Social Protection in the United Republic of Tanzania: International Frameworks and National Policies

Social Pensions in Zanzibar

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Outline

- Background information;
- Poverty in Zanzibar;
- Vulnerabilities facing older persons in Zanzibar;
- Main features;
- Implementation issues;
- Drivers of Universal Pension in Zanzibar;
- Achievements;
- Implementation Challenges;
- Future plans;
- Conclusion
Background

Zanzibar is part of the United Republic of Tanzania with its own government.

- Population: 1.37M
- OP population: 4.5%
- Population growth rate: 2.8%
- Adult illiteracy rate 4/5 (83.7%)
- GDP: 2,133.5 Bil
- GDP Growth rate: 7.0%
- GDP per Capita: 1,552,000 TZS, = 939 USD
Poverty in Zanzibar

- Two official measures of poverty are used in Zanzibar:
  - Food poverty line: 10.8%
  - Basic needs poverty line: 30.4%

- Poverty is much higher in rural Zanzibar (BNP=40.2%, FP=15.7%) than in urban (BNP=17.9%, FP=4.5%).

- Poverty is also geographically concentrated, being higher in Pemba than Unguja and higher in north than in south.
Population living in poverty in Zanzibar by District, 2014/15

% of BN poor population by district 2014/15

% of Food poor population by district 2014/15
# Vulnerabilities facing older persons in Zanzibar

ZSPP identifies three main vulnerabilities:

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<th>Vulnerability</th>
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<td>1</td>
<td>Income insecurity in old age which leads to poverty and lack of dignity for senior citizens</td>
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<td>2</td>
<td>Social stigma and abandonment which negatively affects older people’s wellbeing</td>
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<td>3</td>
<td>Old people lack identification through which they can gain access to services</td>
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The Zanzibar Universal Pension Scheme (ZUPS)

A success story in Zanzibar

Feasibility assessment conducted to inform government decision and advice on the modalities to go through the exercise showed that it is possible.

The ZUPS is aimed at providing income support to all older people in Zanzibar, taking into account financial capacity of the state.

The ultimate goal is to ensure income security in old age.
Main features of ZUPS

- Eligibility: Zanzibar residents, aged 70+;
- Benefit level: Tzs. 20,000 per month, equivalent to 9 US$;
- Administrator: MLEEYWC, through the Department of Social Welfare;
- Delivering mechanism: cash using payment team;
- Implementation arrangement: centralized payment, but decentralized application process;
- It is fully funded by government of Zanzibar.

Our approach is to progressively realize the intended goal.
The scheme was launched on 15 April 2016 at one of the pay points in West B district;
A total of 21,338 benefited from the first payment;
This number increased to 25,114 in August 2016;
A total of 47 pay points were established in April;
The number has increased to 68 pay points in June 2016;
Total costs: 0.78% of Gov budget = 0.30% of GDP
Admin costs stand at 2.98% (June).
Drivers of Universal Pension in Zanzibar

- Strong commitment of the Ministry;
- Development of the Zanzibar Social Protection Policy (ZSPP), 2014;
- Good political support within the ZHR;
- Pressure from Civil Society Organizations;
- Establishment of the universal pension scheme is the first priority of the Ministry policy implementation;
- Existence of statements by government leaders in support of universal pension idea;
- Existence of some mini programs that support older people;
- Small proportion of older people in overall population (58,311 OPs = 4.5% in 2012);
Implementation Challenges

- Traveling distance to payments;
- Under registration – many people were left out;
- Some older people are also benefiting from other programmes - others are claiming;
- Lack of strong MIS that facilitate all operations and reduce manual work;
- Some OP do not have birth certificates or any other document to prove their age;
- Less support from the side of the Principal Secretaries during its inception;
Already witnessed achievements

- Increased income of OP, particularly in rural areas;
- Response from OP indicate acceptability of the Scheme, eg. Some districts reached 98%;
- OP initiative to thank the President for providing the pension – OP appreciate it!
- Increased social integration between OP and young generations. Over 50% of beneficiaries are represented during the payment.
Plans ahead

- Develop a legal framework to support ZUPS implementation;
- Improve delivering channels by assessing other possibilities (mobile phones and bank accounts);
- Develop a comprehensive Management Information system to support implementation of the scheme at all levels;
- Struggle to increase the benefit level and minimize age threshold, as early as possible;
Conclusion

- You do not need to be too rich to implement UP, poor countries can also do it.
- Experience shows that even a little money provided people appreciate it and makes a lot of sense in their lives;
- Political leaders and civil society organisations are important in pushing these agendas forward;
- Designing and implementing a universal pension scheme should be grounded on the country specific context and needs. This will ensure affordability and sustainability.
Thank you for your attention!!