Average Expenditure per Tourist = $\Sigma(w_i \times E_i) / \Sigma(w_i)$

c. Expenditure per Tourism-Night

Expenditure per Tourist-Night = $\Sigma(w_i \times E_i) / \Sigma(w_i \times Nights_i)$

This direct ratio is preferred to taking an unweighted average of individual expenditure-per-night values. It correctly gives the aggregate expenditure per weighted tourist-night.

d. Reconciliation

Total Expenditure = Expenditure per Tourist-Night × Total Weighted Tourist-Nights

The reconstructed total should reconcile with the direct weighted total, subject to rounding and documented adjustments.

2.2.6. Indicator 3: Domestic Tourism Expenditure by Products

Domestic tourism expenditure by product should be calculated directly from the expenditure items reported in the IHBS. Each expenditure item should first be mapped to the appropriate TSA product.

$$\textbf{Domestic Tourism Expenditure}_p = \Sigma(w_i \times E_{i,p})$$

Where $E_{i,p}$ is expenditure by tourist/trip i on product p. Direct weighted aggregation is the preferred production method because it avoids unnecessary assumptions about participation and average expenditure.

a. Recommended TSA Product Groups

- Accommodation services
- Food and beverage serving services
- Road passenger transport
- Water passenger transport
- Air passenger transport
- Transport equipment rental
- Travel agencies and other reservation services
- Cultural services
- Sports and recreation services
- Country-specific tourism characteristic goods
- Country-specific tourism characteristic services
- Other tourism-related products where supported by the TSA classification

b. Product-Level Average and Participation

$$\textbf{Average Product Expenditure}_p = \Sigma(w_i \times E_{i,p}) / \Sigma(w_i)$$

This is an average across all qualifying tourists when zero expenditure is retained for non-consumers.

Average Product Expenditure among Users = $\Sigma(w_i \times E_{i,p}) / \Sigma(w_i)$, for $E_{i,p} > 0$

Participation Rate$_p$ = $\Sigma(w_i \times I_{i,p}) / \Sigma(w_i)$

$I_{i,p}$ equals 1 when tourist/trip i consumed or purchased product p and 0 otherwise. If an average is calculated only among users, the participation rate must be applied when reconstructing the total.

Total Product Expenditure$_p$ = Weighted Tourists × Participation Rate$_p$ × Average Expenditure among Users

This is equivalent to direct weighted aggregation when all components are calculated from the same population. For final TSA estimates, direct aggregation of reported expenditure is recommended.

2.2.7. Domestic versus Outbound Tourism

Trip type	Domestic tourism expenditure	Outbound tourism expenditure
Domestic trip	Include qualifying expenditure incurred within the TSA statistical territory.	Not applicable.
Outbound trip	Do not include expenditure incurred abroad in domestic tourism expenditure.	Include in a separate outbound tourism estimate where captured by IHBS.
Domestic component of an outbound trip	Include only where it is clearly a qualifying domestic tourism consumption item and falls within the adopted TSA boundary.	Keep separately identifiable from expenditure abroad.

For Zanzibar, the treatment of travel between Zanzibar and Mainland Tanzania should follow the statistical boundary adopted for Zanzibar's national accounts and TSA. This boundary should be documented before final aggregation.

2.2.8. Package Tours and Group Expenditure

a. Identify whether expenditure was paid as a package.
b. Record the package payment once.
c. Where reliable information exists, allocate the package value to accommodation, transport, food, recreation and other products.
d. Ensure allocated components sum to the original package value.
e. Do not add both the package total and its allocated components.

2.2.9. Data Cleaning and Editing

a. Check reported nights against travel dates.
b. Identify and resolve negative, impossible or duplicate expenditure values.
c. Distinguish zero expenditure from missing expenditure.
d. Check that the same payment is not reported under multiple products.
e. Identify extreme values and verify whether they are genuine.
f. Apply survey weights after required cleaning/editing.
g. Document all imputations and adjustments.

2.2.10. Recommended Calculation Sequence

a. Identify IHBS tourism records and define eligible domestic overnight trips.
b. Separate domestic and outbound trips.
c. Apply final survey weights.
d. Calculate weighted tourists and weighted tourist-nights.
e. Calculate average length of stay.
f. Calculate weighted total expenditure and expenditure per tourist.
g. Calculate expenditure per tourist-night.
h. Map expenditure items to TSA products.
i. Aggregate weighted expenditure by product.
j. Calculate product participation rates and user averages where required.
k. Reconcile product totals with total domestic tourism expenditure.
l. Document exclusions, package allocations and boundary treatment.

2.2.11. Recommended Output Table

Indicator	Formula	Unit	Population	Weight
Weighted domestic tourists	Σw	Persons	Qualifying tourists	IHBS final weight
Weighted tourist-nights	$\Sigma(w \times \text{nights})$	Nights	Overnight tourists	IHBS final weight
Average length of stay	$\Sigma(w \times \text{nights})/\Sigma w$	Nights	Overnight tourists	IHBS final weight
Total tourism expenditure	$\Sigma(w \times E)$	TZS	Qualifying trips	IHBS final weight
Average expenditure per tourist	$\Sigma(w \times E)/\Sigma w$	TZS/tourist	Qualifying trips	IHBS final weight
Expenditure per tourist-night	$\Sigma(w \times E)/\Sigma(w \times \text{nights})$	TZS/night	Overnight trips	IHBS final weight
Product expenditure	$\Sigma(w \times E_p)$	TZS	Qualifying trips	IHBS final weight

2.2.12. Quality Assurance and Reconciliation

a. The sum of mutually exclusive product expenditure should reconcile with total tourism expenditure, allowing for documented exclusions.
b. Weighted tourist-nights should reconcile with the number of tourists and average length of stay.
c. Expenditure per tourist-night multiplied by weighted tourist-nights should reconcile with total expenditure.
d. Compare estimates by region, district, purpose of trip and visitor characteristics.
e. Compare IHBS results with available tourism surveys and administrative data.
f. Investigate large changes caused by questionnaire, weighting, coverage or reference-period changes.
g. Maintain an audit trail from IHBS variables to final TSA estimates.

2.2.13. Key Methodological

a. Use final IHBS survey weights for all population and expenditure estimates.
b. Calculate average length of stay from weighted tourist-nights.
c. Calculate expenditure per tourist-night directly from weighted total expenditure divided by weighted tourist-nights.
d. Calculate domestic tourism expenditure by direct weighted aggregation of product expenditure.
e. Use participation rates only when averages are conditional on users or when reconstructing totals from user-only averages.

f. Keep expenditure incurred abroad separate from domestic tourism expenditure.
g. Use one consistent TSA product classification and avoid package-tour double counting.

2.3. Employment in Zanzibar's Tourism Industries, 2025

2.3.1. Introduction

This part of report presents the methodology used to compile employment statistics for Zanzibar's tourism Settilite Accounts 2025. The analysis focuses on the number of establishments, total jobs, employment by sex, and the distribution of jobs between employees and self-employed persons across tourism-related industries.

The methodology integrates information from official statistical publications, household surveys, labour force statistics, visitor surveys, business registration records, and tourism-related business surveys. These sources provide complementary information for assessing employment in tourism-related activities and strengthening the evidence base for Zanzibar's Tourism Satellite Account (TSA).

The estimates are intended to support tourism policy development, employment planning, gender analysis, and assessment of the contribution of tourism industries to Zanzibar's economy.

2.3.2. Data sources and their applications

The compilation of tourism employment statistics draws on six principal data sources. These sources have different statistical purposes and coverage. They should therefore be integrated through a documented source hierarchy rather than combined by simply adding their reported figures.

2.3.3. Scope and classification of tourism industries

The employment estimates cover the tourism industries presented in the compilation table:

i. Accommodation services for visitors.
ii. Food- and beverage-serving industry.
iii. Railway passenger transport.
iv. Road passenger transport.
v. Water passenger transport.
vi. Air passenger transport.

vii. Transport equipment rental.
viii. Travel agencies and other reservation services.
ix. Cultural industry.
x. Sports and recreational industry.
xi. Retail trade of country-specific tourism-characteristic goods.
xii. Country-specific tourism industries.

The classification should be consistent with the tourism industry framework adopted for Zanzibar's TSA compilation, taking into account the International Recommendations for Tourism Statistics and relevant industrial classifications.

Establishments should be assigned to industries according to their principal economic activities and the classification applied in the source data. Where a business operates multiple activities, the compilation should avoid assigning the same employment to more than one industry.

2.3.4. Methodology for compiling tourism employment statistics

i. Data assessment

The first stage involves obtaining the relevant datasets and published statistics from the six identified sources. Each source is assessed in terms of its reference period, geographical coverage, industry classification, unit of measurement, employment variables, sex disaggregation, establishment coverage, and survey design.

The 2025 Spice Farm and Tourism-Related Business Survey provides establishment-level employment information for the businesses covered. The 2024 Census of Registration supports establishment identification and validation, while the ILFS provides complementary information on employment characteristics and status.

The Zanzibar Statistical Abstract provides an official reference for checking the consistency of the estimates. The IHBS provides complementary information on household while Tourism Sector Survey gives outbound characteristics, visitor characteristics, inbound tourism, and tourism expenditure. Their use in employment estimation depends on whether the relevant employment variables are available in the underlying datasets.

ii. Data cleaning and harmonization

Data cleaning was conducted using multiple data sources to identify and correct errors, check for missing observations, review inconsistencies, standardize industry descriptions, and harmonize sex and employment-status categories. The process involved cross-checking information from the Spice Farm and Tourism-Related Business Survey, the 2016 Zanzibar Census of Registration, the 2024 Zanzibar Census of Registration, and the Integrated Labour Force Survey (ILFS). These sources were used to validate and reconcile employment data, improve consistency across datasets, and ensure that employment estimates for Tourism Satellite Accounts products were as representative and reliable as possible, based on the available data.

iii. Compilation of establishment numbers

The number of establishments is compiled by tourism products using the most appropriate source for the relevant activity.

The Spice Farm and Tourism-Related Business Survey and the 2024 Zanzibar Census of Registration provide the primary information for establishments covered by its scope. The Zanzibar Statistical Abstract is used to validate the establishment counts and identify possible coverage gaps. Where the business survey covers only a sample of establishments, the survey design and appropriate establishment weights was applied.

iv. Compilation of employment by sex

Employment information is compiled separately for males and females within each tourism industry. Establishment-level records provide the basis for aggregating reported employment across the businesses covered by the survey.

The Integrated Labour Force Survey (ILFS) is used as a complementary data source to assess employment patterns across different TSA products, by sex, and by employment status. It provides information on the distribution of the workforce across economic activities, helping to identify the extent of employment in tourism-related industries. The ILFS also serves as a reference source for cross-checking tourism employment estimates against broader labour market statistics to assess their consistency, plausibility, and representativeness of the actual labour market situation.

This comparison helps identify potential data gaps or discrepancies and improves the reliability of employment estimates used in tourism-related economic analysis.

The IHBS may provide additional information on household economic activities and tourism participation where relevant variables are available. However, household and visitor statistics should not be treated as direct measures of establishment employment unless the underlying data explicitly support that interpretation.

v. Classification by employment status

The employment data are divided into employees and self-employed persons using the employment-status information available in the source datasets. The data sources provide establishment-level staffing information and ILFS supports the interpretation and harmonization of employment-status categories.

The employee and self-employed categories are mutually exclusive and collectively consistent with the total employment reported in the table. Male and female employment within each status category are checked against the corresponding industry totals to ensure consistency.

vi. Integration and validation of data sources

The different datasets are integrated according to their relevance to the indicators being compiled.

- Direct employment information: Establishment-level employment records from the 20 25 Spice Farm and Tourism-Related Business Survey are used for the activities cove red.
- Establishment identification and validation: The 2024 Census of Registration and 202 5 Zanzibar Statistical Abstract support the review of establishment coverage and indu stry classification.
- Employment characteristics: The 2024 ILFS provides complementary evidence on se x, industry, and employment status.
- Household and domestic tourism characteristics: The 2025 IHBS provides contextual and supplementary information where relevant employment or tourism variables are available.

- International visitor characteristics: The 2025 Tanzania Tourism Sector Survey supports the analysis of inbound visitors and their travel expenditure. Its information is not used as a direct employment measure unless linked to an appropriate employm ent dataset through a documented estimation procedure.

The integration process adding together statistics that represent overlapping populations or different statistical units. Establishment counts, jobs, employed persons, and international visitors are distinct indicators and compiled separately.

2.3.5. Quality assurance and validation

Quality assurance is undertaken to ensure that the estimates are internally consistent, comparable across industries, and supported by the available source data. The main validation procedures include:

a) Consistency by sex: Male and female employment figures reconciled with the reported total employment for each industry.
b) Consistency by employment status: Employee and self-employed totals reconciled with total employment where these categories cover the entire workforce represented in the table.
c) Establishment validation: Establishment counts reviewed against the business survey, registration records, and relevant official statistics, taking account of differences in coverage and reference periods.
d) Reference-period consistency: Information collected in 2024 distinguished from observations collected in 2025. Any adjustments made to estimate 2025 values should be documented.

2.3.6. Review of the reported employment results

The supplied table reports 4,972 establishments and 32,530 jobs across the listed tourism industries. Of the reported jobs, **13,911** are classified as employee jobs and **18,619** as self-employed jobs.

The table also reports 20,207 male jobs and 12,325 female jobs. These figures indicate the importance of examining both paid employment and self-employment when assessing tourism's role in the Zanzibar labour market.

Before publication, the following discrepancies identified in the supplied table should be resolved.

The reported overall totals reconcile arithmetically by sex and employment status. However, the industry-level discrepancies need to be corrected before the figures are considered final.

2.3.7. Limitations of the methodology

The estimates depend on the coverage, quality, and definitions of the underlying datasets. The 2025 business survey may not cover all informal or small-scale tourism activities, while business registration data may exclude establishments operating without fixed premises or businesses that are not formally registered.

The use of 2024 data alongside 2025 data may also introduce differences in reference periods. These differences should be considered when interpreting the results.

Furthermore, household surveys, labour force surveys, establishment surveys, and visitor surveys measure different populations and statistical units. Their estimates are not directly interchangeable. The IHBS and Tourism Sector Survey primarily provide household and visitor information, respectively, and may only be used to estimate employment where the required variables and estimation procedures are available.

Where data are missing or incomplete, estimates may be subject to uncertainty. Such limitations clearly communicated, and any indirect estimates distinguished from directly observed figures.







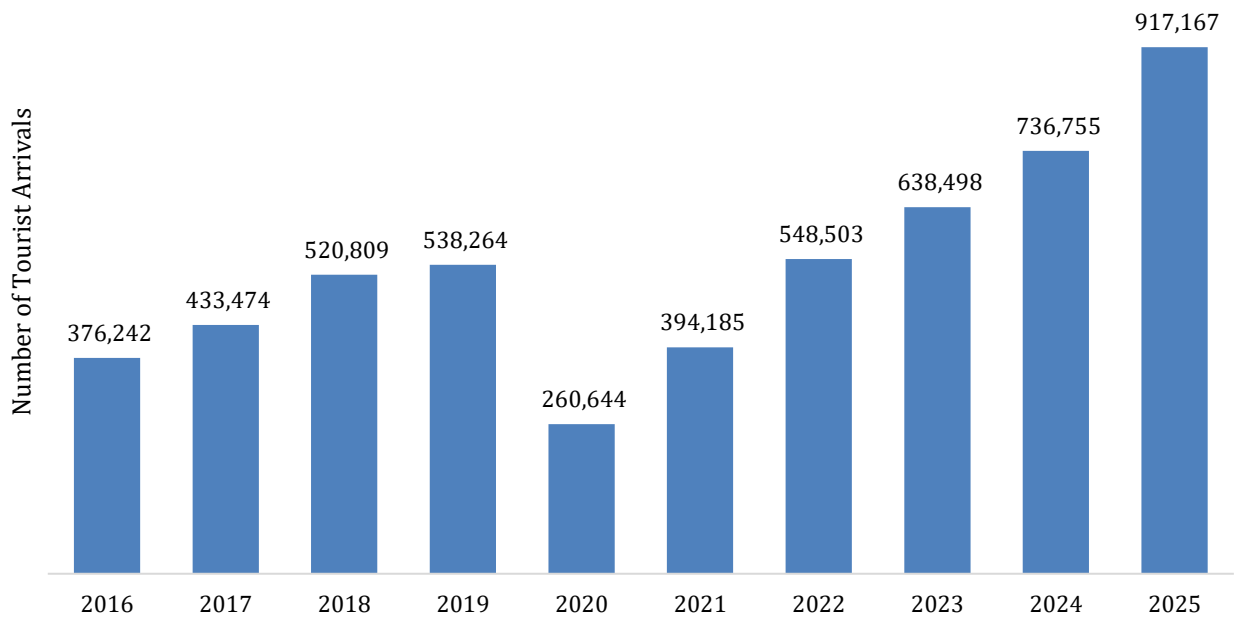
3. Tourist Satellite Account Tables

3.1. TSA Table 1: Inbound Tourism

3.1.1. Introduction

The data shows an overall upward trend in reported tourist arrivals between 2016 and 2025, despite a major decline in 2020 that was resulted by Covid-19. The number of arrivals increased from **376,242 in 2016** to **538,264 in 2019**, reflecting sustained growth. However, arrivals fell sharply to **260,644 in 2020**, a decline of approximately **51.6%** from 2019, representing the lowest level recorded for a decade. From 2021 onwards, the sector experienced a strong recovery, with arrivals increasing from **394,185 in 2021** and reaching a peak of **917,167 in 2025**. The 2025 figure represents an increase of approximately **24.5%** compared with 2024 (Figure 3.1).

Figure 3.1: Total Number of Reported Visitor Arrivals 2016 - 2025



Tourism expenditure data used in this report were obtained from 2025 Tanzania Tourism Sector Survey which is conducted among departing international visitors at selected airports and border exit points during the survey period. Abeid Aman Karume International Airport is among the exit point where the data were collected. The random sampling method is used to

collect information among the departing international visitors. In 2025, a total of **3,260** departing visitors were interviewed in Abeid Aman Karume International Airport.

The data collection was carried out during the peak tourism season in August 2025 to ensure that survey records the representative sample of visitors. All responses were carefully edited, and consistency check were performed prior to analysis. To estimate earnings, survey results were populated using Tourist Expenditure Model, together with total number of tourist arrival recorded in 2025. The Office of Chief Government Statistician (OCGS) performed a detailed computation and analysis of expenditures by populating interviewed sample using 917,167 visitor arrivals who entered Zanzibar in 2025. Edited data was processed by Census and Survey Processing System (CS Pro) and Statistical Package for Social Scientists (SPSS) software programs.

3.1.2. Purpose of visit (2025)

Total of 917,167 visitors were recorded in 2025. Holiday and leisure were the leading purpose of visit, accounting for 910,647 visitors (99.29%). Visiting friends and relatives (VFR) accounted for 4,762 visitors (0.52%), while 1,561 visitors (0.17%) travelled for other purposes. Business recorded the lowest number, with only 197 visitors (0.02%). These figures show that visitor arrivals were mainly driven by holiday and leisure tourism, while business travel and other purposes accounted for very small shares of total arrivals.



3.1.3. Purpose of visit by country of residence (2025)

In 2025, holiday and leisure were the main purpose of visit across all countries of residence, with the highest number recorded in the Others European category (222,630), followed by Italy (103,808) and Others African Country (107,049). For business travel, Others African Country recorded the highest number of visitors (39), closely followed by China (36) and Others European (35). Visiting friends and relatives (VFR) was highest in the Others European category (984), followed by Others African Country (809). Similarly, visitors travelling for other purposes were highest in the Others European category (581), followed by Others African Country (188). Overall, the figures show that holiday and leisure dominated visitor arrivals across countries of residence, while business, VFR, and other purposes accounted for much smaller numbers (Table 3.1).

Table 3.1: Number of Visitors by Purpose of visit and country of residence (2025)

Country of Residence	Holiday & leisure	Business	VFR	Others	Total
United States	39,034	11	283	72	**39,400**
United Kingdom	52,994	25	227	78	**53,324**
Italy	103,808	2	368	102	**104,280**
France	70,901	25	288	77	**71,291**
Netherlands	32,372	2	203	39	**32,616**
Germany	70,299	2	220	100	**70,621**
Spain	21,436	0	175	7	**21,618**
South Africa	39,661	6	267	36	**39,970**
Switzerland	11,821	0	60	23	**11,904**
Australia	7,459	0	32	4	**7,495**
United Arab Emirates	5,663	0	12	0	**5,675**
Canada	10,019	0	47	18	**10,084**
Denmark	9,166	0	48	7	**9,221**
Belgium	12,776	4	78	17	**12,875**
China	18,182	36	140	52	**18,410**
Others African Country	107,049	39	809	188	**108,085**
Others European	222,630	35	984	581	**224,230**
Others Asian Country	64,359	10	470	125	**64,964**
Others American Country	10,946	0	51	35	**11,032**
Not stated	72	0	0	0	**72**
Total	**910,647**	**197**	**4,762**	**1,561**	**917,167**

Source: Zanzibar Statistical Abstract 2025

3.1.4. Visitor's Nights

Data from Table 3.2 shows that tourists who visiting friends and relatives stayed the longest (8 nights), followed by those who came for other purposes (7 nights). Visitors who came for leisure and holidays, and those who came for business have the least average nights spent (6 nights each). Tourists from other European countries recorded the longest stay for leisure and holidays (8.1 nights). In the case of leisure and holiday, tourists from other European countries and other American countries had the highest average nights spent (8 nights each). Under business tourists from German had the highest average nights spent (10 nights). Tourists from Belgium stayed the longest when visiting friends and relatives (12 nights), while visitors from France recorded the longest stay for other purposes (13 nights). Overall, the length of stay varied depending on both the tourists' country of residence and their purpose of visit.

Table 3.2: Tourists 'average length of stay by nights (weighted), 2025

Country of residence	Leisure and holiday	Business	Visiting friends and relatives	Other
United States	5	5	6	6
United Kingdom	7	3	7	6
Italy	7	0	7	8
France	7	2	8	13
Netherlands	7	0	7	10
Germany	7	10	8	8
Spain	6	1	10	0
South Africa	7	4	10	5
Switzerland	6	0	0	0
Australia	5	0	6	4
United Arab Emirates	4	0	0	0
Canada	5	9	5	5
Denmark	7	0	0	0
Belgium	7	0	12	2
China	6	30	0	27
Others African Country	7	6	8	9
Others European	8	10	10	7
Others Asian Country	5	0	9	8
Others American Country	8	0	0	5
Total	**6**	**6**	**8**	**7**

Source: The 2025 Tanzania Tourism Sector Survey

3.1.5. Visitors Expenditure

The total expenditure data shows that leisure and holiday tourists are the largest spender, accounting for nearly half of visitor spending (TZS 1,413,717 million) in 2025. This highlights the central role of tourism as the backbone of Zanzibar's visitor economy. The "Other" category also represents a very high share (TZS 1,632,660 million), suggesting that many visitors are spending for diverse reasons beyond traditional tourism, business, or family visits possibly linked to education, medical services, or transit activities. Those who visiting friends and relatives spent TZS 327,368 million, while business travel spent TZS 285,779 million, indicating that conference-related visits remain relatively limited. Overall, the data emphasizes that leisure and holiday tourism is the dominant driver of expenditure (Table 3.3).

Table 3.3: Visitors' Total expenditure (Weighted in Million) by Purpose of Visit and Country of Residence, 2025

Country of Residence	Leisure and holiday	Business	Visiting friends and relatives	Other	Grand total expenditure
United States	28,709	0	50,255	35,006	113,970
United Kingdom	26,133	0	50,429	48,339	124,901
Italy	18,862	0	27,166	70,267	116,295
France	22,226	4,590	0	103,059	129,875
Netherlands	17,146	0	0	128,479	145,625
Germany	30,910	10,481	6,990	170,645	219,026
Spain	23,532	0	0	192,260	215,792
South Africa	19,228	39,799	69,350	65,526	193,903
Switzerland	34,261	0	0	23,956	58,217
Australia	32,238	0	3,029	31,061	66,328
United Arab Emirates	22,885	0	0	0	22,885
Canada	23,971	0	0	0	23,971
Denmark	613	0	0	0	613
Belgium	14,574	0	0	92,340	106,914
China	14,826	124,733	0	46,087	185,647
Others African Country	51,351	48,701	62,582	303,398	466,032
Others European	412,062	57,474	39,399	273,047	781,983
Others Asian Country	350,095	0	18,168	26,105	394,367
Others American Country	270,096	0	0	23,084	293,179
Total	**1,413,717**	**285,779**	**327,368**	**1,632,660**	**3,659,524**

Source: The 2025 Tanzania Tourism Sector Survey

3.1.6. Breakdown of Visitors expenditure

Inbound tourist expenditure was proportionally broken down into several categories depending on spending intensity (Table 3.4). In 2025, overnight visitors in Zanzibar spent most of their money on accommodation, which made up 44.5 percent of total expenditure. A large portion of 41.2 percent, went to other consumption products, showing tourists also spent heavily on general goods and services. Overall, accommodation and general consumption dominated tourism expenditure, while transport and specialized services played a minor role.

Table 3.4: Proportion of Tourism Expenditure by Consumption Products and Category of Visitors, 2025

Products	Tourists (overnight visitors) -1.1	Excursionists (same-day visitors) -1.2	Visitors (1.3) = (1.1) + (1.2)
A. Consumption products (*)	0	0	0
A.1. Tourism characteristic products	0	0	0
1. Accommodation services for visitors	0	0	0
1.a. Accommodation services for visitors Other than 1.b	44.5	0	44.5
1.b. Accommodation services associated With All types of vacation home ownership	0	0	0
2. Food- and beverage-serving services	8.2	0	8.2
3. Railway passenger transport services	0.0	0	0.0
4. Road passenger transport services	2.0	0	2.0
5. Water passenger transport services	0.3	0	0.3
6. Air passenger transport services	1.4	0	1.4
7. Transport equipment rental services	0.0	0	0.0
8. Travel agencies and other reservation services	0.0	0	0.0
9. Cultural services	0.1	0	0.1
10. Sports and recreational services	0.1	0	0.1
11. Country-specific tourism characteristic goods	0.2	0	0.2
12. Country-specific tourism characteristic services	2.0	0	2.0
A.2. Other consumption products (a)	41.2	0	41.2
B. Non-consumption products	0.0	0	0.0
B.1. Valuables	0.0	0	0.0
B.2. Other non-consumption products (***) (a) ©	0.0	0	0.0
Total	**100.0**	**0**	**100.0**

Inbound tourists spent a total of TZS 3,659,524.03 million in Zanzibar in 2025. The largest amount of expenditure of about TZS 1,629,436 million was spent on accommodation services (Table 3.5).

Table 3.5: Breakdown of estimated inbound tourism expenditure, 2025 (TZS million)

Products	Tourists (overnight visitors) -1.1
A. Consumption products (*)	
A.1. Tourism characteristic products	
1. Accommodation services for visitors	
1.a. Accommodation services for visitors Other than 1.b	1,629,436.07
1.b. Accommodation services associated With All types of vacation home ownership	0
2. Food- and beverage-serving services	300,495.83
3. Railway passenger transport services	0
4. Road passenger transport services	72,057.41
5. Water passenger transport services	10,860.10
6. Air passenger transport services	51,202.32
7. Transport equipment rental services	228.64
8. Travel agencies and other reservation services	1,206.85
9. Cultural services	1,919.95
10. Sports and recreational services	3,702.50
11. Country-specific tourism characteristic goods	6,508.69
12. Country-specific tourism characteristic services	74,004.52
A.2. Other consumption products (a)	1,507,901.16
B. Non-consumption products	0
B.1. Valuables	0
B.2. Other non-consumption products (***) (a) ©	0
Total	**3,659,524.03**



Inbound Tourism



3.1.7. Inbound Tourism Demand

Inbound tourism demand in Zanzibar refers to the flow of international visitors entering the islands, primarily for leisure and holiday purposes. Over recent years, Zanzibar has experienced a steady rise in arrivals, with Europe remaining the dominant source market, especially countries such as Italy, France, Germany, Poland and the United Kingdom. This strong demand is largely driven by Zanzibar's reputation as a premier Indian Ocean destination, offering pristine beaches, cultural heritage, and unique attractions. In 2025, the data show that majority of inbound tourists (99.3 percent) visit for holiday and leisure, while business and visiting relatives account for a very small share which is less than one percent.

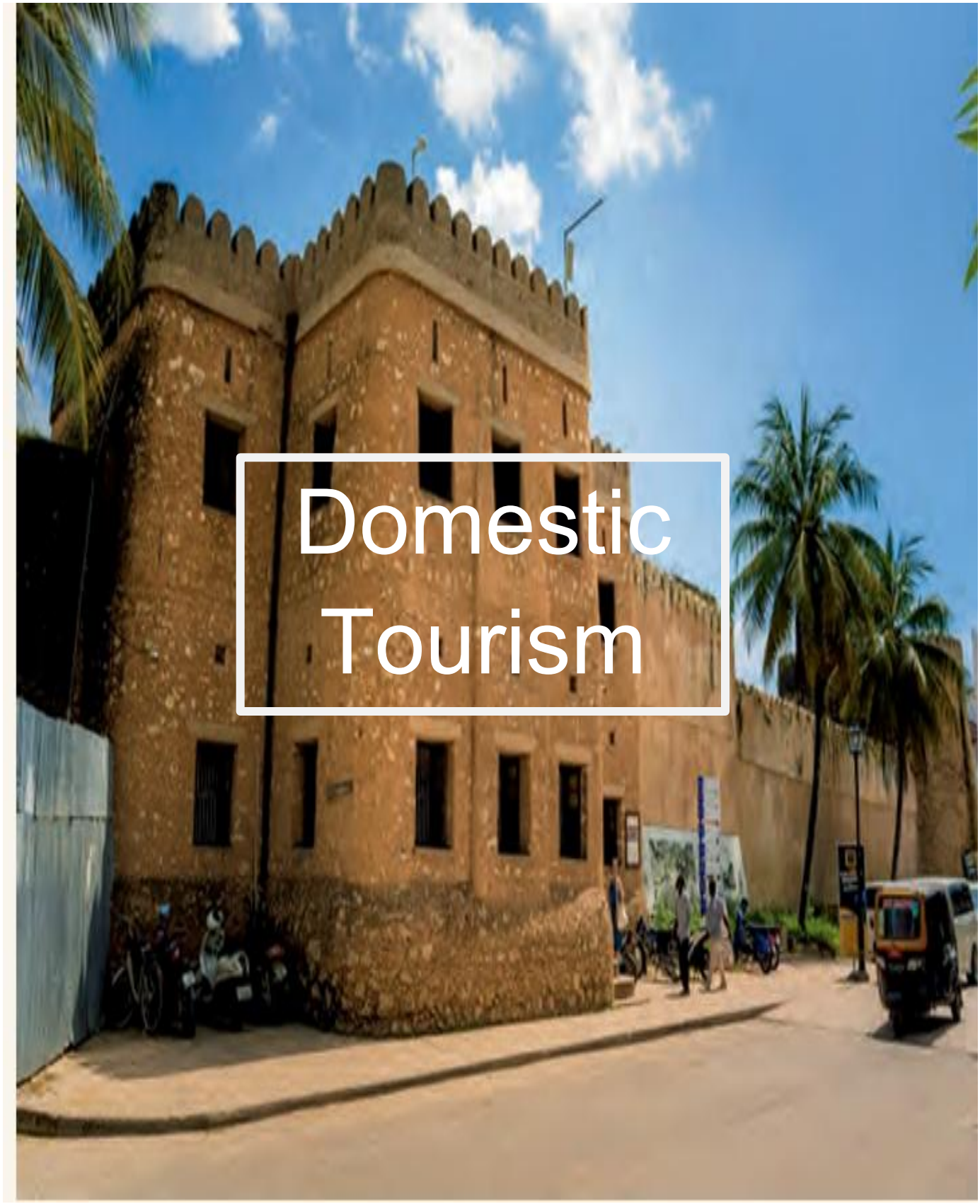
Air travel is the main entry point, with most visitors (91.2%) arriving through Zanzibar's international airport, while seaport and cruise arrivals remain relatively minor (8.8%). Average length of stay was 7.7 nights, reflecting Zanzibar's appeal as a week-long getaway. The growing demand highlights both opportunities and challenges: while the tourism sector benefits from strong inflows, it must address issues of seasonality, infrastructure capacity, and diversification of products to sustain growth. Overall, inbound tourism demand in Zanzibar demonstrates the islands' increasing global visibility and their reliance on leisure-driven international markets.

Table 3.6 (TSA Table 1) presents tourism expenditure by inbound international visitors. The inbound tourism expenditure is classified by-products, classes of visitors, and types of trips. It is also an input into TSA Table 4 (internal tourism expenditure) made up from inbound tourism expenditure from TSA Table 1 and domestic tourism expenditure from TSA Table 2.

Table 3.6: TSA Table 1 - Inbound tourism expenditure by products and classes of visitors, 2025 (TZS million)

Products	Tourists (overnight visitors) - 1.1	Excursionists (same-day visitors) -1.2	Visitors (1.3) = (1.1) + (1.2)
A. Consumption products (*)			
A.1. Tourism characteristic products			
1. Accommodation services for visitors			
1.a. Accommodation services for visitors Other than 1.b	1,629,436.1		1,629,436.1
1.b. Accommodation services associated With All types of vacation home ownership	0.0		0.0
2. Food- and beverage-serving services	300,495.8		300,495.8
3. Railway passenger transport services			
4. Road passenger transport services	72,057.4		72,057.4
5. Water passenger transport services	10,860.1		10,860.1
6. Air passenger transport services	51,202.3		51,202.3
7. Transport equipment rental services	228.6		228.6
8. Travel agencies and other reservation services	1,206.8		1,206.8
9. Cultural services	1,920.0		1,920.0
10. Sports and recreational services	3,702.5		3,702.5
11. Country-specific tourism characteristic goods	6,508.7		6,508.7
12. Country-specific tourism characteristic services	74,004.5		74,004.5
A.2. Other consumption products (a)	1,507,901.2		1,507,901.2
B. Non-consumption products			
B.1. Valuables			
B.2. Other non-consumption products (***) (a) ©			
Total	**3,659,524.0**		**3,659,524.0**

Source: Zanzibar TSA Technical Committee


Domestic
Tourism

3.2. TSA Table 2: Domestic Tourism

3.2.1. Introduction

Domestic tourism in Zanzibar refers to the travel activities undertaken by residents of Tanzania within Zanzibar for leisure, cultural, social, or business purposes. Unlike inbound tourism, which is driven by international arrivals, domestic tourism is shaped by local demand and often reflects cultural traditions, family visits, and participation in national events. Domestic tourism also strengthens community ties, promotes appreciation of Zanzibar's heritage, and supports small-scale businesses in rural and urban areas. Moreover, it contributes to inclusive economic growth by ensuring that the benefits of tourism are not limited to foreign markets but also extend to local populations. As Zanzibar continues to diversify its tourism offerings, domestic tourism is increasingly recognized as a strategic pillar for resilience, cultural preservation, and sustainable development

3.2.2. Zanzibar Integrated Households Budget Survey

Household Budget Survey (HBS) data helps measure domestic tourism expenditure in the Tourism Satellite Account (TSA) by showing how residents spend money when crossing from one residential district to another district within the country. The survey records household spending on transport, accommodation, food, and recreation. From this information, analysts can separate the portion linked to tourism activities within the country. In short, HBS data provides the evidence needed to estimate how much locals spend on tourism, making it possible to include domestic tourism in the TSA.

3.2.3. Length of Stay by Nights (Sample -weighted)

Residents traveling from one district to another for tourism-related purposes differ of their average length of stay depending on the purpose of their trip. Those travelling for entertainment and holidays stayed the shortest, averaging 8.1 nights, while business visitors stayed slightly longer at 9.6 nights. Visiting to friends and relatives were more extended, averaging 11.1 nights, reflecting the social nature of such trips. The longest stays were recorded under the "others" category, with an average of 30.9 nights, indicating that certain non-standard purposes kept visitors for much longer periods. Overall, leisure and business trips were relatively short, while social and other visits contributed to significantly longer durations (Table 3.7).

Table 3.7: Tourists' Average Length of Stay by Nights, 2025 (Sample Weighted)

District	Entertainment and Leisure or Holidays			Business			Visiting Friends or Relatives			Others		
	Visitors	Total Night	Average night	Visitors	Total Night	Average night	Visitors	Total Night	Average night	Visitors	Total Night	Average night
Kaskazini A	1,139	12,736	11.2	1,554	4,492	2.9	8,280	117,725	14.2	4,849	101,045	20.8
Kaskazini B	609	9,996	16.4	422	3,438	8.1	7,420	61,154	8.2	2,942	58,412	19.9
Kati	1,581	24,286	15.4	1,030	12,262	11.9	20,897	164,929	7.9	3,930	52,910	13.5
Kusini	8,724	34,951	4.0	2,904	2,080	0.7	41,759	143,996	3.4	4,323	37,265	8.6
Mjini	9,981	61,899	6.2	1,874	6,950	3.7	26,640	228,191	8.6	7,253	123,131	17.0
Magharibi A	5,921	33,780	5.7	1,860	14,517	7.8	36,492	380,174	10.4	10,198	228,045	22.4
Magharibi B	18,400	100,835	5.5	3,800	36,327	9.6	33,822	242,082	7.2	13,025	304,588	23.4
Wete	7,608	90,912	11.9	430	5,101	11.9	17,302	358,206	20.7	6,643	332,174	50.0
Micheweni	2,014	35,176	17.5	931	20,363	21.9	12,866	263,868	20.5	13,155	767,324	58.3
Chake Chake	2,139	36,555	17.1	1,063	28,537	26.9	15,819	371,902	23.5	6,667	257,878	38.7
Mkoani	4,701	65,061	13.8	709	25,794	36.4	22,089	375,778	17.0	4,950	148,991	30.1
Total	**62,816**	**506,186**	**8.1**	**16,577**	**159,862**	**9.6**	**243,387**	**2,708,007**	**11.1**	**77,936**	**2,411,762**	**30.9**

Source: The 2025 Zanzibar Household Budget Survey

3.2.4. Breakdown of Domestic visitor expenditure

The distribution of domestic tourism expenditure in 2025 was highly concentrated in the other products category, which accounted for 65.5 percent of total expenditure, making it the largest component of domestic tourism spending. This was followed by water passenger transport services, which represented 18.5 percent, indicating the significant role of sea transport in domestic travel. Expenditure on food and beverage-serving services accounted for 6.3 percent, while accommodation services contributed 3.8 percent. The remaining products were less spent by domestic tourists. Overall, domestic tourism expenditure was mainly directed towards other tourism-related expenses and transport services (Table 3.8).

Table 3.8: Domestic tourism expenditure by products, 2025 (TZS millions)

Products	Total expenditure of overnight domestic visitors (TZS)	Proportion of expenditure by product
Accommodation services for visitors	4,498.9	3.8
Food- and beverage-serving services	7,474.8	6.3
Railway passenger transport services	0	0
Road passenger transport services	3,945.5	3.3
Water passenger transport services	21,909.3	18.5
Air passenger transport services	2,984.5	2.5
Travel agencies and other reservation services	0.0	0.0
Cultural services	2.2	0.0
Sports and recreational services	9.9	0.0
Country-specific tourism characteristic goods	140.9	0.1
Other	77,736.8	65.5
Total	**118,702.9**	**100.0**

Source: The 2025 Zanzibar Household Budget Survey and TSA Technical Committee Estimates

3.2.5. Domestic Tourism Demand

Table 3.9 (TSA Table 2) focuses on domestic tourism expenditure by products, classes of visitors, and types of trips. It is an input into TSA Table 4 (internal tourism expenditure) that combines inbound tourism expenditure from TSA Table 1 and domestic tourism expenditure from TSA Table 2.

Table 3.9: (TSA Table 2) Domestic tourism expenditure by products, classes of visitors and types of trips, 2025 (TZS Million)

Products	Domestic Tourism Expenditure								
	Domestic trips (**)			Outbound trips (**)			All types of trips		
	Tourists (overnight visitors) -2.1	Same-day visitors -2.2	Visitors (2.3) = (2.1) + (2.2)	Tourists - (overnight	Same-day visitors -2.5	Visitors (2.6) = (2.4) + (2.5)	Tourists (overnight visitors) -(2.7) = (2.1) +(2.4)	Same-day visitors (2.8) =	Visitors (2.9) = (2.3) + (2.6)
A. Consumption products (*)	118,702.9	0	118,702.9	-	-	-	118,702.9	0	118,702.9
A.1. Tourism characteristic products	40,966.1	0	40,966.1	-	-	-	40,966.1	0	40,966.1
1. Accommodation services for visitors	4,498.9	0	4,498.9	-	-	-	4,498.9	0	4,498.9
1.a. Accommodation services for visitors other than 1.b	**4,498.9**	0	**4,498.9**	-	-	-	**4,498.9**	0	**4,498.9**
1.b. Accommodation services associated with all types of vacation home ownership		0		-	-	-		0	
2. Food- and beverage-serving services	**7,474.8**	0	**7,474.8**	-	-	-	**7,474.8**	0	**7,474.8**
3. Railway passenger transport services		0		-	-	-		0	
4. Road passenger transport services	3,945.5	0	3,945.5	-	-	-	3,945.5	0	3,945.5
5. Water passenger transport services	21,909.3	0	21,909.3	-	-	-	21,909.3	0	21,909.3
6. Air passenger transport services	2,984.5	0	2,984.5	-	-	-	2,984.5	0	2,984.5
7. Transport equipment rental services		0		-	-	-		0	
8. Travel agencies and other reservation services		0		-	-	-		0	
9. Cultural services	2.2	0	2.2	-	-	-	2.2	0	2.2
10.Sports and recreational services	9.9	0	9.9	-	-	-	9.9	0	9.9
11. Country-specific tourism characteristic goods	140.9	0	140.9	-	-	-	140.9	0	140.9
12.Country-specific tourism characteristic services		0		-	-	-		0	
A.2.Other consumption products (a)	77,736.8	0	77,736.8	-	-	-	77,736.8	0	77,736.8
B. non-consumption products		0		-	-	-		0	
B.1.Valuables		0		-	-	-		0	
B.2.Other non-consumption products (***) (a) (c)	0.0	0	0.0	-	-	-	0.0	0	0.0
Total	118,702.9	0	118,702.9	-	-	-	118,702.9	0	118,702.9

Source: The 2025 Zanzibar Household Budget Survey and TSA Technical Committee Estimates


Outbound
Tourism

3.3. TSA Table 3: Outbound Tourism

3.3.1. Introduction

Outbound tourism refers to the movement of residents travelling outside its economic territory for purposes such as leisure, business, education, medical treatment, religious activities, and visiting friends and relatives. Outbound tourism in Zanzibar refers to the movement of Zanzibar residents travelling outside the islands to other destinations within Tanzania or abroad. As living standards, connectivity, and travel opportunities continue to expand, more residents are undertaking trips beyond Zanzibar, contributing to increased outbound travel expenditure. Understanding outbound tourism is important for policymakers, tourism planners, and researchers, as it provides insights into travel patterns, destination preferences, and the economic impact of residents' spending outside Zanzibar. Furthermore, outbound tourism statistics support evidence-based planning and help assess the balance between domestic, inbound, and outbound tourism activities within the broader tourism sector. Data on outbound tourism was obtained and derived from 2025 Zanzibar Household Budget Survey.

3.3.2. Visitor Nights

The average number of nights spent by member of households who travelled outside Zanzibar was 9 nights. Visitors who travelled to Congo had the longest average length of stay at 30. Those who travelled to India, Thailand, United Arab Emirates and Zambia recorded the least average length of stay of 3 days each (Table 3.10).

Table 3.10:Tourists' total and average length of stay – weighted, 2025

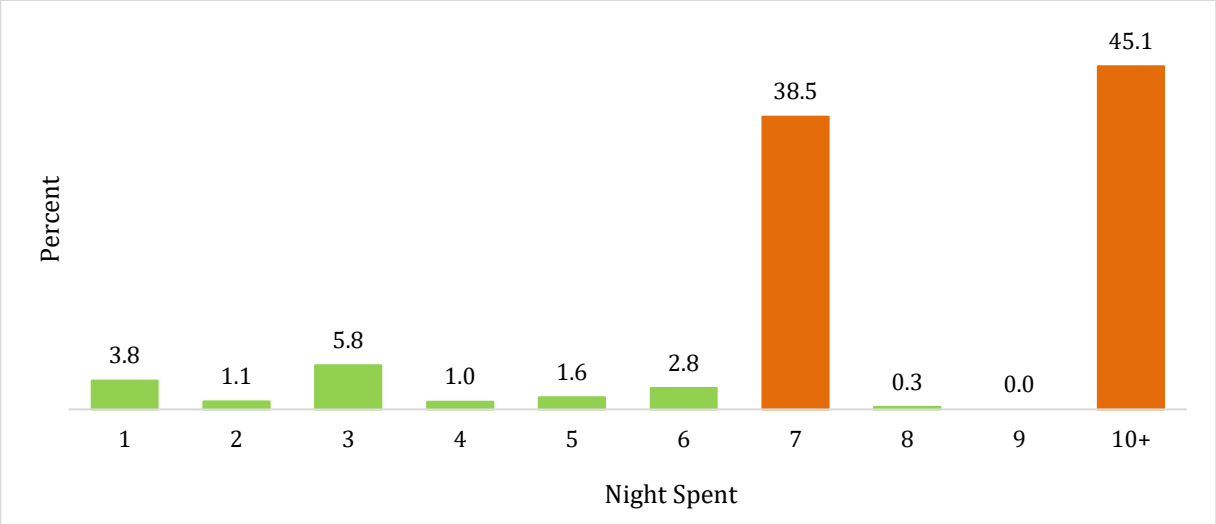
Country visited	Total night	Average night spent
Armenia	271	4
Azerbaijan	1,492	5
China	10,573	7
Comoros	2,751	10
Congo	2,079	30
Congo {Democratic Rep}	1,153	10
India	3,286	3
Israel	1,912	11
Kenya	69,201	19
Malaysia	1,106	7
Oman	10,804	7
Saudi Arabia	25,477	8
South Africa	857	7
South Sudan	1,025	6
Thailand	351	3
Turkey	2,929	16
Turkmenistan	1,295	15
Uganda	3,238	8
United Arab Emirates	5,766	3
United Kingdom	284	7
Venezuela	895	21
Zambia	104	3
Total	**147,686**	**9**

Source: The 2025 Zanzibar Household Budget Survey

Majority of household members who made trips outside the country spent either 7 nights (38.5%) or 10 nights and above (45.1%) during their trip. Together, these two categories account for 83.6% of all reported nights spent, indicating that most household members preferred relatively longer stays.

In contrast, only a small proportion of respondents reported shorter stays, including 2 nights (1.1%), 4 nights (1.0%), 5 nights (1.6%), or 8 nights (0.3%). The findings suggest that extended stays were more common among household members, with the highest concentration observed among those spending ten or more nights away from home (Figure 3.2).

Figure 3.2: Percentage distribution of night spent by household members, 2025



Source: The 2025 Zanzibar Household Budget Survey and Zanzibar TSA Technical Committee Estimates

3.3.3. Visitor Expenditure

Table 3.11 shows that transport accounted for the largest share of outbound tourism expenditure, with a total expenditure of TZS 63,587 million, far exceeding all other spending categories. This is equivalent to 62.3 percent of the total expenditure, indicating that transportation was the most significant cost incurred by household members during outbound trips. The 'Others' category ranked second, contributing TZS 19,877 million (19.5%). Shopping recorded the lowest expenditure, with TZS 1,844 million (1.8%). Overall, the findings suggest that transportation was the dominant expenditure item among household members undertaking outbound trips.

Table 3.11:Total and Average Expenditure of Household Members that Made Outbound Trips, 2025

Type of Activity	Total Expenditure (TZS Mil.)	Average expenditure (TZS mil.)
Food and Beverage	4,135	367,934
Accommodation	3,113	276,966
Transport	63,587	5,657,505
Shopping	1,844	164,086
Entertainment	9,422	838,278
Others	19,877	1,768,516

Source: The 2025 Zanzibar Household Budget Survey and Zanzibar TSA Technical Committee Estimates

3.3.4. Breakdown of Visitor expenditure

The tourist expenditure was proportionally broken down into several categories based on survey estimation (Table 3.12). The data show that more than half (61.4 percent) of the total outbound expenditure was spent on air and water transport services. Only 4.1 percent of the expenditure was spent on food and beverage serving services.

Table 3.12: Breakdown of estimated international outbound tourism expenditure 2019

Products	Overnight visitors Weighted Expenditure (%)	same-day visitors Weighted Expenditure (%)
A. Consumption products (*)	100.0	-
A.1. Tourism characteristic products	78.7	-
1. Accommodation services for visitors	3.1	-
1.a. Accommodation services for visitors other than 1.b	3.1	-
1.b. Accommodation services associated with all types of vacation home ownership	0.0	-
2. Food- and beverage-serving services	4.1	-
3. Railway passenger transport services	0.0	-
4. Road passenger transport services	1.0	-
5. Water passenger transport services	20.8	-
6. Air passenger transport services	40.6	-
7. Transport equipment rental services	0.0	-
8. Travel agencies and other reservation services	0.0	-
9. Cultural services	0.0	-
10. Sports and recreational services	9.2	-
11. Country-specific tourism characteristic goods	0.0	-
12. Country-specific tourism characteristic services	0.0	-
A.2. Other consumption products (a)	21.3	-
Total	**100.0**	**-**

Source: Zanzibar TSA Technical Committee

3.3.5. Outbound tourism expenditure by products and classes of visitors

The table 3.13 shows that total outbound tourism expenditure amounted to TZS 101.977.7 million, entirely attributed to tourist overnight visitors. Tourism characteristic products accounted the highest (TZS 80,256.5 million) equivalent to 78.7 percent of the total expenditure, while other consumption products contributed TZS 21,721.2 million (21.3 percent). This indicates that tourism-related goods and services represented the largest share of outbound tourism spending.

Air passenger transport services recorded the highest expenditure at TZS 41,367.2 million (40.6 percent), followed by water passenger transport services at 21,197.7 million (20.8 percent). Accommodation and food and beverage services accounted for TZS 3,112.9 million and TZS 4,135.3 million, respectively. Overall, the findings indicate that outbound tourism expenditure was largely driven by passenger transport, TSA particularly air and water transport.

Table 3.13: TSA Table 3- Outbound tourism expenditure by products and classes of visitors, 2025 (in millions)

Products	Tourists (overnight visitors) -1.1	Excursionists (same-day visitors) -1.2	Visitors (1.3) = (1.1) + (1.2)
A. Consumption products (*)	101,977.7	-	101,977.7
A.1. Tourism characteristic products	80,256.5	-	80,256.5
1. Accommodation services for visitors	3,112.9	-	3,112.9
1.a. Accommodation services for visitors other than 1.b	3,112.9	-	3,112.9
1.b. Accommodation services associated with all types of vacation home ownership	-	-	-
2. Food- and beverage-serving services	4,135.3	-	4,135.3
3. Railway passenger transport services	-	-	-
4. Road passenger transport services	1,021.7	-	1,021.7
5. Water passenger transport services	21,197.7	-	21,197.7
6. Air passenger transport services	41,367.2	-	41,367.2
7. Transport equipment rental services	-	-	-
8. Travel agencies and other reservation services	-	-	-
9. Cultural services	-	-	-
10. Sports and recreational services	9,421.7	-	9,421.7
11. Country-specific tourism characteristic goods	-	-	-
12. Country-specific tourism characteristic services	-	-	-
A.2. Other consumption products (a)	21,721.2	-	21,721.2
B. Non-consumption products	-	-	-
B.1. Valuables	-	-	-
B.2. Other non-consumption products (***) (a) (c)	-	-	-
Total	**101,977.7**	-	**101,977.7**

Source: Zanzibar TSA Technical Committee Estimates

3.4. Internal tourism consumption

3.4.1. Introduction

Table 3.14 presents other components of tourism consumption in addition to tourism expenditure given in TSA Tables 1 to 2. These components include: (*a*) services associated with vacation accommodation on own account. This includes all imputed accommodation services related to accommodation units on own account and to all other types of vacation home ownership, and expenditure related to their acquisition, that is not capitalized as part of the investment, for instance charges for time-share exchanges; (*b*) tourism social transfers in kind (except refunds).

This includes the value of individual non-market services provided by governments and Non-Profit Institutions Serving Households (NPISH) that benefit visitors and exceed the values paid by the visitors themselves (including costs of museums, performing arts, short-term education, health services provided short term in special establishments, et cetera; and (*c*) other imputed consumption. This includes all other imputed items not previously included, such as services benefiting visitors for which they do not pay (costs of vacation residences or camps provided by producers for the benefit of their employees, financial intermediation services indirectly measured (FISIM) on purchases related to tourism trips, et cetera). These "other" components are captured in the current study (Column 4.2 of TSA Table 4).

3.4.2. TSA Table 4: Internal consumption by product and form of tourism

Table 3.14 shows that total internal tourism expenditure amounted to TZS 3,986,937.6 million, comprising TZS 3,659,524.0 million from inbound tourism and TZS 118,702.9 million from domestic tourism. Inbound tourism accounted for the largest share of expenditure, with accommodation services for visitors recording the highest expenditure among tourism characteristic products, followed by food and beverage-serving services. Other components of tourism consumption amounted to TZS 208,710.7 million mainly by inbound tourists.

Conversion of internal tourism consumption at purchasers' prices to basic prices was derived by deducting margins and taxes (about TZS 51,544.0 million) to obtain TZS 3,935,393.6 million

Table 3.14: TSA Table 4- Internal tourism consumption by products, 2025

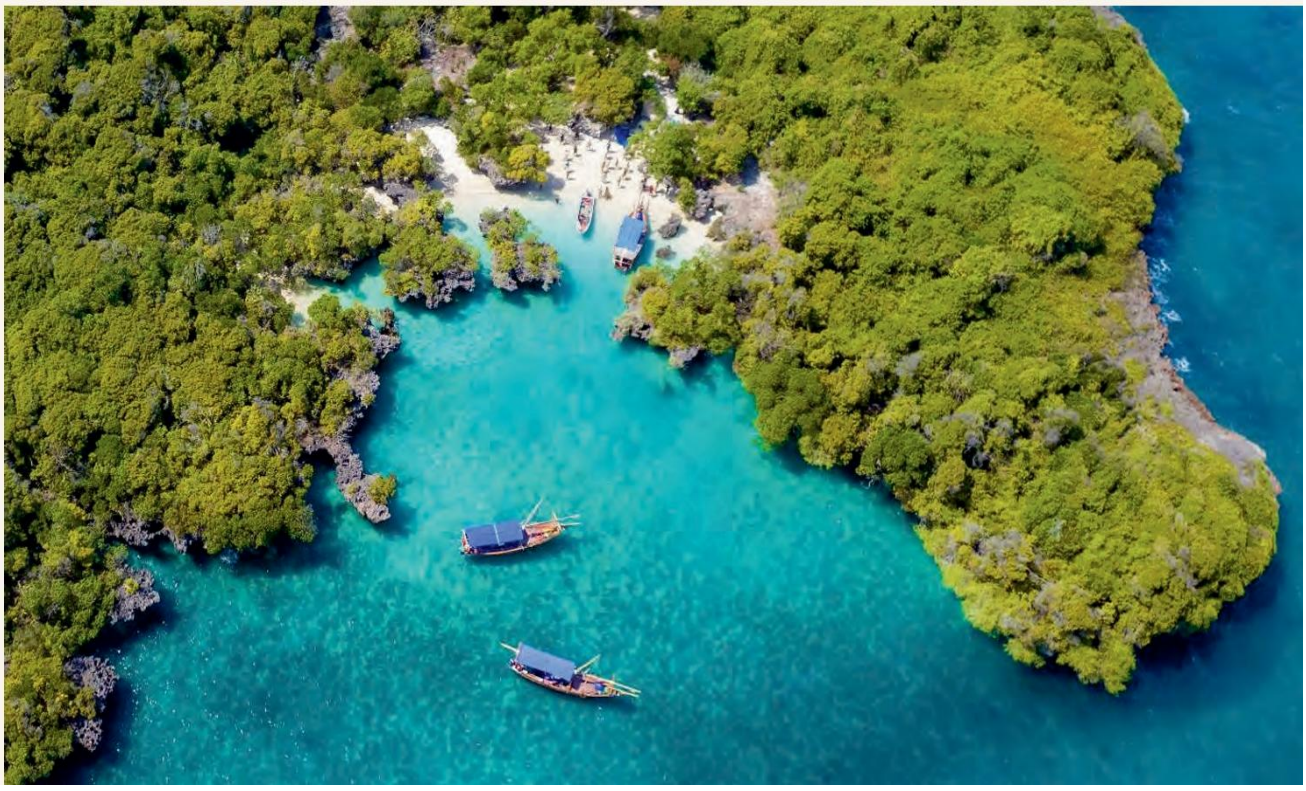
Products	Internal Tourism Expenditure			Other components of tourism consumption (**) -4.2	Internal tourism consumption (4.3) = (4.1) + (4.2)
	Inbound tourism expenditure -1.3	Domestic tourism expenditure -2.3	Internal tourism expenditure (4.1) = (1.3) + (2.3)		
A. Consumption products (*)					
A.1. Tourism characteristic products					
1. Accommodation services for visitors					
1.a. Accommodation services for visitors other than 1.b	1,629,436.1	4,498.9	1,633,935.0	19,607.2	1,653,542.2
1.b. Accommodation services associated with all types of vacation home ownership	-	-	-	-	-
2. Food- and beverage-serving services	300,495.8	7,474.8	307,970.7	6,159.4	314,130.1
3. Railway passenger transport services	0.0	0.0	0.0		0.0
4. Road passenger transport services	72,057.4	3,945.5	76,002.9	83.6	76,086.5
5. Water passenger transport services	10,860.1	21,909.3	32,769.4	1,638.5	34,407.8
6. Air passenger transport services	51,202.3	2,984.5	54,186.8	-	54,186.8
7. Transport equipment rental services	228.6	-	228.6	194.3	423.0
8. Travel agencies and other reservation services	1,206.8	-	1,206.8	-	1,206.8
9. Cultural services	1,920.0	2.2	1,922.2	0.2	1,922.4
10. Sports and recreational services	3,702.5	9.9	3,712.5	74.2	3,786.7
11. Country-specific tourism characteristic goods	6,508.7	140.9	6,649.6	538.6	7,188.2
12. Country-specific tourism characteristic services	74,004.5	0.0	74,004.5	5,994.4	79,998.9
A.2. Other consumption products (a)	1,507,901.2	77,736.8	1,585,638.0	174,420.2	1,760,058.2
B. Non-consumption products	-	-	-	-	-
B.1. Valuables	-	-	-	-	-
B.2. Other non-consumption products (***) (a) (c)	-	-	-	-	-
Total	**3,659,524.0**	**118,702.9**	**3,778,227.0**	**208,710.7**	**3,986,937.6**

Source: Zanzibar TSA Technical Committee

(*) The value of A. Consumption products is net of the gross service charges paid to travel agencies, tour operators and other reservation services

(a) If relevant and feasible, countries should separately identify both components (“tourism connected products” and “non-tourism related consumption prod-ucts”). In both cases, goods and services should be separately identified, if possible (see para. 4.15).





4. TSA Table 5: Tourism Supply

4.1. Introduction

Tourism supply refers to the goods and services produced by industries to meet domestic tourism consumption demand. It represents the supply-side component of the Tourism Satellite Account (TSA). The information on tourism supply is derived partly from the Supply and Use Tables of the National Accounts and partly from the Zanzibar Statistical Abstract 2025.

4.2. Tourism Characteristic Industries

Supply is reported for the following main industries:

- Accommodation services for visitors
- Road passenger transport
- Food and beverage serving industries
- Water passenger transport
- Air passenger transport
- Travel agencies
- Sports and recreation
- Culture, et cetera

Other activities were classified as ‘other industries’ and ‘outside the tourism industries’.

4.3. Production Accounts

TSA Table 5 presents the production accounts of tourism characteristic industries and other industries, showing the output generated, intermediate consumption incurred, and gross value added (GVA) created during the production process. The information is obtained from National Accounts, which provides data on output valued at basic prices and intermediate consumption valued at purchasers’ prices. The difference between output and intermediate consumption represents GVA at basic prices. Where data is available, GVA can further be disaggregated into compensation of employees, gross operating surplus, mixed income, and net taxes on production.

Table 4.1 presents the 2025 production accounts for tourism characteristic industries and other industries in Zanzibar, in accordance with the principles and framework of the System of National Accounts (SNA) 2008. The GVA for individual industries is obtained from the National Accounts tables, while the aggregate GVA for tourism characteristic industries is presented in Appendix 4A. This approach enables tourism-related industries and products to be identified and analyzed within the Tourism Satellite Account (TSA) framework. Industries are classified according to the International Standard Industrial Classification (ISIC), Revision 4, while products are classified using the Central Product Classification (CPC), Version 2.

Table 4.1 illustrates the relationship between output, intermediate consumption, and value added across the different industries. The diagonal pattern highlights the production of corresponding products by the respective industries, while the intermediate consumption row shows the inputs used in the production process. The final column presents value added at basic prices, representing the difference between output and intermediate consumption. In 2025, total output for the overall economy amounted to TZS 12,930,030.1 million at basic prices, while intermediate consumption stood at TZS 4,380,807.4 million, resulting in total value added of TZS 8,549,222.7 million. The production results for tourism characteristic industries and other industries are presented in Table 4.1.



Table 4.1: TSA Table 5 – Production Accounts of Tourism Related Industries, 2025 (TZS Millions)

Products	1. Accommodation for Visitors (5.1)	1.a. Accommodation Services for visitors except 1.b (5.1a)	1.b. Accommodation services associated with all types of vacation homeownership	2. Food- and beverage-serving industry (5.2)	3. Railway passenger transport (5.3)	4. Road passenger transport (5.4)
A. Consumption products (*)						
A.1.Tourism characteristic products						
1. Accommodation services for visitors						
1.a Accommodation services for visitors other than 1.b	1,769,214.9	1,769,214.9	-	-	-	-
1.b Accommodation services associated with all types of vacation homeownership	-	-	-	-	-	-
Food- and beverage-serving services	-	-	-	370,411.17	-	-
Railway passenger transport services	-	-	-	-	-	-
Road passenger transport services	-	-	-	-	-	473,492.37
Water passenger transport services	-	-	-	-	-	-
Air passenger transport services	-	-	-	-	-	-
Transport equipment rental services	-	-	-	-	-	-
Travel agencies and other reservation services	-	-	-	-	-	-
Cultural services	-	-	-	-	-	-
Sports and recreational services	-	-	-	-	-	-
Country-specific tourism characteristic goods	-	-	-	-	-	-
Country-specific tourism characteristic services	-	-	-	-	-	-
A.2 Other consumption products (a)	-	-	-	-	-	-
B. Non-consumption products	-	-	-	-	-	-
B.1. Valuables	-	-	-	-	-	-
B.2. Other non-consumption products (**) (b)	-	-	-	-	-	-
Total output (at basic prices)	**1,769,214.86**	**1,769,214.86**	**-**	**370,411.17**	**-**	**473,492.37**
Intermediate Consumption (at purchaser's prices)		627,427.53	-	188,931.26	-	243,507.37
(I - II) Total gross value added (at basic prices)	**1,141,787.33**	**1,141,787.33**	**-**	**181,479.91**	**-**	**229,985.00**

Source: Zanzibar Supply and Use Table 2015, Zanzibar Statistical Abstract 2019 and Zanzibar TSA Technical Committee Estimates

5. Water passenger transport (5.5)	6. Air passenger transport (5.6)	7. Transport equipment rental (5.7)	8. Travel agencies etc. (5.8)	9. Cultural industry -5.9	10. Sports and recreational industry -5.1	11. Retail trade of country specific	12. Country specific tourism industries (5.12	Total (5.13)	Other industries - 5.14	Output of domestic producers (at basic prices) (5.15) =(5.13) + (5.14)
-	-	-	-	-	-	-	-	1,769,214.9	-	1,769,214.9
-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	370,411.2	-	370,411.2
-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	473,492.4		473,492.4
321,179.6	-	-	-	-	-	-	-	321,179.6	-	321,179.6
-	132,809.2	-	-	-	-	-	-	132,809.2	-	132,809.2
-	-	1,420.5	-	-	-	-	-	1,420.5	-	1,420.5
-	-	-	11,974.1	-	-	-	-	11,974.1	-	11,974.1
-	-	-	-	4,860.0	-	-	-	4,860.4	-	4,860.4
-	-	-	-	-	9,451.2	-	-	9,451.2	-	9,451.2
-	-	-	-	-	-	-	211,726.8	211,726.8	-	211,726.8
-	-	-	-	-	-	-	101,768.7	101,768.7	-	101,768.7
-	-	-	-	-	-	-	-	-	9,521,721.1	9,521,721.1
-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-
321,179.6	**132,809.2**	**1,420.5**	**11,974.1**	**4,860.4**	**9,451.2**	**-**	**313,495.5**	**3,408,309.0**	**9,521,721.1**	**12,930,030.1**
87,773.5	50,089.4	469.6	4,023.2	2,151.8	4,140.7	-	24,621.4	1,233,135.9	3,147,671.5	**4,380,807.4**
233,406.1	**82,719.8**	**950.9**	**7,950.9**	**2,708.6**	**5,310.5**	**-**	**288,874.1**	**2,175,173.1**	**6,374,049.6**	**8,549,222.7**

(*) The value of A. Consumption products is net of the gross service charges paid to travel agencies, tour operators, and other reservation services.

(**) Includes all other goods and services that circulate in the economy of reference.

(a) If relevant and feasible, countries should separately identify both components (“tourism connected products” and “non-tourism related consumption products”). In both cases, goods and services should be individually identified, if possible

(b) Goods and services should be separately identified, if possible

(c) Breakdown by-products should be provided, if possible



5. TSA Table 6: Reconciliation of Demand and Supply

5.1. Introduction

TSA Table 6 is the core of the Tourism Satellite Account System; it is where the reconciliation between domestic supply and internal tourism consumption takes place. The reconciliation of supply and demand is facilitated through 'Internal Tourism Consumption' (TSA Table 4) and domestic supply. Domestic output (production by resident producers, TSA Table 5) and imports are compared to internal tourism consumption. Conclusions are derived regarding the gross value added attributable to tourism for each of the industries that serve visitors. The main aggregates derived from TSA Table 6 are Tourism Direct Gross Value Added (TDGVA) and Tourism Direct Gross Domestic Product (TDGDP).

Gross Value Added (at basic prices) corresponding to tourism is derived for all industries to obtain Tourism Direct Gross Value Added. Tourism Direct GDP (TDGDP) is generated by adding taxes less subsidies. In the case of goods, only retail trade margins are considered.

5.2. Tourism Contribution Measures

In accordance with the *Tourism Satellite Account: Recommended Methodological Framework (TSA: RMF 2008)*, a set of key indicators is recommended for measuring the size and economic contribution of tourism within an economy. These indicators include: the share of internal tourism consumption to supply (Table 4), Gross Value Added of Tourism Industries (GVATI), Tourism Direct Gross Value Added (TDGVA), and Tourism Direct Gross Domestic Product (TDGDP). Together, these indicators provide a comprehensive assessment of tourism's direct contribution to economic activity and national output.

5.2.1. Gross Value Added

The performance and contribution of a productive economic activity in an economy is usually measured by its value-added (the difference between the value of output and the value of intermediate consumption), a measurement which ensures that there is no duplication when different productive activities are compared and aggregated. The *System of National Accounts 2008* provides the following definitions:

- Gross Value Added is the value of output less the value of intermediate consumption.

- Net Value Added is Gross Value Added less consumption of fixed capital, which represents the corresponding decline in the value of the assets used in the production process.

Since value added is intended to measure the additional value created by a production process in an economy, it is measured net because the consumption of fixed capital is a cost of production. However, consumption of fixed capital can be difficult to measure in practice, and it may not always be possible to make a satisfactory estimate of its value. The Tourism Satellite Account adopts the gross measurement of value added as recommended in the System of National Accounts (SNA 2008).

5.2.2. Gross Value Added for the Tourism Industries

GVATI sums the total gross value-added belonging to all tourism industries, regardless of whether all their output is provided to visitors and the degree of specialization of their production. Although the GVATI is an indicator often used to measure the direct economic contribution of tourism in the economy of reference, it is likely to be an inadequate indicator of the size of tourism in a country.

To estimate the gross value added by each industry under the tourism sector, Net Ratio (NR) approach was adopted due to the characteristics of Zanzibar's tourism industry.

5.2.3. Tourism Direct Gross Value Added

The production processes by which internal tourism consumption (except imports) is provided was the basis for the compilation of tourism direct gross value added (TDGVA) (Box 4.1). This aggregate does not cover the effects of other components of Total Tourism Internal Demand (TTID), such as gross investments or collective consumption. The use of the term direct in this aggregate refers to the fact that the Tourism Satellite Account measures only that part of value added (by tourism industries and other industries) due to visitors' consumption and leaves aside the indirect and induced effects that such consumption might generate. The TDGVA includes the part of gross value added generated by all industries in provision of goods and services to visitors, would-be visitors (acquisition before a trip), or third parties for visitors' benefit.

TDGVA also includes the part of gross value added associated with the output of other (non-tourism) industries as long as this output responds to tourism consumption. Consequently,

the TDGVA can be seen to be independent of the definition of tourism characteristic products and tourism industries. This feature enhances its usefulness as an internationally comparable measure of the economic importance of tourism. TDGVA measures only the part of gross value added generated by tourism industries and other industries in responding to tourism internal consumption; it is short of measuring the total direct effects of tourism as it excludes the contribution of other components of Total Tourism Internal Demand (TTID).

Box 5.1: Calculation of Direct Tourism Gross Value Added (DTGVA)

- Identify the products in the economy purchased by visitors
- Derive an estimate of internal tourism consumption for each tourism product
- Remove product taxes and subsidies, margins and imports from internal tourism consumption of each product at purchasers' prices to derive internal tourism consumption at basic prices—this represents the domestic output consumed by visitors
- Determine the proportion of domestic output of each product consumed by visitors by dividing tourism consumption at basic prices into the total output of each product at basic prices
- For each tourism product, identify the industries that have a direct relationship with visitors. In the case of goods, only include industries that provide retail trade services. In the case of other margins (wholesale and transport margins), all industries are deemed not to have direct relationship with visitors
- Apply tourism ratio to the output of each product for those industries that have a direct relationship with visitors to derive the direct tourism output of each industry
- Estimate the intermediate consumption required to produce each industry's output of tourism products using relationships in the Supply and Use tables. The default assumption is that there is a constant ratio of output to intermediate consumption for both tourism and non-tourism products produced by an industry
- Calculate direct tourism Gross Value Added at basic prices for each industry as direct tourism output less the intermediate consumption required to produce the direct tourism output, and sum for all industries in the economy. Direct tourism gross value added at basic prices is directly comparable to the value added for all other industries.

5.2.4. Tourism Direct Gross Domestic Product

The total GDP of an economy is equal to the sum of gross value added by all industries (at basic prices) plus net taxes on products and imports. It is possible to measure the part of GDP attributable directly to internal tourism consumption as the sum of the part of gross value added (at basic prices) generated by all industries in response to internal tourism consumption, plus the amount of net taxes on products and imports included within the value of this consumption expenditure at purchasers' prices. This part of GDP is the Tourism Direct Gross Domestic Product (TDGDP).

Tourism contributes substantially to the Zanzibar economy. About 45.5 percent of total output of goods and services in the economy was internally consumed by inbound and domestic visitors. The accommodation for visitors' services industry is the largest tourism-related sector, with 71.9 percent of its output generated by tourism. Food and beverage services also make an important contribution, with a tourism share of 22.4 percent. Transport services show moderate tourism dependence, particularly air passenger transport (13.4 percent)

Table 5.1: Tourism output shares, 2025 (TZS million)

Tourism Industry	Output	Tourism share
Accommodation for visitors' service	1,769,214.86	1,272,425.93
Food and beverage serving services	370,411.17	82,796.65
Road passenger transport	473,492.37	23,589.48
Water passenger transport	321,179.62	9,051.71
Air passenger transport	132,809.19	17,745.70
Transport and equipment rental	1,420.48	129.36
Travel agencies and reservation industry	11,974.12	-11.80
Cultural services	4,860.43	477.70
Sports and recreation services	9,451.21	703.89
Total	**3,094,813.45**	**1,406,908.62**

About 17.6 percent of total domestic supply of goods and services was internally consumed by inbound and domestic visitors (Table 5.2).

Table 5.2: Domestic supply (at purchases prices) and internal tourism consumption (at purchases price), 2025 (TZS million)

Tourism industry	Domestic supply (at purchasers' prices)	Internal tourism consumption
Accommodation for visitors' service	1,823,173.08	1,653,542.19
Food and beverage serving services	388,469.59	314,130.09
Railway passenger transport	-	-
Road passenger transport	486,502.33	76,086.54
Water passenger transport	323,697.25	34,407.83
Air passenger transport	137,138.56	54,186.82
Transport and equipment rental	1,470.83	422.99
Travel agencies and reservation industry	13,595.04	1,206.85
Cultural services	4,930.74	1,922.36
Sports and recreation services	9,741.25	3,786.70
Total	977,076.00	172,020.09

Source: Zanzibar Supply and Use Table 2025, Zanzibar Statistical Abstract 2025 and Zanzibar TSA Technical Committee Estimates.

Table 5.3 (TSA Table 6) is the core of the TSA and focuses on total domestic supply and internal tourism consumption (at purchasers' prices). The reconciliation between supply and demand (inclusive of internal tourism consumption) takes place within this table. It is derived from the Supply and Use Table (SUT) in the System of National Accounts that show domestic supply and internal tourism consumption by product (derived for the reference year of 2025). The last column of the table presents tourism ratios that portray the relative importance of different components of its output that is consumed by visitors. It should be noted that the total output of a Tourism Characteristic Industry (TCI) usually exceeds consumption by visitors, as some of the outputs of most TCI's is purchased by non-visitors.

Table 5.3:TSA Table 6- Domestic supply and internal tourism consumption by products (at purchaser's prices) 2025 TZS Million

Products	Accommodation for visitors		1.a. Accommodation services for visitors except in 1.b.	
	Output 5.1	Tourism share (in value)	Output (5.1a)	Tourism share (in value)
A. Consumption products (*)				
A.1 Tourism characteristic products				
Accommodation services for visitors				
1.a. Accommodation services for visitors other than 1b	1,769,214.9	1,272,425.9	1,769,214.9	1,272,425.9
1.b Accommodation services associated with all types of vacation home ownership	-	-	-	-
Food and beverage-serving services	-	-	-	-
Railway passenger transport services	-	-	-	-
Road passenger transport services	-	-	-	-
Water passenger transport services	-	-	-	-
Air passenger transport services	-	-	-	-
Transport equipment rental services	-	-	-	-
Travel agencies and other reservation services	-	-	-	-
Cultural services	-	-	-	-
Sports and recreational services	-	-	-	-
Country-specific tourism characteristic goods	-	-	-	-
Country-specific tourism characteristic services	-	-	-	-
A.2. Other consumption products (a) (b)	-	-	-	-
B. Non-consumption products	-	-	-	-
B.1. Valuables	-	-	-	-
B.2. Other non-consumption products (***) (a) (c)	-	-	-	-
Total output	**1,769,214.9**	**1,272,425.9**	**1,769,214.9**	**1,272,425.9**
Total intermediate consumption (at purchasers' price) (d)	**627,427.5**	**451,248.2**	**627,427.5**	**451,248.2**
(I - II). Total gross value added (at basic prices)	**1,141,787.3**	**821,177.7**	**1,141,787.3**	**821,177.7**

1.b. Accommodation services associated with all types of vacation home ownership		2. Food- and beverage-serving industry (5.2)		4. Road passenger transport -5.4		5. Water passenger transport (5.5)	
Output (5.1b)	Tourism share (in value)	Output	Tourism share (in value)	Output - 5.4	Tourism share (in value)	Output - 5.5	Tourism share (in value)
-		-	-	-	-	-	
-		-	-	-	-	-	
-		370,411.2	82,796.7	-	-	-	
-		-		-	-	-	
-		-		473,492.4	23,589.5	-	
-		-		-	-	321,179.6	9,051.7
-		-		-	-	-	-
-		-		-	-	-	-
-		-		-	-	-	-
-		-		-	-	-	-
-		-		-	-	-	-
-		-		-	-	-	-
-		-		-	-	-	-
-		-		-	-	-	-
-		-		-	-	-	-
-		-		-	-	-	-
-	**-**	**370,411.2**	**82,796.7**	**473,492.4**	**23,589.5**	**321,179.6**	**9,051.7**
-	**-**	**188,931.3**	**42,231.1**	**243,507.4**	**12,131.6**	**87,773.5**	**2,473.7**
-	**-**	**181,479.9**	**40,565.5**	**229,985.0**	**11,457.9**	**233,406.1**	**6,578.0**

Source: Zanzibar Supply and Use Table 2019, Zanzibar Statistical Abstract 2025 and Zanzibar TSA Technical Committee

Table 5.4: Domestic supply and internal tourism consumption by products (at purchaser's prices) 2025 TZS Million (continued.)

Products	6. Air passenger transport (5.6)		7. Transport equipment rental (5.7)		8. Travel agencies and other reservation services industry (5.8)	
	Output 5.6	Tourism share (in value)	Output (5.7)	Tourism share (in value)	Output (5.8)	Tourism share (in value)
A. Consumption products (*)						
A.1 Tourism characteristic products						
Accommodation services for visitors						
1.a. Accommodation services for visitors other than 1b						
1.b Accommodation services associated with all types of vacation home ownership						
Food and beverage-serving services						
Railway passenger transport services						
Road passenger transport services						
Water passenger transport services						
Air passenger transport services	132,809.19	17,745.7	-		-	
Transport equipment rental services	-		1,420.48	129.36	-	
Travel agencies and other reservation services	-		-		11,974.12	9.7
Cultural services	-		-		-	
Sports and recreational services	-		-		-	
Country-specific tourism characteristic goods	-		-		-	
Country-specific tourism characteristic services	-		-		-	
A.2. Other consumption products (a) (b)	-		-		-	
B. Non-consumption products	-		-		-	
B.1. Valuables	-		-		-	
B.2. Other non-consumption products (***) (a) (c)	-		-		-	
Total output	**132,809.19**	**17,745.7**	**1,420.48**	**129.36**	**11,974.12**	**9.7**
Total intermediate consumption (at purchasers' price) (d)	50,089.38	6,692.8	469.58	42.77	4,023.24	3.3
(I - II). Total gross value added (at basic prices)	**82,719.81**	**17,745.7**	**950.90**	**86.60**	**7,950.88**	**6.4**

Source: Zanzibar Supply and Use Table 2019, Zanzibar Statistical Abstract 2025 and Zanzibar TSA Technical Committee

9. Cultural industry (5.9)		10. Sports and recreational industry (5.10)		11. Retail trade of country specific tourism characteristic goods (5.11)		12. Country specific tourism industries	
Output 5.9	Tourism share (in value)	Output (5.10)	Tourism share (in value)	Output (5.11)	Tourism share (in value)	Output (5.12)	Tourism share (in value)
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
4,860.4	477.7	0.0		0.0	-	-	-
0.0		9,451.2	703.9	0.0	-	-	-
-		-		-	-	211,726.8	41,349.0
-		-		-	-	101,768.7	8,799.9
-		-		-	-	-	
-		-		-	-	-	
-		-		-	-	-	
-		-		-	-	-	
4,860.4	**477.7**	**9,451.2**	**703.9**	**-**	**-**	**313,495.5**	**50,148.8**
2,151.8	211.5	4,140.7	308.4	-	-	24,621.4	42,040.1
2,708.6	**266.2**	**5,310.5**	**395.5**	**-**	**-**	**288,874.1**	**8,108.7**

Table 5.5: Domestic supply and internal tourism consumption by products (at purchaser's) 2025 TZS Million (continued.)

Products	Total		Other industries		Output of domestic producers (at basic prices)	
	Output (5.13)	Tourism share (in value)	Output 5.14	Tourism share (in value)	Output (5.15) = (5.13) +(5.14)	Tourism share (in value)
A. Consumption products (*)						
A.1 Tourism characteristic products						
Accommodation services for visitors						
1.a. Accommodation services for visitors other than 1b	1,769,214.9	1,272,425.9	-	-	1,769,214.9	1,272,425.9
1.b Accommodation services associated with all types of vacation home ownership	-		-	-	0.0	
Food and beverage-serving services	370,411.2	82,796.7	-	-	370,411.2	82,796.7
Railway passenger transport services	0.0	0.0	-	-	0.0	
Road passenger transport services	473,492.4	23,589.5	-	-	473,492.4	23,589.5
Water passenger transport services	321,179.6	9,051.7	-	-	321,179.6	9,051.7
Air passenger transport services	132,809.2	17,745.7	-	-	132,809.2	17,745.7
Transport equipment rental services	1,420.5	129.4	-	-	1,420.5	129.4
Travel agencies and other reservation services	11,974.1	9.7	-	-	11,974.1	9.7
Cultural services	4,860.4	477.7	-	-	4,860.4	477.7
Sports and recreational services	9,451.2	703.9	-	-	9,451.2	703.9
Country-specific tourism characteristic goods	211,726.8	41,349.0	-	-	211,726.8	41,349.0
Country-specific tourism characteristic services	101,768.7	8,799.9	-	-	101,768.7	8,799.9
A.2. Other consumption products (a) (b)	0.0	0.0	9,521,721.1	193,606.4	9,521,721.1	193,606.4
B. Non-consumption products	0.0	0.0	0.0	0.0	0.0	0.0
B.1. Valuables	0.0	0.0	0.0	-	0.0	0.0
B.2. Other non-consumption products (***) (a) (c)	0.0	0.0	0.0	-	0.0	0.0
Total output	**3,408,309.0**	**1,457,079.0**	**9,521,721.1**	**193,606.4**	**12,930,030.1**	**1,650,685.4**
Total intermediate consumption (at purchasers' price) (d)	**1,233,135.9**	**557,383.4**	**3,147,671.5**	**64,002.0**	**4,380,807.4**	**621,385.5**
(I - II). Total gross value added (at basic prices)	**2,175,173.1**	**899,695.5**	**6,374,049.6**	**129,604.4**	**8,549,222.7**	**1,029,299.9**

Imports (**)		Taxes less subsidies on products nationally produced and imported		Trade and transport margins		Domestic supply (at purchasers' prices)	Internal tourism consumption	Tourism ratios (%)
Total value -6.1	Tourism share (in value)	Output -6.2	Tourism share (in value)	Output - 6.3	Tourism share (in value)	(6.4) = (5.15)+ (6.1) + (6.2) + (6.3)	-4.3	(6.5) =4.3/6.4 x 100
31,731.3	25,235.7	22,226.9	5,871.7	X	X	1,823,173.1	1,653,542.2	90.7
0.0		0.0	0.0			0.0		
10,582.6	5,616.4	7,475.8	4,754.4	X	X	388,469.6	314,130.1	80.9
0.0		0.0	0.0	X	X	0.0	0.0	0.0
6,304.3	3,756.9	6,705.7	4,034.1	X	X	486,502.3	76,086.5	15.6
1,634.7	1,365.8	883.0	0.0	X	X	323,697.3	34,407.8	10.6
2,182.7	42.7	2,146.6	1,493.2	X	X	137,138.6	54,186.8	39.5
19.4	17.1	31.0	0.0	X	X	1,470.8	423.0	28.8
359.2	300.1	1,161.7	851.0	X	X	13,495.0	1,206.8	8.9
58.8	17.9	11.5	0.0	X	X	4,930.7	1,922.4	39.0
208.0	125.2	82.0	0.0	X	X	9,741.3	3,786.7	38.9
3,379.0	237.2	441.5	0.0	X	X	215,547.2	7,188.2	3.3
2,545.7	2,249.7	4,067.5	2,263.4			108,381.9	79,998.9	73.8
11,498.1	9,607.3	6,210.8	193,659.5		X	9,539,430.0	1,760,058.2	18.5
-	-	-	-	X	X	-	-	-
-	-	-	-	X	X	-	-	-
-	-	-	-	-	-	-	-	-
70,503.6	**48,572.1**	**51,444.0**	**212,927.3**	-	X	**13,051,977.7**	**3,986,937.6**	30.5
-	-	-	-	-	-	**4,380,807.4**	-	-
0.1				-	-	**8,671,170.4**	**3,986,937.6**	

6. Extension to the Basic TSA

6.1. TSA Table 7: Employment in the tourism industries

6.1.1. Introduction

Tourism employment is the engagement strictly related to the goods and services (tourism connected and non-tourism-connected) acquired by visitors and produced either by tourism industries or other industries that cannot be directly observed. Tourism industries such as accommodation, food and beverage, and recreation are relatively labour intensive and often employ a significant number of semi-skilled persons. This is because tourism activities are sometimes located in areas with little, if any, industrial development and concentration of productive activities.

Beside their frequent high labour intensity, tourism industries present additional peculiarities that have to be taken into consideration where employment is concerned. In many instances, the flow of visitors, particularly in the case of inbound tourism, is not evenly spread over the year. Consequently, employment in these industries will fluctuate seasonally and often with a higher intensity than in other industries. These characteristics underline the importance of measuring employment through a set of complementary indicators, including the number of jobs, total hours worked, and full-time equivalent jobs related to a predefined reference period (often a week) within the period of analysis (Appendix 5A).

6.1.2. Employment by tourism-related industries

To estimate levels of direct tourism employment, demand and supply-side approaches are adopted and reconciled through tourism ratios. Total number employed by tourism related industries is the sum of employee and self-employed jobs across all the respective.

In 2025 the total number of establishments under tourism related industries were estimated to be 4,892. Total employment by these industries was 31,722 of whom 19,667 (62.0%) were male and 12,055 (38.0%) were female. About 13,835 were employees and 17,887 were self-employed (Table 6.1).

The distribution of employment by industry shows that most of persons were engaged in provision of accommodation services for visitors (8,389 persons). The industry with the least number of employees was road passenger transport services at 27 employees.

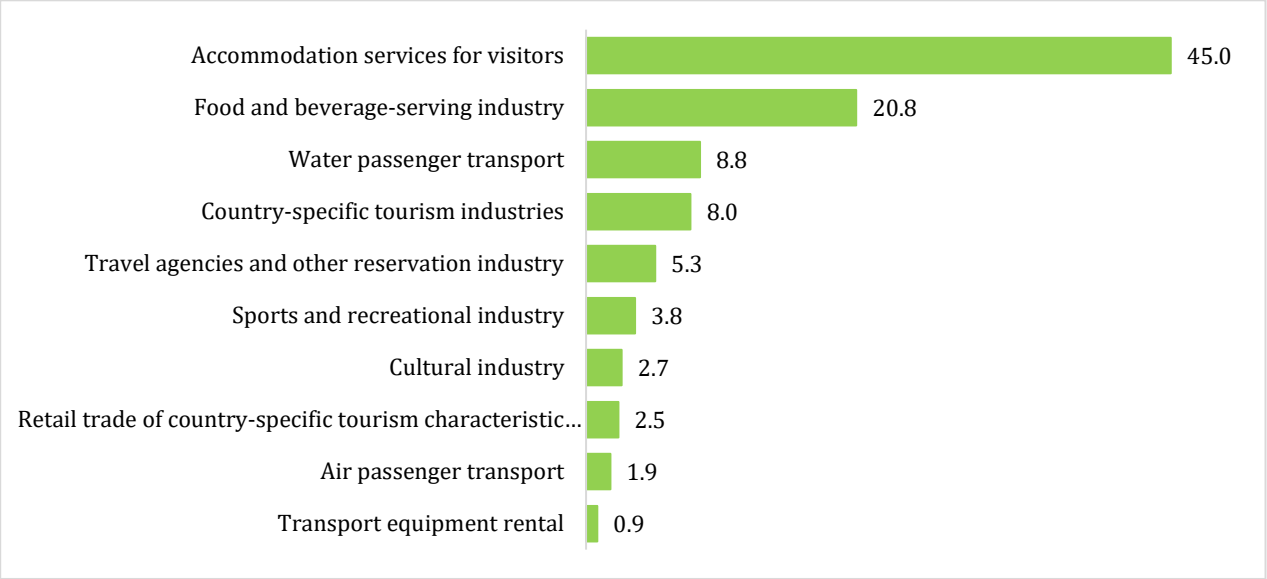
Table 6.1: Number of employees by industry and employment status, 2025

Tourism industries	Number of establishments	Number of jobs by status in employment (*)						Self-employed		
		Total			Employee					
		Male	Female	Total	Male	Female	Total	Male	Female	Total
1. Accommodation services for visitors	1,060	9,441	5,189	14,630	5,710	2,861	8,571	3,731	2,328	6,059
1.a. Accommodation services for visitors other than 1.b	1,060	9,441	5,189	14,630	5,710	2,861	8,571	3,731	2,328	6,059
1.b. Accommodation services associated with all types of vacation home ownership	-	-	-	-	-	-	-	-	-	-
2. Food- and beverage-serving industry	490	1,804	4,956	6,760	784	1,318	2,102	1,020	3,638	4,658
3. Railway passenger transport	X	X	X	X	X	X	X	X	X	X
3. Road passenger transport	77	132	0	133	18	0	18	115	-	115
4. Water passenger transport	1,646	2,845	5	2,850	379	5	384	2,466	-	2,466
5. Air passenger transport	350	605	1	606	81	1	82	524	-	524
6. Transport equipment rental	31	179	101	280	93	47	140	86	54	140
7. Travel agencies and other reservation industry	391	1,650	80	1,730	543	14	557	1,107	66	1,173
8. Cultural industry	99	576	317	892	299	144	443	277	172	449
9. Sports and recreational industry	101	757	468	1,226	230	-	230	527	468	995
11. Retail trade of country-specific tourism characteristic goods	80	540	270	808	52	24	76	486	246	732
12. Country-specific tourism industries	647	1,676	939	2,615	871	436	1,308	805	502	1,308
Total	**4,972**	**20,207**	**12,325**	**32,530**	**9,060**	**4,851**	**13,911**	**11,145**	**7,475**	**18,619**

Sources: The 2024 Integrated Labour Force Survey, the 2024 Census of Registration in Establishment and Zanzibar TSA Technical Committee Estimates

Employment in tourism industries in 2025 was mainly concentrated in accommodation services for visitors (45.0%) and the food and beverage-serving industry (20.8%), which together accounted for two thirds (65.8%) of total tourism employment. The remaining industries each contributed less than 10 percent which Collectively represented 33.9 percent of total tourism employment (Figure 6.1).

Figure 6.1: Percentage Distribution of Total Employment among Tourism Industries, 2025



Sources: The 2024 Integrated Labour Force Survey, the 2024 Census of Registration in Establishment and Zanzibar TSA Technical Committee Estimates

Table 6.2: TSA Table 7- Number of Direct Tourism Employment by Industry, 2025

Tourism industries	Number of establishments	Employees and Self-employed				Tourism Direct Employment
		Male	Female	Total	Tourism Industry Ratio	
1. Accommodation services for visitors	1,060	9,441	5,189	14,630	90.9	13,294
1.a. Accommodation services for visitors other than 1.b	1,060	9,441	5,189	14,630	90.9	13,294
1.b. Accommodation services associated with all types of vacation home ownership	-	-	-	-	-	-
Food- and beverage-serving industry	490	1,804	4,956	6,760	81.9	5,540
3. Railway passenger transport	X	X	X	X	X	X
Road passenger transport	77	132	0	133	17.4	23
Water passenger transport	1,646	2,845	5	2,850	26.3	750
Air passenger transport	350	605	1	606	44.2	268
Transport equipment rental	31	179	101	280	28.8	81
Travel agencies and other reservation industry	391	1,650	80	1,730	8.9	154
Cultural industry	99	576	317	892	14.2	127
Sports and recreational industry	101	757	468	1,226	34.6	424

11. Retail trade of country-specific tourism characteristic goods	80	540	270	808	26.2	212
12. Country-specific tourism industries	647	1,676	939	2,615	21.1	551
Total	**4,972**	**20,207**	**12,325**	**32,530**	**65.9**	**21,423**

Sources: The 2024 Integrated Labour Force Survey, the 2024 Census of Registration in Establishment and Zanzibar TSA Technical Committee Estimates

6.2. TSA Table 8: Gross Fixed Capital Formation

6.2.1. Introduction

The System of National Accounts 2008 defines Gross Fixed Capital Formation (GFCF) as the acquisition, less disposals, of fixed assets plus major improvements to land and other non-produced assets. Valuation of GFCF also includes transfer costs on land and other non-produced assets. Fixed assets are tangible or intangible assets produced as outputs from processes of production that are themselves used repeatedly or continuously in other processes of production for more than one year. The analysis of stocks and flows of physical investment is particularly important for tourism because, in most circumstances, tourism is not possible on a relevant scale if there is lack of basic infrastructure for transportation, accommodation, recreation, health services, and other facilities that determine, to a large extent, the nature and intensity of visitor flows.

6.2.2. Investment by Tourism Related Industries

Tourism driven investment can generally be classified in three main categories, as follows:

i. **Tourism specific fixed assets**

Due to their specific nature and design, *tourism-specific fixed assets* are used exclusively or almost exclusively in the production of tourism characteristic goods and services. If tourism did not exist, such assets would be of little value as they could not easily be converted to non-tourism applications. Such assets include railway passenger coaches, cruise ships, sightseeing buses, hotel facilities, convention centres, marinas, and ski lifts. Vacation homes are also included in this category although, in this case, they might easily be modified from a secondary to principal dwelling of a household.

ii. **Non tourism specific fixed assets**

Investments by tourism industries in *non-tourism-specific fixed assets* are considered as tourism-related not because of the nature of the assets themselves, but because of the use made of them by the tourism industry. This category includes, for example, hotel or travel agency computer systems, and hotel laundry facilities.

iii. **Tourism related infrastructure**

This includes infrastructure that is put in place principally by the public authorities to facilitate tourism; it might have been developed in a specific moment in time for this specific purpose, or it might facilitate tourism even though this was not necessarily the primary or the unique objective of the investment.

Zanzibar continues to take several actions targeted at improving investment climate by involving a number of initiatives including development and review of related investment policies, legal and regulatory reforms.

In respect to policies and strategies, some aim at diversifying Zanzibar economy to semi-industrialized and modern agriculture, while others focus on improving productivity and aid trade diversification of exports that meet international standards. These efforts, among others, continue to pay dividend with Foreign Direct Investment (FDI) and Domestic Direct Investment (DDI) increasing and employment in FDI, DDI related investment growing.

The analysis of stocks and flows of physical investment is particularly important for tourism because, in most circumstances, tourism is not possible on a relevant scale if there is a lack of basic infrastructure for transportation, accommodation, recreation, health services, and other facilities, that determine, to a large extent, the nature and intensity of visitor flows.

Since there was no data for actual gross fixed capital formation in 2025, approved capital was used as a proxy (Table 6.3).

Table 6.3: Capital approved by sector 2021-2025 (TZS Millions)

Industry	2021	2022	2023	2024	2025
Agriculture, forestry and fishing	41,476	44,135	120,865	40,604	4,187
Mining and Quarrying	6,930	0	0	0	2,867
Manufacturing	118,887	45,184	2,601,228	181,547	304,355
Electricity and gas	231,000	1,621,310	27,566	694	0
Waste management and remediation activities	161,700	210,665	0	0	1,269
Construction	5,775	91,882	5,263	0	1,269
Wholesale and retail trade, vehicles and motorcycles	5,544	16,437	49,293	95,833	254
Transportation and storage	107,415	28,706	22,554	40,951	37,303
Accommodation and food services activities	1,938,864	632,180	1,296,297	507,625	723,141
Information and communications	1,386	46,300	0	127,942	1,269
Financial and insurance activities	0	1,736,250	5,012	0	0
Real estate activities	71,610	157,404	437,912	712,287	799,311
Professional, scientific and technical activities	0	0	3,759	6,709	0
Administrative and support service activities	4,620	0	0	6,941	0
Education	12,335	10,059	1,677	231	2,538
Human health and social work activities	116,225	31,021	8,395	10,758	1,776
Arts, entertainment and recreation	9,471	10,996	471,707	6,362	4,060
Other services activities	0	4,130	0	6,247	1,269
Total	**2,833,239**	**4,686,660**	**5,051,527**	**1,744,733**	**1,884,867**

Source: ZIPA Administrative Database

The statistics from Figure 6.2 show that tourism gross fixed capital formation is mainly concentrated in accommodation for visitors, which accounts for TZS 304.2 billion (50.5%), followed by other non-residential buildings and structures related to tourism industries at TZS 289.7 billion (48.1%). Together, these categories represent 98.6% of total tourism investment, indicating that most spending is directed towards accommodation and tourism infrastructure.

In contrast, investment in other categories is minimal. Passenger transport equipment for tourism purposes accounts for TZS 7.5 billion (1.2%), while improvements of land used for tourism purposes contribute TZS 573.6 million (0.1%). This suggests that tourism investment

is primarily focused on expanding facilities and infrastructure rather than transport equipment, land improvements, or specialised machinery.

Figure 6.2: Tourism Gross Fixed Capital Formation, 2025

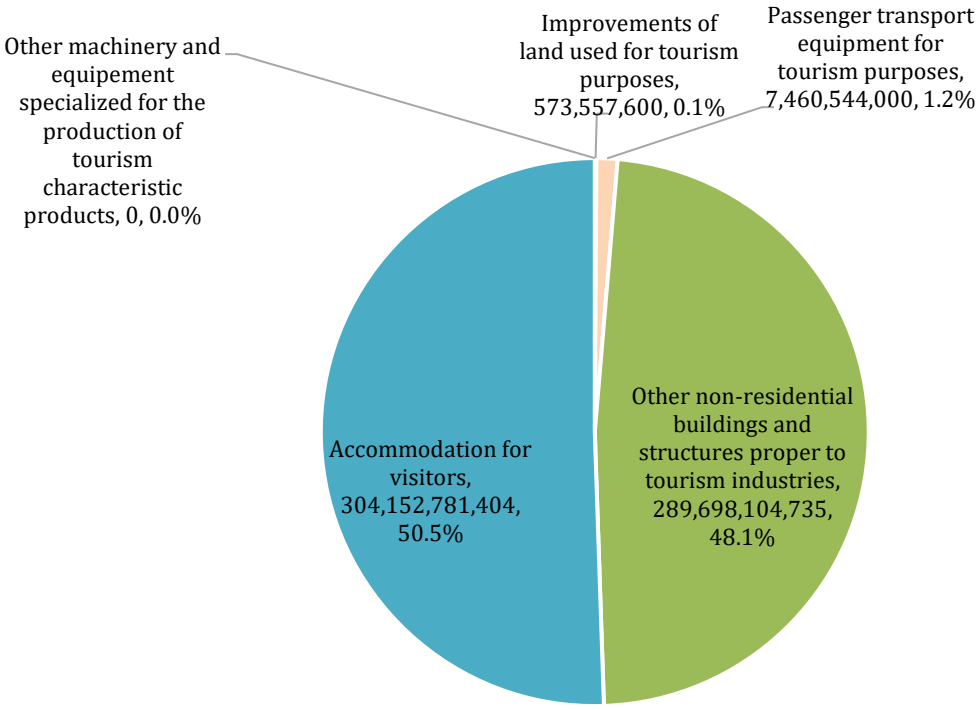


Table 6.4:TSA Table 8- Tourism gross fixed capital formation of tourism industries and other industries 2025 (Million)

	Tourism industries			Tourism industries					
Products	**1. Accommodation for visitors - 8.1**	**1.a. Accommodation services for visitors except in 1.b (8.1a)**	**1.b. Accommodation services associated with all types of vacation home ownership (8.1b)**	**2. Food- and beverage-serving industry (8.2)**	**3. Railway passenger transport (8.3)**	**4. Road passenger transport (8.4)**	**5. Water passenger transport (8.5)**	**6. Air passenger transport (8.6)**	**7. Transport equipment rental (8.7)**
1. Accommodation for visitors	159,862	-	159,862	0	X	-	-	-	-
2. Other non-residential buildings and structures proper to tourism industries	254	-	254	144,088	X	-	-	-	-
3. Passenger transport equipment for tourism purposes	-	-	-	-	X	-	7,461	-	-
4. Other machinery and equipment specialized for the production of tourism characteristic products	-	-	-	-	X	-	-	-	-
5. Improvements of land used for tourism purposes	-	-	-	573	X	-	-	-	-
II. Investment by the tourism industries in other non-tourism-specific produced assets	-	-	-	-	X	-	-	-	-
III. Other non-financial assets (*)	-	-	-	-	X	-	-	-	-
(I + II). Total	160,116	-	160,116	144,661	X	-	7,461	-	-
Percentage share									

Source: The 2020 Zanzibar Statistical Abstract and Zanzibar TSA Technical Committee estimates

Tourism industries			Tourism industries				
8. Travel agencies and other reservation services industry (8.8)	9. Cultural industry (8.9)	10. Sports and Recreational industry (8.10)	11. Retail trade of country-specific tourism characteristic goods	12. Country-specific tourism industries (8.12)	13. TOTAL (8.13)	14. Other industries (8.14)	15. Tourism gross fixed capital formation (8.15) = (8.13) + (8.14)
0	0	0	0	0	304,153	0	304,153
0	254	1,066	0	0	289,698	0	289,698
0	0	0	0	0	7,461	0	7,461
0	0	0	0	0	0	0	0
0	0	0	0	0	573	0	574
0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	237
0	254	1,066	0	0	601,885	0	602,122

Table 6.5 :TSA Table 9- Tourism collective consumption by products and levels of government, 2025 (Million)

Products (*)	Levels of government				Memorandum item (**)
	National (9.1)	Regional - 9.2	Local- 9.2	Tourism collective consumption (9.4)= 9.1)+(9.2)+(9.3)	Intermediate consumption by the tourism industries
85561 Tourism promotion services	2,437.1	-	-	2,437.1	61.6
85562 Visitor information services	40.9	-	-	20.4	X
91135 Public administrative services related to the distributive and catering trades, hotels and restaurants	402.5	-	-	402.5	-
91136 Public administrative services related to tourism affairs	3,848.6	-	-	3,848.6	X
Part of:	-	-	-	0.0	-

Products (*)	Levels of government				Memorandum item (**)
83700 Market research and public opinion polling services	13.6	-	-	13.6	X
91260 Police and fire protection services	-	-	-	0.0	X
92919 Other education and training services, n.e.c.	-	-	-	0.0	-
92920 Educational support services	150.6	-	-	150.6	-
Total	**6,872.8**	**-**	**-**	**6,872.8**	**61.6**

Source: Government Finance Statistics 2025 (GFS 2025)

A total of 4,892 tourism establishments were recorded in 2025. Establishments with 1–4 employees are the highest with 1,722 establishments (35.2%), followed by those with 5–9 employees at 1,721 establishments (35.2%). Establishments employing 10 or more employees numbered 1,449 (29.7%).

The industry with largest share was water passenger transport, with 1,646 establishments (33.7%), followed by accommodation services for visitors, which accounted for 1,060 establishments (21.7%), and country-specific tourism industries with 647 establishments (13.2%).

Regarding employment size, accommodation services had the highest number of large establishments, with 552 establishments employing 10 or more people, while water passenger transport was dominated by medium-sized establishments, with 1,001 establishments employing 5–9 people. Overall, the tourism sector was mainly driven by accommodation and transport-related industries, with most establishments concentrated in these activities (Table 6.6).

Table 6.6: TSA Table 10- Number of establishments in tourism industries classified according to average number of jobs (2025)

Tourism industries	Number of Employee			
	1-4	5-9	10+	Total
1. Accommodation services for visitors	254	254	552	1,060
1.a. Accommodation services for visitors other than 1.b	254	254	552	1,060
1.b. Accommodation services associated with all types of vacation home ownership	0	0	0	0
2. Food- and beverage-serving industry	329	108	52	490
3. Railway passenger transport	X	X	X	X
4. Road passenger transport	66	5	5	77
5. Water passenger transport	191	1,001	454	1,646
6. Air passenger transport	235	60	55	350
7. Transport equipment rental	30	1	0	31
8. Travel agencies and other reservation industry	248	67	76	391
9. Cultural industry	61	10	28	99
10. Sports and recreational industry	61	20	20	101
11. Retail trade of country-specific tourism characteristic goods	66	7	9	82
12. Country-specific tourism industries	248	193	206	647
Total	**1,722**	**1,723**	**1,453**	**4,898**

Source: Zanzibar TSA Technical Committee

7. Conclusion

The 2025 Tourism Satellite Account (TSA) confirms that tourism remains one of the most important sectors of Zanzibar's economy. The results show that tourism continues to drive economic growth through visitor spending, employment creation, business development, and investment. Tourist arrivals reached a record level of 917,167 visitors in 2025, with holiday and leisure travel accounting for the overwhelming majority of visits. As a result, inbound tourism expenditure reached TZS 3.66 trillion, demonstrating the sector's strong contribution to income generation and foreign exchange earnings.

The TSA findings further reveal that internal tourism consumption was estimated at TZS 3.99 trillion, reflecting the combined contribution of inbound and domestic tourism activities. Tourism-related industries generated substantial economic output and value added, highlighting the sector's strong linkages with accommodation, food services, transport, trade, recreation, and other supporting industries. Accommodation services emerged as the leading contributor to tourism direct gross value added, indicating the central role of the hospitality industry in Zanzibar's tourism economy.

Tourism also made a significant contribution to employment. The sector accounted for 62.1 percent of total private sector formal employment, emphasizing its importance as a major source of jobs and livelihoods for the people of Zanzibar. Most tourism jobs were concentrated in accommodation and food service activities, which continue to be the backbone of tourism employment. The sector therefore plays a critical role in reducing unemployment, improving household incomes, and supporting inclusive economic development.

In addition, tourism remained an important area for investment. Tourism-related industries attracted substantial capital investment, accounting for approximately 32 percent of the total national gross fixed capital formation. This demonstrates continued investor confidence in the sector and reflects the growing demand for tourism facilities, infrastructure, and services. Such investments are essential for enhancing the quality of tourism products, improving competitiveness, and sustaining long-term sector growth.

Overall, the findings of the TSA highlight the strategic importance of tourism to Zanzibar's economy. The sector contributes significantly to economic output, employment, and investment while supporting the growth of many related industries. To maintain and

strengthen these benefits, continued efforts are needed to promote sustainable tourism development, improve tourism infrastructure, diversify tourism products, strengthen local participation, and enhance the quality of tourism services. These measures will help ensure that tourism continues to generate broad-based economic and social benefits for Zanzibar while preserving the natural and cultural resources that make the destination attractive to visitors.

8. Appendices

8.1. Comparison of tourism share in GDP with other industries

Appendix 8.1 shows the tourism share of GDP at 30.5 percent compared with other economic activities in 2025. Activities such as accommodation and food services account for 17.5 percent, manufacturing and insurance activities (6.0 percent), and financial and insurance activities 6.0 percent.

Appendix 8.1 - Table 8.1: Distribution of total tourism direct gross value added, 2025

Contribution to GDP	Percent
Manufacturing	7.4
Financial and insurance activities	6.0
Trade and repairs	6.5
Accommodation and food service activities	17.5
Transportation and storage	2.5
Public administration	4.3
Tourism share of GDP from the Tourism Satellite Account	30.5

Sources: The 2025 Zanzibar Statistical Abstract and Zanzibar TSA Technical Committee estimates

8.2. Distribution of total tourism direct gross value added

In 2025, Tourism Direct Gross Value Added (TDGVA) reached TZS 2,175,173.1 million. Accommodation services were the main contributor, generating TZS 1,141,787.3 million (52.5%) of total TDGVA. This was followed by country-specific tourism characteristic services at 13.3 percent, water passenger transport services at 10.7 percent, and road passenger transport services at 10.6 percent. All remaining activities contributed less than less 15 percent. Overall, accommodation and transport-related activities remained the key drivers of tourism value added (Appendix 8.2).

Appendix 8.2 - Table 8.2: Distribution of total tourism direct gross value added, 2025

Activities	Total tourism value added (TZS million)	Percent on tourism direct gross value added
Accommodation services for visitors	1,141,787.3	52.5
Food- and beverage-serving services	181,479.9	8.3
Railway passenger transport services	-	-
Road passenger transport services	229,985.0	10.6
Water passenger transport services	233,406.1	10.7
Air passenger transport services	82,719.8	3.8
Transport equipment rental services	950.9	0.0
Travel agencies and other reservation services	7,950.9	0.4
Cultural services	2,708.6	0.1
Sports and recreational services	5,310.5	0.2
Country-specific tourism characteristic goods	0.0	0.0
Country-specific tourism characteristic services	288,874.1	13.3
Total	**2,175,173.1**	**100.0**

Sources: Zanzibar TSA Technical Committee Estimates

8.3. Comparison of tourism share in employment with other industries (2025)

In 2025, tourism accounted for 62.1 percent of total private sector formal employment, making it the largest employment generating sector in the economy. Within tourism-related industries, accommodation and food service activities had the highest share at 44.3 percent, followed by education (21.2%), while the remaining industries each accounted for less than 10 percent. Overall, the findings highlight the significant role of tourism, particularly accommodation and food services, in supporting formal employment (Appendix 8.3).

Appendix 8.3 -Table 8.3: Comparison of tourism share in employment with other industries, 2025

Industry group	Percentage share of Employment
Agriculture, forestry and fishing	1.9
Mining and quarrying	1.1
Manufacturing	5.8
Construction	7.9
Wholesale and retail trade; repair of motor vehicles and motorcycles	3.9
Transportation and storage	1.7
Accommodation and food service activities	44.3
Information and communication	0.9
Financial and insurance activities	1.3
Real estate activities	0.1
Professional, scientific and technical activities	0.5
Administrative and support service activities	2.5
Education	21.2
Human health and social work activities	5.9
Arts, entertainment and recreation	0.4
Other service activities	0.6
Tourism share from the Tourism Satellite Account	**62.1**
Total Private Sector Formal employment in the economy	**34,506**

Sources: The 2024/25 Formal Sector Employment and Earning Survey and Zanzibar TSA Technical Committee Estimates

8.4. Percentage distribution of direct employment under tourism industry, 2025

In 2025, the tourism sector directly employed 21,423 persons, equivalent to 62 percent of the total persons employed in tourism-related industries. Accommodation services for visitors accounted for the largest share of direct tourism employment (62.1 percent), followed by food and beverage serving services at 25.9 percent. Other tourism industries contributed relatively small shares. Overall, direct tourism employment was highly concentrated in accommodation and food service activities, highlighting their importance as the main sources of tourism jobs (Appendix 8.4).

Appendix 8.4 - Table 8.4: Percentage distribution of direct employment under tourism industry, 2025

Tourism Industries	Percentage direct employment
Accommodation services for visitors	62.1
Food and beverage serving services	25.9
Road passenger transport services	0.1
Water passenger transport services	3.5
Air passenger transport services	1.3
Transport equipment rental services	0.4
Travel agencies and other reservation services	0.7
Sports and recreational industry	0.6
Cultural industry	2.0
Country-specific tourism industries	2.6
Direct employment by tourism sector	**21,423**
Employment by tourism related industries	**34,506**

Sources: The 2024/25 Formal Sector Employment and Earning Survey and Zanzibar TSA Technical Committee Estimates

8.5. Tourism Gross Fixed Capital Formation

Tourism related industries contributed about 32 percent to gross fixed capital formation as represented by approved capital investment (Appendix 8.5).

Appendix 8.5 - Table 8.5: Share of gross fixed capital formation to the national GFCF, 2025

	TZS (million)	Percent of National GFCF
Tourism Gross Fixed Capital Formation	602,646	0.32
National Gross Fixed Capital Formation	1,884,867	1.00

Sources: The 2025 Zanzibar Statistical Abstract and Zanzibar TSA Technical Committee Estimates