SAHARA SPARKS 2026

The State of the Zanzibar Startup Ecosystem

Mapping, Scoring, and Benchmarking the Road to Silicon Zanzibar

ECOSYSTEM DIAGNOSTIC REPORT / 2026

Prepared by Sahara Consult Limited



Publication details

SAHARA CONSULT

Strategy · Advisory · Development Consulting

Sahara Consult Limited
Venture Building · Investment · Development Consulting
Dar es Salaam, Tanzania · 2026

The State of the Zanzibar Startup Ecosystem

Mapping, Scoring, and Benchmarking the Road to Silicon Zanzibar

A clear, evidence-based look at how startups are doing in Zanzibar: who supports them, how they are funded, and what policy, talent, technology, access to markets, business support, and inclusion look like across Unguja and Pemba, compared with Lagos, Cairo, Nairobi, and Cape Town.

Sahara Sparks 2026

Africa in the Age of Abundance
Zanzibar / 10–11 October 2026

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Abbreviations

Term	Meaning	Term	Meaning
AfCFTA	African Continental Free Trade Area	TSA	Tanzania Startup Association
ANDE	Aspen Network of Development Entrepreneurs	TZS	Tanzanian shilling
ASE	African School of Economics	UNCDF	United Nations Capital Development Fund
COSTECH	Tanzania Commission for Science and Technology	UNDP	United Nations Development Programme
CPS	Developer of Fumba Town	USD	United States dollar
DFI	Development finance institution	VC	Venture capital
EAC	East African Community	ZADEP	Zanzibar Development Plan
EKN	Embassy of the Kingdom of the Netherlands	ZIBI	Zanzibar Investment and Business Insights Magazine
ESO	Entrepreneur support organization	ZICTIA	Zanzibar Information and Communication Technology Infrastructure Agency
FEZ	Free Economic Zone	ZIPA	Zanzibar Investment Promotion Authority
GDP	Gross domestic product	ZNCC	Zanzibar National Chamber of Commerce
ICT	Information and communication technology	ZRCP	Zanzibar Research Centre for Socio-Economic and Policy Analysis
IIT	Indian Institute of Technology (Madras)	ZSA	Zanzibar Startup Association
KPI	Key performance indicator	ZTBI	Zanzibar Technology Business Incubator
R&D	Research and development		

About this report

This report, **The State of the Zanzibar Startup Ecosystem: Mapping, Scoring, and Benchmarking the Road to Silicon Zanzibar**, was prepared by Sahara Consult Limited as an independent check-up on Zanzibar's startup ecosystem (the people, companies, funders, and institutions that help new businesses start and grow) and its ambition to become "Silicon Zanzibar." It rates the ecosystem in eight areas (finance, policy, markets, talent, culture and networks, infrastructure, support organisations, and research and innovation) using a widely used method from the Aspen Network of Development Entrepreneurs (ANDE), and compares Zanzibar with Lagos, Cairo, Nairobi, and Cape Town. The aim is to give government, development partners, investors, and the people building the startup community a shared, fact-based picture of where things stand and where focused effort will make the biggest difference.

The analysis is rooted in research done in Zanzibar, not only in comparisons with the rest of Africa. It draws on the study *The Start-up Ecosystem in Zanzibar* (ZRCP, ZSA, the Embassy of the Kingdom of the Netherlands, and UNDP, 2024), whose survey of local founders is the main source of information on when startups were created and who their founders are. It is read alongside research from the Zanzibar office of the Tanzania Commission for Science and Technology (COSTECH), including its map of Zanzibar's innovation players, and other studies produced in Zanzibar on the organizations and support programs already at work on the islands. Conversations and interviews with ministries, the Zanzibar Startup Association, the Zanzibar National Chamber of Commerce, universities, NGOs, development partners, and private companies add first-hand views on who does what, what holds startups back, and what should come first.

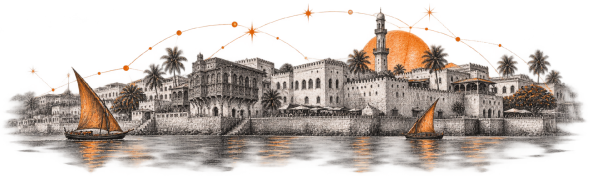
The report brings these sources together in one place so that every finding can be traced back to where it came from. Scores are Sahara Consult's own judgments on a simple scale of 1 to 5. They show direction and help decide what to do first; they are not exact, audited measurements. Where sources disagree or information is missing, the report says so and records the issue in the data note at the back (Annex A), so that the picture can be improved each year through a direct survey of founders. The result is a clear account of where the ecosystem stands today, its strengths, challenges, and opportunities, together with recommendations in order of priority, who should lead them, by when, and how progress will be measured on the road to Silicon Zanzibar.

Acknowledgements

Sahara Consult sincerely thanks the institutions, organisations, and individuals across Zanzibar whose contributions made this study possible. Special thanks go to the Ministry of Communication, Information Technology and Innovation of Zanzibar for its leadership, guidance, and commitment to Zanzibar's digital future. We are equally grateful to other government ministries, departments, agencies, and public authorities, as well as the Zanzibar Startup Association (ZSA), the Zanzibar National Chamber of Commerce (ZNCC), universities, research institutions, development partners, civil society organisations, private companies, and professional networks. By taking part in consultations and interviews, they gave us valuable insight into innovation in Zanzibar, its development priorities, and its opportunities for lasting economic change.

We also thank the entrepreneurs, innovators, startup founders, investors, industry professionals, and community organisations who generously shared their experiences, views, and suggestions. Their input helped us see what is already working, where rules and institutions get in the way, where funding falls short, and where investment and collaboration could do the most good. Sahara Consult recognises that making Zanzibar a competitive regional hub for technology, entrepreneurship, and investment will take lasting commitment, coordinated action, and strong partnerships between the public and private sectors. We hope the findings and recommendations of this study will inform policy decisions, guide practical action, and inspire real collaboration towards a more inclusive, competitive, and innovation-driven economy, and towards the shared vision of Silicon Zanzibar.

Executive Summary



Zanzibar has made a deliberate bet on the digital economy. Silicon Zanzibar, launched on 30 August 2022 as a partnership between government and business, aims to attract technology companies, skilled people, and investment to the islands. The goal is to broaden an economy in which tourism accounts for about 29% of GDP and about 80% of foreign-currency earnings. The political will is strong, and the package of incentives is among the most ambitious on the continent. But a thriving startup scene needs more than incentives: it needs money, companies, skilled people, and customers.

Where the ecosystem stands

Sahara Consult rated Zanzibar in eight areas, or "domains," using the ANDE method. The result places Zanzibar at an early **"Activation" stage, with an overall score of 2.3 out of 5** (2.25 before rounding; the simple average of the eight areas). The people we consulted say the same: the building blocks are there in policy, training, networking, mentoring, research, and business support, but the pieces are not well connected. Involvement is uneven, and there is little coordination between startup support, funding, market opportunities, putting policy into practice, and turning ideas into products that sell.

Table ES-1. Headline ecosystem scorecard

Domain	Score /5	Evidence confidence	Verdict
Policy & Regulatory Environment	3.5	Medium	Zanzibar's strongest area. The vision, agencies, and incentives are in place. The Startups & Innovation Act is still pending and delivery is not yet reliable; people still report red tape.
Infrastructure (digital & physical)	3.0	Medium	The fiber internet network, the Fumba zone, and mobile money are solid. Reliable power, local data center capacity, and housing for skilled workers are gaps.
Culture & Networks	2.5	Low	ZSA is active, and events are multiplying; the community is young and has few links to investors.
Markets & Demand	2.0	Low	A home market of about 1.9 million people is small; the idea of Zanzibar as a gateway to bigger markets has not yet been proven at scale.
Human Capital & Talent	2.0	Medium	IIT Madras Zanzibar and ASE are assets; few experienced specialists live on the islands, and it is not yet proven that graduates will join local startups.
Support Organizations (ESOs)	2.0	Medium	ZTBI, ZSA, and others exist; few programs support a startup all the way from idea to growth; support depends on donor funding cycles.
Finance & Investment	1.5	Medium	The biggest bottleneck: almost no investors based on the islands; early money comes as grants and competition prizes.

Domain	Score /5	Evidence confidence	Verdict
R&D & Innovation Output	1.5	Low	Very little formal research, patents, or research turned into businesses so far.
OVERALL MATURITY	2.3	—	An early “Activation” ecosystem: strong ambition, little depth so far.

Scale: 1 = barely exists · 2 = emerging · 3 = developing · 4 = established · 5 = mature. Scores: Sahara Consult’s judgment from Version 1.0 [S1], recalculated in Annex A. Evidence confidence (how strong the evidence is) is explained in Section 2.4.

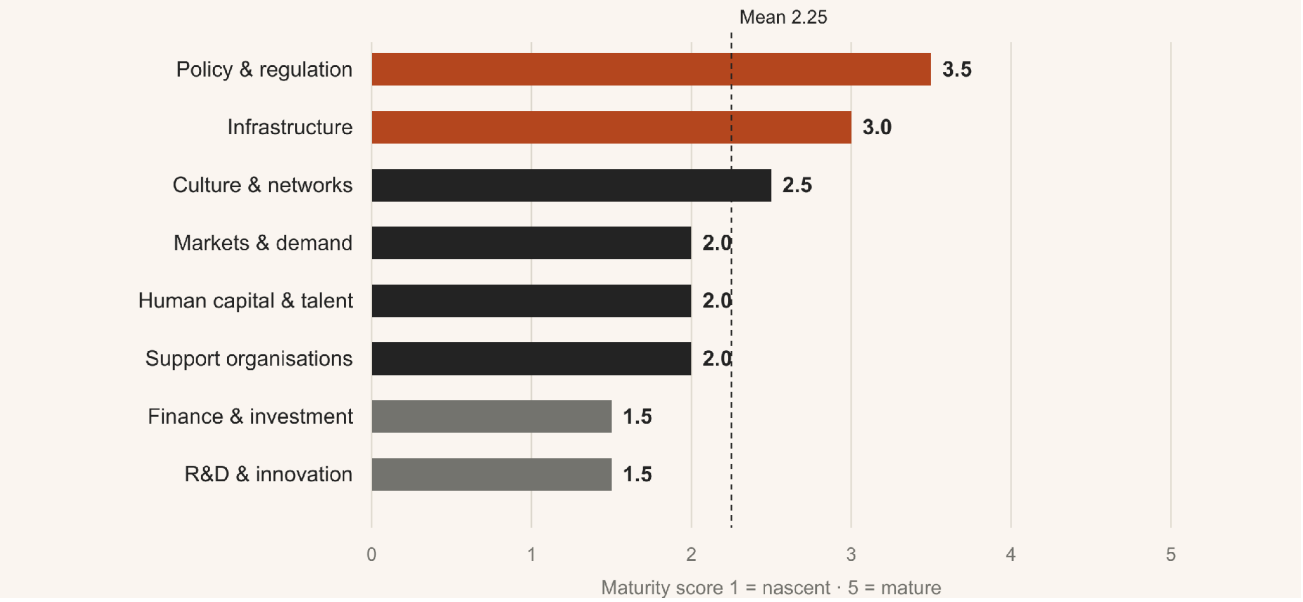


Figure ES-1. Zanzibar’s scores by domain (1–5)

Source: Sahara Consult scores; the dashed line shows the simple average (2.25).

Key findings

Funding is the ceiling, and policy is the edge. Finance and investment scores just 1.5, and the people we consulted point to a serious shortage of early funding. Without investors based on the islands, companies can register in Zanzibar and do their real work elsewhere (the “flag of convenience” risk). Policy, by contrast, is the highest-scoring area and the only one nearly level with the four leading hubs (gap −0.1). Even so, people report red tape and slow procedures, so the problem is putting policy into practice, not a lack of policy.

The startup scene is young, and it cannot rely on companies moving in. About 53% of surveyed startups were founded in 2022–2023, and 75% of founders hold a bachelor’s or master’s degree (95% including diplomas and professional certificates), although the survey covers a sample of startups, not all of them. Relocating a company is not the same as building one: the March 2024 closure of Wasoko’s Zanzibar office showed the risk of relying on a few big-name companies, and Dunia Cyber City was still described as undeveloped land in January 2026.

The pieces are not yet connected or measured. Government, associations, universities, NGOs, development partners, and private companies each play a useful role, but they rarely refer startups to one another, share data, or act together. Inclusion and the balance between the islands cannot yet be measured: there is little evidence on women, youth, and Pemba, the materials we received contain no separate data for Pemba, and the only direct statement is that connections between Unguja and Pemba lag behind the main digital network. This is treated as a priority information gap (Section 6, Annex A).

Strengths, challenges, and opportunities at a glance

Strengths

Zanzibar starts from real strengths. It has strong political backing and dedicated agencies (ZIPA, ZICTIA), generous incentives, and a Special Economic Zone model. Its fiber internet network has grown from about 300 km in 2020 to about 1,500 km in 2025, and 82% of adults used financial services in 2023. ZSA and ZNCC are active, the events calendar is growing, and the IIT Madras Zanzibar and ASE campuses add to the talent base.

Challenges

The main challenges are a shortage of funding, with no local venture capital or angel investors, and the difficulty startups have in reaching customers and turning ideas into sales. Red tape and slow procedures, gaps in skills and founder know-how, and scattered efforts with weak coordination add to the problem. So do structural and regional factors, including the gap between Unguja and Pemba, too much reliance on companies moving in, and a lack of data.

Opportunities

The opportunities are clear. A seed fund that invests alongside others, including in the ocean ("blue") economy, would bring in early money, and government and large companies could become startups' first major customers. Paths from campus into local startups would keep talent on the islands. Zanzibar can also lead in chosen niches (ocean/climate, tourism and transport tech, remote-work services), attract investment from Zanzibaris abroad through e-residency, and build on the Zanzibar–Dar es Salaam–Nairobi corridor and its access to EAC and AfCFTA markets.

Sources: [S7][S11]. Detail in Sections 5–9.

Priority recommendations

Section 10 sets out eleven recommendations over three time horizons, each with lead and supporting organizations, timelines, and ways to measure progress. Five matter most.

Three can start at once, within the first year. The first is to measure (0–6 months): run a yearly survey of founders and keep a live map of the ecosystem, broken down by island, gender, and age, to reset the scorecard on solid data (R1). The second is to turn policy into practice (0–12 months): pass the Startups & Innovation Act and publish a single guide for founders with guaranteed processing times (R2). The third is to make coordination real (0–12 months): set up a steering group for the ecosystem with shared referrals and data (R7), and a dedicated program for Pemba and inclusion (R8).

Two take longer but matter just as much. Zanzibar should create local investment money (design in 0–12 months; first investments in months 12–36) through a Silicon Zanzibar Seed and Blue Economy fund that invests alongside others, plus a group of angel investors (R3). It should then turn demand and talent into results (12–36 months) with programs that make government and large companies early customers of startups (R4) and that move graduates into local startups (R5).

Bottom line. Zanzibar has built the runway; it now has to build the airline. The next phase should be judged by founders who live on the islands, local jobs, and money invested locally, not by the number of company logos that announce a presence.

1. Introduction and Strategic Context

1.1 Why this report, why now?

Africa's technology sector has grown quickly but unevenly. Nigeria, South Africa, Kenya, and Egypt, the "Big Four," took roughly 72–86% of publicly reported African startup funding in 2025, depending on who is counting. [S10] Any serious bid by a fifth ecosystem must be honest about that concentration. Silicon Zanzibar competes on the conditions it offers (tax, easy movement of skilled people, quality of life, and a purpose-built free zone) and not on the number of companies and investors already in place, which the islands do not yet have.

This report gives that ambition an honest, structured starting point. It maps the ecosystem as it is, scores each part of it, compares it with the hubs it hopes to join, and sets out what would turn Zanzibar from an initiative into a living ecosystem.

1.2 Silicon Zanzibar in Brief

Silicon Zanzibar is a partnership between government and business, launched by the Revolutionary Government of Zanzibar on 30 August 2022 and led by the Ministry of Investment and Economic Development. It aims to attract technology companies, startups, skilled workers, and investment and to build a technology and innovation hub serving all of Africa. At launch it was presented as a home base in Africa for companies that build for Africa, an alternative to headquarters in Dubai or London. Its physical home was Fumba Town, developed by CPS, where Wasoko became the first major company to set up.

The initiative responds to the goal of reducing dependence on tourism. Government messaging linked it to the Blue Economy agenda, presenting technology businesses as a source of skilled jobs and economic resilience with little environmental impact.

Table 1. Economic context for diversification

Indicator	Data	Source
Population	About 1.88 million (2022 Census); growth of about 3.7% a year	ZIPA 2024
Real GDP growth	7.4% (2023)	ZIPA 2024
GDP per capita	USD 1,241 (2023)	ZIPA 2024
Importance of tourism	About 29.2% of GDP (direct) and about 80% of foreign-currency earnings	TanzaniaInvest 2026
Tourism, 2025	654,880 arrivals (+9%) and USD 1,190.8 million in earnings (+19.3%), according to the Bank of Tanzania's survey of departing visitors. Zanzibar's own statistics show 736,755 arrivals in the 12 months to November 2025 (+16.2%). The two sources count differently (see Annex A, D2).	Bank of Tanzania via TanzaniaInvest
Financial inclusion	45% of adults (2017) to 82% (2023); adults without access to financial services fell from 318,000 to 112,000.	FinScope Tanzania 2023, Zanzibar report
Youth unemployment (15–24)	33.3%; figure taken from a ZIBI article; the definition and year still need to be confirmed (see Annex A, D3)	ZIBI
Self-employed (own-account) workers	41.7% of jobs in Zanzibar vs. 28.7% on the mainland (2022)	Africa Urban Lab policy brief

Relying heavily on tourism is risky: arrivals fell to 260,644 in 2020, hitting jobs and foreign-currency earnings at the same time. [S8]

1.3 The core offer and incentives

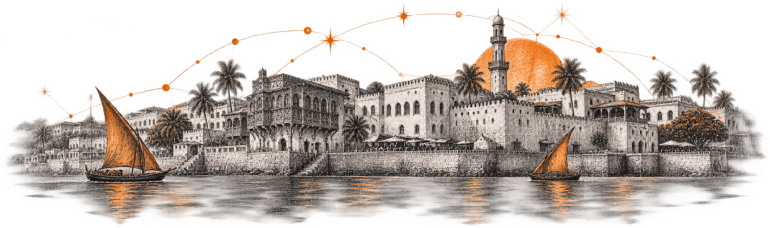
Element	What was offered	Points to note
Corporate income tax	No corporate income tax for 10 years for qualifying companies under the Free Economic Zone (FEZ) programme, as announced at launch.	Conditions listed on the investor-services website include a ZIPA Certificate of Investment, a minimum approved investment, and applying within the first two years. Some analyses link a further 10 tax-free years to exporting at least 80% of output. Under the Zanzibar Investment Act No. 10 of 2023, FEZs are now called Special Economic Zones.
Work visas	Simpler work visas and immigration procedures for skilled tech workers.	ZIPA's one-stop center handles immigration together with company registration, licensing, land, and tax incentives.
Physical base	Fumba Town: offices, residences, about 9 km (15 minutes) from the airport.	Plans mention about 3,000 to 5,000 homes, depending on the source.
Zone framework	Fumba has been a free economic zone since 1992.	The 2023 Act extends the model to digital free zones and to zones for export processing and logistics.
Digital infrastructure	National fiber internet network and data center managed by ZICTIA; planned Dunia Cyber City Digital Free Zone.	See Sections 3.4 and 5.7.

1.4 National and policy backdrop

Zanzibar Development Vision 2050 aims for upper-middle-income status and names the creative and digital economy among seven priority areas for change. It is put into action through ZADEP 2021–2026, the Zanzibar Digital Government Strategy, a Digital Transformation Policy, and a Zanzibar Digital Policy 2026. A Startup and Innovation Act, a Personal Data Protection Act, and an ICT law are reported to be in draft. Analysts note that Vision 2050 and its five-year plan do not specifically mention startups.

Zanzibar is also part of Tanzania's wider growth in innovation: the number of startups nationally rose 43.4% between 2021 and 2023 (from 587 to 842), and Dar es Salaam still hosts most of that activity. Startup funding in Tanzania is modest and changes sharply from year to year. Zanzibar's opportunity is to attract a large share of the activity now spreading beyond Dar es Salaam by being the most founder-friendly place in the Union.

2. Methodology and Evidence Base



2.1 The method

The report is built on the Entrepreneurial Ecosystem Diagnostic, a method developed by the Aspen Network of Development Entrepreneurs (ANDE). It is supported by two other well-known approaches: Isenberg's six-part model and the OECD's approach, which looks not only at the conditions for startups but also at results (new companies created, how many survive, jobs) and at how fairly opportunity is shared. ANDE also recommends combining first-hand information (founder surveys, interviews) with published data and comparing with similar places, as this report does.

2.2 Where the evidence comes from and how it was combined

Source of evidence	What it covers	How it is used in this report	Main limitation
Consultations and interviews with key people	Views of ministries, ZSA, ZNCC, universities, NGOs, development partners, and private companies on roles, strengths, and obstacles	What stakeholders said about each area; the six challenges they identified; the map of who does what	Summary only. The number of interviews, list of participants, questions, and transcripts were not provided. No Pemba-specific record can be identified.
First draft of this report (Version 1.0)	Scores for the eight areas, comparison with other hubs, map of players, roadmap, and a collection of published data	Source of the scores and most documented facts	Based on published material. Scores are Sahara Consult's judgment. Several figures could not be traced to a source (Annex A).
ZRCP scoping survey 2024	Years startups were founded, founders' education, and related survey results	The only survey of startups themselves used here	The number of startups surveyed and how they were chosen are not stated in the extracts available; the full study was not re-read when this report was put together.
Published statistics and press	Tourism, financial inclusion, ZICTIA, Wasoko, Dunia, IIT Madras Zanzibar, funding trackers	Context and fact-checking	Mostly cited through S1; reliability varies (Annex A2).
Comparison data	StartupBlink 2026, Africa: The Big Deal, Briter/Partech	Background on the hubs and where funding goes	The sources define "startup" and "funding" differently.

The material was combined in five steps: (1) gather all content from both documents provided; (2) merge overlapping sections into one structure and remove repetition; (3) recalculate every score and gap from the original table values; (4) trace each fact to a source and note disagreements; (5) identify claims that could not be traced and either leave them out or flag them. Results are in Annex A.

2.3 The eight areas and how they are scored

#	Domain	What it covers
1	Finance & Investment	Grants, angel investors, seed funding, venture capital, loans, and money returned when companies are sold; local funds and investor groups
2	Policy & Regulatory Environment	Startup-friendly laws, incentives, ease of doing business, tax, protection of ideas (intellectual property), immigration, data protection
3	Markets & Demand	Size of the home market, spending power, access to export and regional markets, demand from companies and government
4	Human Capital & Talent	Supply of technical and business talent, universities, training, keeping talent on the islands
5	Culture & Networks	Entrepreneurial mindset, role models, events, trust, how well people and organizations are connected
6	Infrastructure	Internet, power, data centers, physical space, payment systems, logistics
7	Support Organizations (ESOs)	Incubators, accelerators, venture studios, hubs, advisory services
8	R&D & Innovation Output	Research capacity, patents and other intellectual property, turning university research into business, advanced-technology startups

Score	Maturity level
1	Barely exists: only isolated, unorganized activity
2	Emerging: early players are present but small, scattered, and short of resources
3	Developing: the building blocks work; gaps remain in depth, connections, or funding
4	Established: works well, keeps strengthening itself, and has depth and a track record
5	Mature: competes globally; many players; exports talent, capital, or ideas

The same scoring guide is applied to Zanzibar and the four comparison hubs, so what matters is the overall pattern, not the exact decimals.

2.4 Evidence confidence rating

Scores alone can suggest more certainty than there is. This edition adds an evidence confidence rating to each area, showing how well the available sources support the score:

A rating of High means two or more independent sources with numbers, confirmed by first-hand information; no area currently reaches this level. Medium means documents or published sources confirmed by stakeholders, with few hard numbers. Low means the score rests mainly on Sahara Consult's judgment, with little data.

2.5 How stakeholder themes match the eight areas

The summary of stakeholder views groups findings under five priority themes. They match the eight ANDE areas as shown below, so both views are reported consistently.

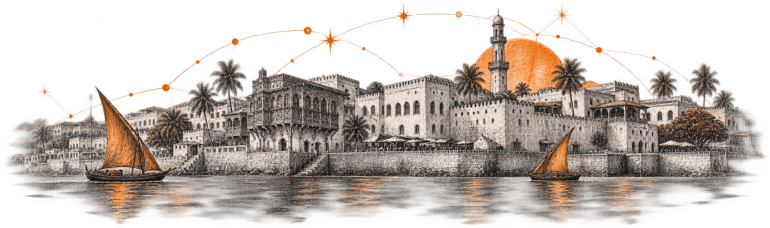
Stakeholder theme	What stakeholders said	ANDE domain(s)	Domain score
Finance & Investment	Serious shortage of early funding	Finance & Investment	1.5
Market Access & Commercialization	Few routes to customers and to government or corporate contracts	Markets & Demand	2.0
Policy & Regulation	Red tape and regulatory hurdles remain	Policy & Regulatory Environment	3.5
Talent & Capacity	Gaps in skills and founder know-how persist.	Human Capital & Talent: Support Organizations	2.0 / 2.0
Ecosystem Coordination	Stakeholders and support efforts are scattered	Culture & Networks: Support Organizations	2.5 / 2.0

Infrastructure and R&D are not separate themes in the summary of stakeholder views [S2]; they appear under its "structural and regional factors" challenge and are assessed in Sections 5.7 and 5.8.

2.6 Limitations

This assessment has three main limitations. Data on individual startups in Zanzibar are scarce and not collected regularly, so scores show direction only. No original interview, survey, or data files were provided, so the underlying data could not be analyzed again. Finally, sources define "funding" and "startup" differently, and hub scores are Sahara Consult's judgment, so comparisons between sources and between hubs are approximate.

3. Startup Development in Zanzibar



3.1 New startups and their founders

The ZRCP survey describes a young ecosystem in which many startups have been created recently by well-educated founders. About 53% of surveyed startups were founded in 2022 or 2023, and 75% of founders hold a bachelor's or master's degree (95% when diplomas and professional certificates are included).

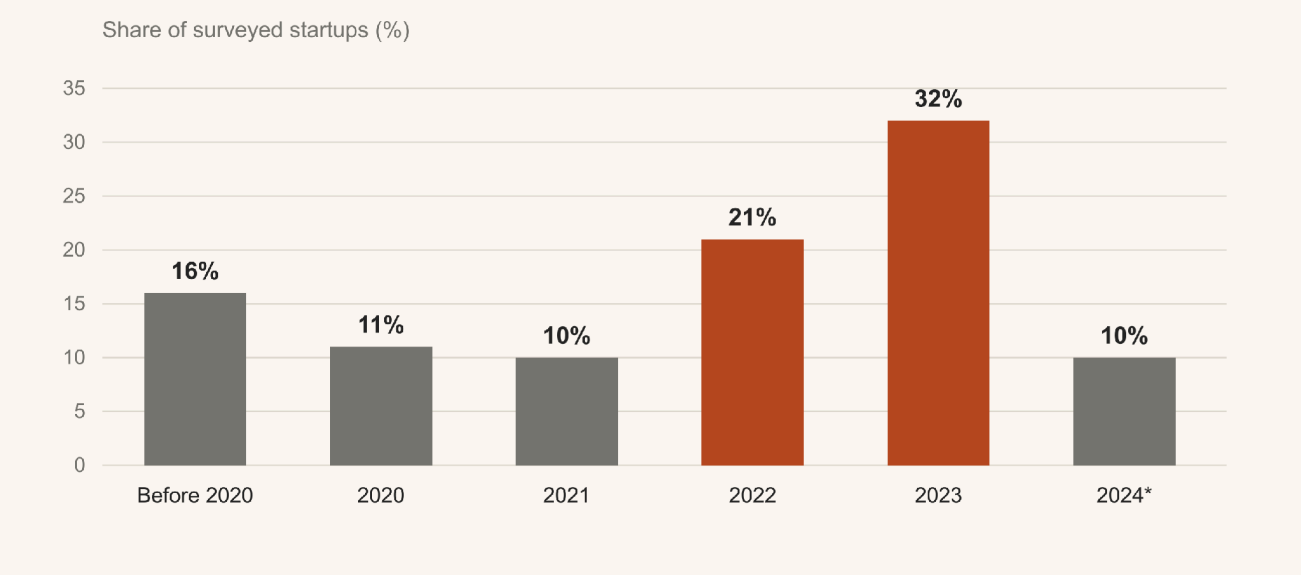


Figure 1. Founding year of surveyed Zanzibar startups (share of sample)

*Source: ZRCP, Scoping Study: The Start-up Ecosystem in Zanzibar (2024), values read from chart in [S3]; shares add up to 100%. *2024 covers only part of the year. The number of startups surveyed is not stated in the extracts available. The chart shows a trend, not a full count.*

The 2022–2023 surge came at the same time as the Silicon Zanzibar launch, but the survey does not prove that one caused the other. The Version 1.0 draft gave a range of "30–50 early-stage ventures" for Zanzibar without a source. That range has been removed from this edition because no source or definition supports it (Annex A, A5).

3.2 The startup journey: where support exists

The table shows what support exists at each stage of a startup's journey. The rating in the last column is Sahara Consult's judgment, based on the sources cited.

Stage	What exists today	Coverage
Ideas and awareness	Business-plan competitions, the Zanzibar Tech Summit (first held 17 Aug 2024, second in July 2025), and ZSA events and workshops	Emerging

Stage	What exists today	Coverage
Incubation (early support)	Zanzibar Technology Business Incubator (ZTBI, est. 2016) for youth- and women-led businesses in ICT, tourism, and agro-processing; Fumba ICT Innovation & Entrepreneurship Hub	Emerging
First funding (pre-seed and seed)	The Coprosperity Fund (2024) and the Zanzibar Business Plan Competition 2026 offer grants and prize money; no venture capital or angel investors based on the islands were identified.	Gap
Finding first customers	Tourism as a testing ground; few contracts for startups from companies or government	Weak
Growth and scale	The sources provided identify no homegrown startup that has grown large while based on the islands.	Gap
Exits and reinvestment	Almost no startups have been sold or listed so far	Absent

3.3 Big-name companies, interest, and the Wasoko lesson

Wasoko, ranked by the Financial Times in 2022 as Africa's fastest-growing company, opened a hub at Fumba Town and announced it would move more than 40 tech workers and leaders there. Its CEO said it expected to invest over USD 10 million on the island in the following years. Ramani (online purchasing for businesses) and Tushop (commerce) were also linked to the initiative.

Reported interest should be read as intention, not as actual presence. Sources give different counts of companies interested in investing, as Figure 2 shows (Annex A, D1).

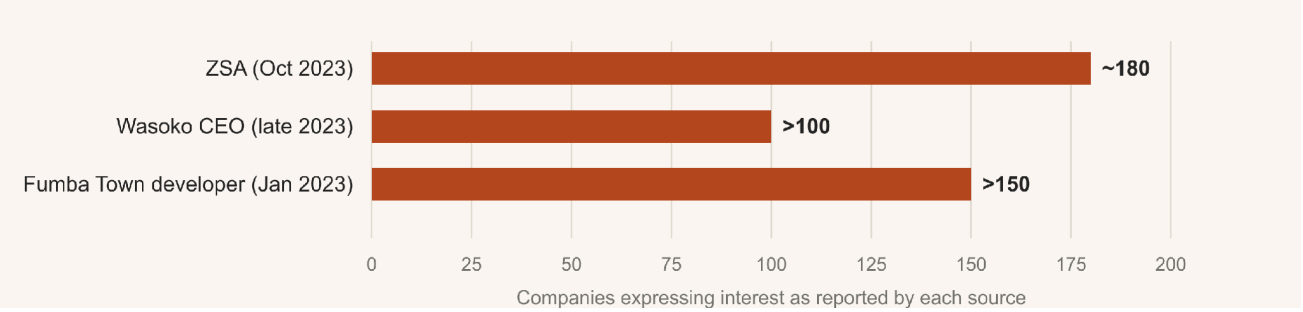


Figure 2. Companies reported as interested in Zanzibar's tech sector, by source and date

Sources: CPS/Fumba Town (Jan 2023); Wasoko CEO statement (late 2023); ZSA (Oct 2023). The figures were counted in different ways and should not be compared or added together. The Version 1.0 draft dated the 180 figure to late 2022; the ZSA statement is dated October 2023.

Reality check. Wasoko closed its Zanzibar office in March 2024 as part of a company-wide restructuring. The Wasoko–MaxAB merger was announced in December 2023 and completed in August 2024, so the office closed before the merger was completed; this corrects the order of events given in the Version 1.0 draft. Investor VNV Global cut its valuation of Wasoko by about 48% to around USD 260 million in March 2024. The company said the closure was due to restructuring and not to Zanzibar as a location, so the episode shows the risk of depending on a few big-name companies. [S9]

The lesson is that success should be measured by founders living on the islands, local jobs, money invested locally, and innovation created locally, and not by the number of companies that announce a presence. Version 1.0 proposed a possible measure, an "Ecosystem Health Score" combining tech jobs on the islands, local founders, and money invested on the islands. It has not yet been tested and has no starting figures.

3.4 New-generation infrastructure: Dunia Cyber City

Feature	Detail (as reported) [S9]
Site and ownership	About 71 hectares near the tip of the Fumba peninsula; a joint venture between OurWorld and ZICTIA
Approval	President Mwinyi approved the partnership in November 2024 with a 30-year agreement to develop and run the site; digital free zone rules took effect in early 2024.
Planned size	Housing for an estimated 5,000–7,000 people living on site plus a larger number of "digital residents" registered online; one report puts the project's value at about USD 1 billion.
Proposed tax terms	Reported as 5% income tax for remote residents, 15% for people living on site, no corporate tax for 10 years, and no capital gains or wealth tax. These are proposals and should not be read as law.
Status	Bloomberg's January 2026 report described the site as undeveloped land. In July 2023, ZICTIA had spoken of acquiring up to 3,000 hectares; the approved project covers 71 hectares.

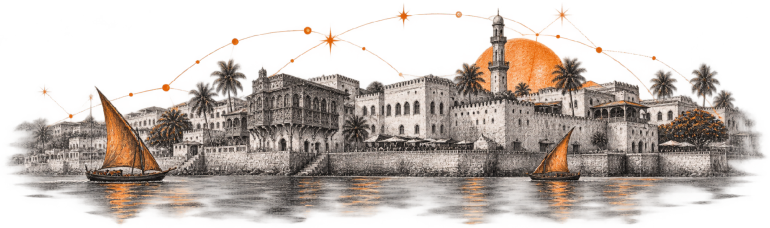
Dunia is still an early-stage project, not a working digital city. Supporters see a low-cost, flexible base for digital talent; sceptics note that delivery, regulation, and demand will decide whether it works. [S9]

3.5 Key education institutions

IIT Madras Zanzibar, the first international IIT campus, signed its agreement in July 2023, began classes in October 2023, and was officially opened on 6 November 2023. It offers bachelor's (BS) and master's (MTech) programs in data science and AI from a temporary campus at Bweleo. Reports on the first intake range from 45 to about 65 students. By 2025 the campus reported 105 students (30% women), 50+ courses delivered, and 16 graduates at its first MTech graduation ceremony.

The African School of Economics (ASE) announced in November 2023 that it would open its first East Africa campus in Fumba Town with a technology focus, together with the Charter Cities Institute, aiming to start classes in September 2024. Whether it is now operating should be confirmed before it is described as a working campus.

4. Stakeholder Landscape and Roles



The assessment shows that different players do complementary jobs across a startup's life, with growing involvement from government institutions, private companies, industry associations, NGOs, development partners, universities, and professional networks.

4.1 Who does what

Stakeholder group	Main role in the ecosystem	Who they are
Government ministries and public authorities	Set the policies, rules, and institutions for entrepreneurship and innovation; promote investment; provide digital infrastructure.	Revolutionary Government of Zanzibar; Ministry of Investment and Economic Development; ministry responsible for ICT and innovation; ZIPA, ZICTIA, Silicon Zanzibar office
Industry associations and representative bodies	Speaking up for startups, networking, dialogue with government on policy, and opportunities to grow	ZSA, ZNCC, Tanzania Startup Association (TSA)
Universities and research institutions	Research, technical skills, and talent development	IIT Madras Zanzibar; ASE; State University of Zanzibar; ZRCP
NGOs and development partners	Training, youth empowerment, technical help, program support	UNDP, UNCDF, embassies (historically the Netherlands), and donor-funded programs
Private-sector actors	Access to customers, contracts, and routes to market; real estate and infrastructure	CPS Africa (Fumba Town); OurWorld; telecoms and fiber operators; big-name and tenant companies
Incubators, funds, and advisory	Incubation, prize funding, mentoring, advice	ZTBI; Fumba ICT Hub; Coprosperity Fund; Sahara Consult; small specialist legal and advisory firms

ZNCC is named in the consultations as a key player but was missing from the Version 1.0 map of players; it is added here (Annex A, D5).

4.2 Who is active, by type of player

Type of player	Who is active in or around Zanzibar?	Coverage
Government and agencies	Government; ICT and innovation ministry; ZIPA, ZICTIA, Silicon Zanzibar office	Strong
Policy and research	ZRCP, UNCDF, COSTECH (national)	Developing
Associations and chambers	ZSA, ZNCC, TSA, Silicon Dar network	Developing
Incubators and accelerators	ZTBI, Fumba ICT Hub, links to DTBI and Buni Hub (Dar es Salaam)	Emerging
Investors and funds	Coprosperity Fund; investors from mainland Tanzania and East Africa reaching in; no venture capital or angel investors based on the islands identified	Gap
Education and talent	IIT Madras, Zanzibar; ASE; State University of Zanzibar	Emerging
Big-name companies and tenants	Wasoko (closed Zanzibar office 2024); Ramani; Tushop; CPS; OurWorld	Emerging
Infrastructure and real estate	CPS Africa; OurWorld × ZICTIA; telecom and fiber operators	Developing
Development partners	UNCDF, UNDP, embassies, donor-funded programs	Advisers and venture builders
Advisory and venture builders	Sahara Consult; small specialist legal and advisory firms; few locally	Emerging

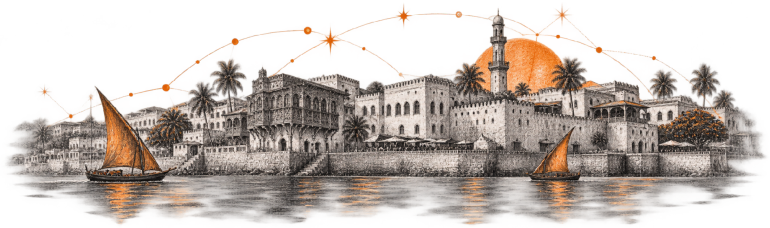
The missing middle. Government, policy, real estate, and education players are present and improving. What is thin is the layer of locally based money and start-to-finish support: investors, investor groups, accelerators, and venture studios building companies physically on the islands. This is where action would have the greatest effect.

4.3 Coordination

Stakeholders describe an ecosystem whose parts are not well connected, with uneven involvement and little coordination. The result is gaps between startup support, access to funding, market opportunities, putting policy into practice, and turning ideas into sales. The consultations call for stronger coordination, referrals, data sharing, and joint action. Recommendation R7 turns this into a concrete proposal.

One caution applies: the materials provided do not show which stakeholders are based in Pemba or run programs there. It is therefore not possible to say how well each island is covered (Section 6).

5. Domain Assessment and Scoring



This section looks at each area in turn: the score, how strong the evidence is, what stakeholders said, what exists, and what is missing. The order follows the themes of the assessment: financing, policy, market access, talent, business support, culture, technology and infrastructure, and research.

5.1 Finance and Investment

Score	Evidence confidence	What stakeholders said
1.5	Medium	Serious shortage of early funding; startups need seed, risk, and growth funding they can actually reach.

Evidence. The Coprosperity Fund (founded 2024) and the Zanzibar Business Plan Competition 2026 offer grants and prize money. The sources identified no venture capital firms, angel investors, or investor groups based on the islands, and no fund mixing public and private money. There are no data on individual investment deals in Zanzibar, so the score rests on documents and what stakeholders told us. The World Bank Enterprise Survey 2023 (103 firms in Zanzibar) is reported to rank access to finance as the biggest obstacle for small firms (44%), ahead of reliable electricity (13%) and taxes (12%); the source does not say what geographic area these percentages cover.

Strengths to build on

Early public and charitable money is starting to appear through the Coprosperity Fund and business-plan competitions. Tax incentives let companies based on the islands keep more of what they earn, and the use of financial services rose from 45% of adults in 2017 to 82% in 2023, so mobile and digital payment channels are in place.

Gaps to close

There are no venture capital or angel investors based on the islands, so larger deals are done from Nairobi, Lagos, Cairo, Dubai, or London. Local early funding is the size of a competition prize, not the seed investment founders need. There is no fund for investment from Zanzibaris abroad, no fund mixing public and private money designed for Zanzibari startups, and almost no startups have been sold or listed.

Implication. Finance is the biggest bottleneck. An ecosystem grows only as fast as its weakest part, and incentives without investment attract registrations, not builders.

5.2 Policy and Regulation

Score	Evidence confidence	What stakeholders said
3.5	Medium	Red tape and regulatory hurdles remain; rules need to be business-friendly and keep pace with innovation.

Evidence. The policies are on paper: Vision 2050, ZADEP 2021–2026, Digital Government Strategy, Digital Transformation Policy, Digital Policy 2026, and the Zanzibar Investment Act No. 10 of 2023. The Startups and Innovation Act is reported to be still in draft. The score reflects strong policy intentions and design; stakeholders stress the difficulty of putting them into practice (Section 7.2).

Strengths to build on

Zanzibar has a consistent set of policies, backed at the highest political level, with dedicated agencies able to move quickly (ZIPA, ZICTIA). The Investment Act 2023 also extends the zone model to digital free zones and to zones for export processing and logistics.

Gaps to close

The Startups and Innovation Act is not yet law, and the gap between incentives announced and incentives delivered creates uncertainty. Having two levels of government (Union and Zanzibar) can create confusion on tax, data, and cross-border operations. Investor protection, enforcement of intellectual property rights, and ways to settle disputes are also less developed than the headline incentives.

Implication. This is Zanzibar's clearest advantage. The priority is delivery and legal certainty, not more announcements. See the "policy paradox" in Section 7.2.

5.3 Market Access and Commercialisation

Score	Evidence confidence	What stakeholders said
2.0	Low	Few routes to customers and contracts; stronger links with private companies and more buying from startups are needed.

Evidence. The home market of about 1.88 million people is small. Tourism brings in foreign currency and offers a testing ground. The idea of serving mainland Tanzania, Kenya, and the EAC from Zanzibar (the "gateway" idea) is still a proposal; the sources identify no company based on the islands doing this at scale. The statement in Version 1.0 that there is "strong air connectivity to 20+ destinations" could not be traced and is left out (Annex A, A5).

Strengths to build on

Zanzibar has a world-famous destination brand and a believable offer as an easy place to set up. Tourism, transport, hospitality, and climate offer real settings for pilot projects, and as part of the Union, Zanzibar has access in principle to EAC and AfCFTA markets.

Gaps to close

A small home market alone cannot support companies that aim to grow large. Few companies and public bodies act as first major customers for young startups that sell to businesses, and the benefits of the gateway idea (cost, time, tax) are not yet backed by verified real-life examples.

Implication. From day one, the strategy must focus on exports and on Zanzibar's gateway role, and government and corporate purchasing should be used deliberately to create demand.

5.4 Human Capital and Talent

Score	Evidence confidence	What stakeholders said
2.0	Medium	Gaps in skills and founder know-how persist; stronger technical, management, and business skills are needed.



Evidence. Founders are highly educated (75% hold a bachelor's or master's degree; 95% when diplomas and certificates are included). IIT Madras Zanzibar reported 105 students (30% women) in 2025. No data were available on graduates joining local startups, so the "pipeline gap" is a concern raised by stakeholders and Sahara Consult, not a measured fact. The Version 1.0 claim of a national higher-education enrollment rate of about 7.5% could not be traced and is left out.

Strengths to build on

Zanzibar has two flagship institutions in IIT Madras Zanzibar and ASE, and its founders are well educated. Vision 2050 also commits to coding in schools, updated curricula, and ICT training.

Gaps to close

Few senior engineers and experienced product, growth, and startup managers live on the islands, and there is no proven path from the new campuses into local startups. There is also a risk of brain drain, because the same incentives that ease movement make leaving easy.

Implication. The missing link is getting graduates into local startups, together with founders' management skills; both can be addressed within 12–36 months.

5.5 Business Support (Support Organisations)

Score	Evidence confidence	What stakeholders said
2.0	Medium	Stakeholders describe mentoring, training, and business support as building blocks, but they are scattered and uneven.

Evidence. ZTBI (established 2016 with COSTECH), ZSA, links to Dar es Salaam's DTBi and Buni Hub, and the mentoring that comes with the Coprosperity Fund make up the support structure. Development partners (UNDP, UNCDF, embassies) have supported studies and events. No data were available on how much support programs are used, what they achieve, or how many supported startups survive.

Strengths to build on

The basic institutions exist (ZTBI, ZSA, ZNCC, and links to TSA), and development partners are involved in studies, events, and training.

Gaps to close

There are few, if any, accelerators or venture studios on the islands that support startups from start to finish, and specialist advice on legal, financial, fundraising, and sales matters is limited. Support also depends on project and donor funding cycles, so it may not continue.

Implication. The structure is there but small and scattered: a gap that can clearly be fixed.

5.6 Culture and Networks

Score	Evidence confidence	What stakeholders said
2.5	Low	Networking is named as a building block, but coordination, referrals, and joint action are limited.

Evidence. ZSA brings together founders, investors, support organizations, and policymakers and speaks up for startup-friendly policy. The Zanzibar Tech Summit was first held on 17 August 2024 at Fumba Town; a second edition followed in July 2025. The material provided has no data on how well connected people are or how much they trust one another; the score is mostly Sahara Consult's judgment.

Strengths to build on

Zanzibar has active member-based associations (ZSA, ZNCC), and a growing number of events is making entrepreneurship a normal career choice. It is also a close-knit island community in which trust can build quickly as numbers grow.

Gaps to close

There are few experienced role models or repeat founders, and networking rarely leads to investment or contracts. The culture also risks revolving around relocated companies and events rather than homegrown startups.

Implication. Promising, but not yet able to keep growing on its own. Better coordination and visible local success stories would raise this score fastest.

5.7 Technology and Infrastructure

Score	Evidence confidence	What stakeholders said
3.0	Medium	Structural and regional factors are named as obstacles, but without detail on which parts of infrastructure.

Evidence. ZICTIA was established on 23 July 2023 under Act No. 4 of 2023 to manage the national fiber internet network and data center. Fiber coverage is reported to have grown from about 300 km in 2020 to about 1,500 km in 2025, with about 118 organizations connected and upcoming ICT projects worth more than USD 411 million. The FY2026 ministerial ICT budget of about TZS 53.39 billion cited in Version 1.0 has no traceable source and is treated as unconfirmed.

Strengths to build on

Zanzibar has a national fiber internet network and a government-run data center, along with a purpose-built physical base: Fumba Town, the Fumba ICT Innovation & Entrepreneurship Hub, and the planned Dunia Cyber City. Mobile money also lowers the cost of offering financial and consumer products.

Gaps to close

Reliable power, local data center capacity, and cloud services remain limits for services that need heavy computing. Affordable housing and office space for incoming talent are also gaps, and local delivery and connections between Unguja and Pemba lag behind the main network.

Implication. A relative strength for a young ecosystem. Reliability and extending the benefits to Pemba are the next tests.

5.8 R&D and Innovation Output

Score	Evidence confidence	What stakeholders said
1.5	Low	Universities contribute research and technical skills; difficulty turning research into products is mentioned in general terms.

Evidence. New institutions able to do research (IIT Madras Zanzibar, ASE, ZRCP) provide the raw ingredients. There are no data on patents, technology passed from research to business, or research projects that became startups; the score reflects the lack of visible results.

Strengths to build on

New institutions with research capacity are now in place, and Vision 2050 treats technology and innovation as drivers of change.

Gaps to close

There is very little formal R&D, patenting, or transfer of technology from research to business, and no visible flow of advanced-technology or patent-based startups from local research. Innovation is counted in events and relocations, not in products, patents, or companies that have grown.

Implication. A future asset that is not yet producing results; start measuring now so that progress can be seen.

5.9 The full scorecard

Zanzibar's pattern is high scores for policy and infrastructure and low scores for finance, R&D, and talent. This is typical of an ecosystem built from the top down with incentives, which has not yet grown its own base of investors and skilled people. The simple average of the eight scores is 18.0 / 8 = 2.25, shown as 2.3.

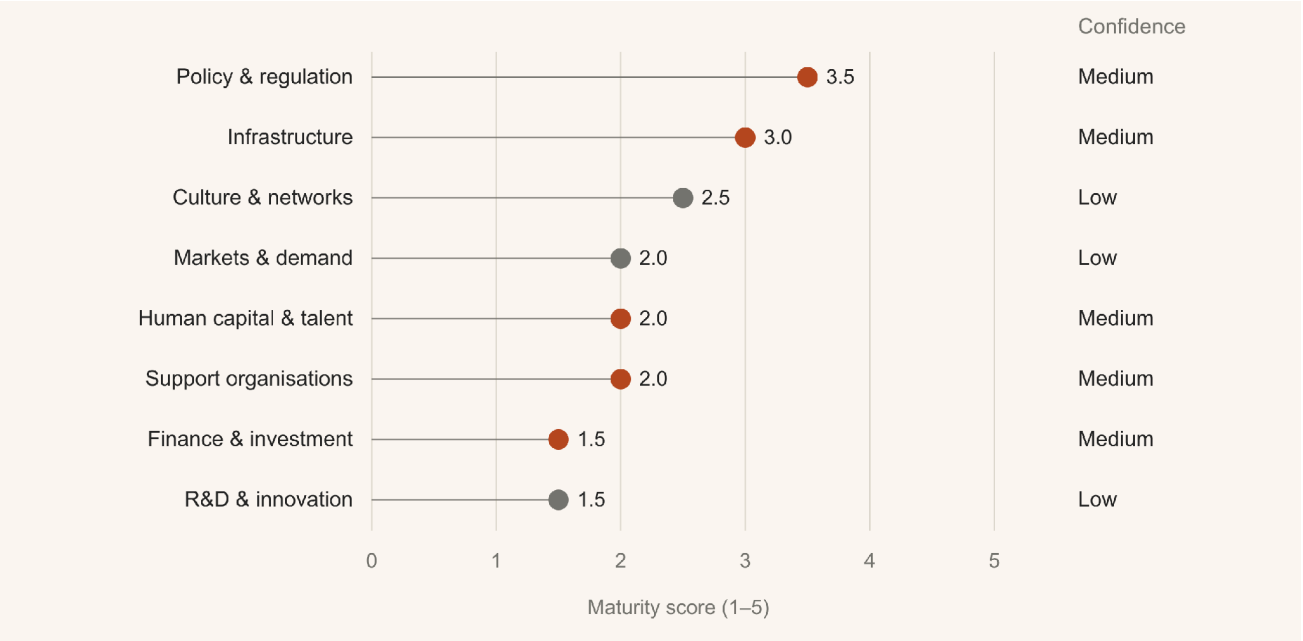


Figure 3. Domain score against evidence confidence

Source: Sahara Consult scores; confidence rating explained in Section 2.4. Three of the eight scores rest on weak evidence, which is why updating the figures every year is a top-priority recommendation.

The high points (policy 3.5, infrastructure 3.0)

What it means: The government-led groundwork is done and has political backing. This is a real asset that most young ecosystems lack.

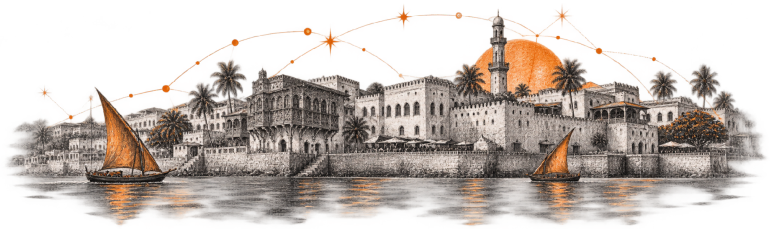
The low points (finance 1.5, R&D 1.5; markets, talent, support organizations 2.0)

What it means: Funding, company builders, specialist talent, demand, and research results are all at an early stage.

Implication

What it means: The best returns will come from tools that turn good conditions into local investment, local companies, and a steady flow of talent. More policy announcements are not the priority.

6. Inclusion and Unguja–Pemba Representation



Evidence status. This is the part of the assessment with the least evidence. The materials provided contain no startup data split by island, no founder data split by gender, and no record of interviews with stakeholders in Pemba. No score is given for inclusion or for either island.

6.1 Women and youth

Indicator	Evidence	Status
Women in higher education (IIT Madras Zanzibar)	30% of 105 students (2025)	Documented; one institution only
Women- and youth-led venture support	ZTBI was created to incubate youth- and women-led businesses in ICT, tourism, and agro-processing.	Purpose documented; results not available
Women among surveyed founders	Not reported in available excerpts	No data
Youth unemployment (15–24)	33.3%; definition and year still to be confirmed	Secondhand figure, flagged
Self-employment (own-account work)	41.7% of jobs in Zanzibar vs. 28.7% on the mainland (2022)	Points to a large base of informal self-employment
Financial inclusion	82% (2023); 112,000 adults still without access	For Zanzibar as a whole; not split by gender or island here

6.2 Unguja–Pemba

Zanzibar is made up of the islands of Unguja and Pemba. Every physical asset described in the sources, including Fumba Town and the Fumba zone, the Dunia site on the Fumba peninsula, the IIT Madras Zanzibar temporary campus at Bweleo, and the airport, is on Unguja. The only direct statement about Pemba is Sahara Consult's observation that connections between Unguja and Pemba lag behind the main digital network. The summary of stakeholder views lists "structural and regional factors" among the key challenges but does not describe them or break them down by island.

Question	What the evidence says	Gap and next step
How many startups, founders, or support organizations are in Pemba?	Not stated	Make the island a required question in the founder survey and the live map of players (R1).

Question	What the evidence says	Gap and next step
Were Pemba stakeholders consulted?	Cannot be told from the summary, which refers to stakeholders “across Zanzibar”	Hold at least one consultation round in Pemba, with women and youth groups.
Do Pemba founders have equal access to funding, support, fiber internet, and power?	Connections between the islands are reported to lag behind the main network; no other data	Map fiber, power, and support organizations by island (R9).
Which programs reach Pemba?	Not stated	Require donors and government to report program reach by island (R8).

6.3 Proposed measures of inclusion

To make inclusion measurable, the first founder survey should record starting figures for: the share of startups and beneficiaries in Pemba; the share of women-led startups; the share of founders aged 18–35; and the shares of program participants and funding recipients who are women, youth, or based in Pemba, compared with their shares of the population (R1, R8).

7. Stakeholder-Identified Challenges and Bottlenecks

7.1 Combined list of challenges

Stakeholders identified six main obstacles: the shortage of funding, difficulty reaching markets and turning ideas into sales, policy and regulatory hurdles, limited skills and capacity, scattered efforts, and structural and regional factors. Sahara Consult's own assessment separately identified eight challenges. The two lists match closely and are combined below; two challenges (C7, C8) come from the assessment alone.

ID	Challenge	Raised by stakeholders?	Evidence from the assessment and other sources	Domain (score)
C1	Shortage of funding	Yes: serious shortage of early funding	No venture capital or angel investors on the islands; prize-sized funding; business survey ranks finance as the top obstacle for small firms.	Finance (1.5)
C2	Hard to reach markets and turn ideas into sales	Yes: few routes to customers and contracts	Small home market; gateway idea unproven; little local buying from startups	Markets (2.0)
C3	Gap between policy and practice	Yes: red tape and regulatory hurdles	Startups & Innovation Act pending; conditions for incentives need confirming (Annex A, D6).	Policy (3.5)
C4	Few specialists and limited founder know-how	Yes: gaps in skills and founder know-how	Few senior specialists; no path yet from campus into startups	Talent (2.0)
C5	Scattered efforts and thin support	Yes: stakeholders and initiatives are scattered	Few start-to-finish accelerators; dependence on donor funding cycles	ESOs (2.0); Culture (2.5)
C6	Structural and regional factors, including infrastructure	Yes: listed without detail	Gaps in power, data center capacity, housing, and Unguja–Pemba connections	Infrastructure (3.0)
C7	Too much reliance on companies moving in	Not raised	Wasoko closure; success was measured by counting relocations	Affects all areas
C8	Lack of data and measurement	Implied by the call for a scorecard	Little data on individual startups; no full count	Affects all areas

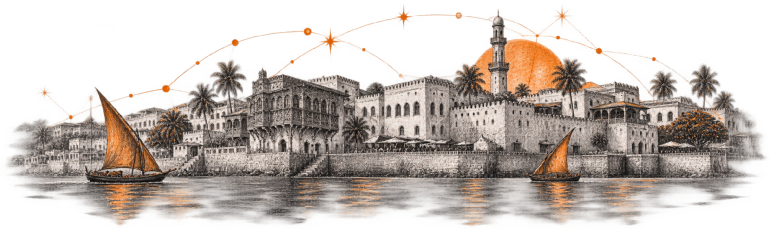
7.2 The policy paradox

Observation. Policy and regulation is Zanzibar's highest-scoring area (3.5), yet stakeholders still list red tape and regulatory hurdles among their main obstacles. Both can be true: the score reflects how well policy is designed and how committed leaders are, while the stakeholders' concern is about delivery: processing times, whether incentives can be relied on, and the pending Startups & Innovation Act. The score should be checked again once the first founder survey asks directly about registration time, use of incentives, and permit delays. If founders report poor delivery, the policy score should be lowered.

7.3 Patterns across the challenges

Three patterns run across these challenges. Funding and demand are both missing: Finance (1.5) and Markets (2.0) are weak together, and fixing one without the other leaves either unused money or customers that startups cannot afford to serve. Talent and support are linked: without accelerators and employers able to take on graduates, investment in talent leaks away to other markets. And everything depends on measurement: without data by island and by gender, neither inclusion nor progress can be shown to investors.

8. Benchmarking Against Africa's Leading Hubs



ANDE recommends comparing with similar places. Zanzibar is compared with the four ecosystems it hopes to join: Lagos, Cairo, Nairobi, and Cape Town. These are Africa's leading hubs, so the comparison shows how far along Zanzibar is and where it is heading; it is not a contest between equals.

8.1 The hubs at a glance

Hub	Position and main strengths	Main weakness
Lagos (Nigeria)	Ranked Africa's number-one startup city by StartupBlink 2026 (70th globally); a powerhouse in financial technology (fintech), with a large home market and a network of investors among Nigerians abroad. Ecosystem valued at about US$20 billion.	Economic instability, poor infrastructure, unstable currency
Cairo (Egypt)	Africa's number-two city (99th globally); strong in fintech and alternative finance; large young population. Africa's top destination for funding in the first half of 2026 (about US$327m).	Political complexity, currency controls, red tape
Nairobi (Kenya)	"Silicon Savannah," the birthplace of M-Pesa; fintech, agricultural tech, logistics, and energy/climate; Kenya was 2025's top destination for venture capital (about US$0.93–0.98bn); ecosystem valued at about US$12.8bn.	High operating costs, bias toward foreign founders, crowded market
Cape Town (South Africa)	Africa's number-three city and the fastest climber among the top ten hubs; business software, health tech, and fintech; mature institutions; South Africa took the largest share of 2025 funding (about 32%).	Social and economic inequality, investment concentrated in few hands, distance from other markets
Zanzibar (Tanzania)	An aspiring gateway competing on incentives, lifestyle, and a purpose-built free zone, within a Tanzanian ecosystem that is growing fast but modestly funded.	Limited pool of talent, lack of local seed funding, small home market

Facts about the hubs are as reported in Version 1.0, citing StartupBlink 2026, Africa: The Big Deal, and Briter/Partech; they were not checked again at source for this edition. Version 1.0 also gave ranges for yearly venture capital and the number of active startups in each hub; those ranges had no source and are left out (Annex A, D4).

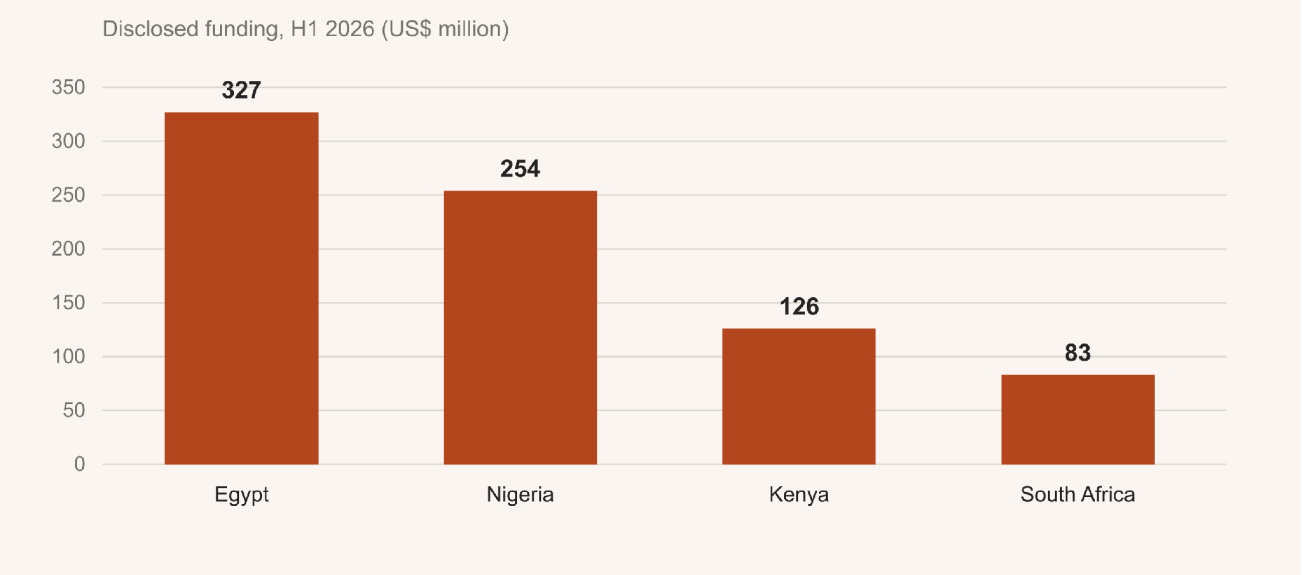


Figure 4. Publicly reported startup funding, first half of 2026, in the countries of selected hubs

Source: as reported in the sources cited for Section 8.1. These are country totals, not city totals, and are shown for context only. They cannot be compared directly with Zanzibar, for which no data on investment deals exist. Sources define funding differently.

8.2 Scores compared, area by area

Domain	Lagos	Cairo	Nairobi	Cape Town	Four-hub avg	Zanzibar	Gap
Finance & Investment	4.5	4.0	4.5	4.5	4.4	1.5	−2.9
Policy & Regulatory	3.5	3.0	4.0	4.0	3.6	3.5	−0.1
Markets & Demand	5.0	4.5	4.0	4.0	4.4	2.0	−2.4
Human Capital & Talent	4.5	4.5	4.5	4.5	4.5	2.0	−2.5
Culture & Networks	4.5	4.0	4.5	4.5	4.4	2.5	−1.9
Infrastructure	3.5	4.0	4.0	4.5	4.0	3.0	−1.0
Support Orgs (ESOs)	4.5	4.0	4.5	4.5	4.4	2.0	−2.4
R&D & Innovation	3.5	3.5	4.0	4.5	3.9	1.5	−2.4
OVERALL (mean)	4.2	3.9	4.3	4.4	4.2	2.3	−1.9

Gap = Zanzibar's score minus the four-hub average (calculated before rounding). Overall = simple average of the eight areas. Shading: green ≥ 3.0 (darker ≥ 4.0), amber 2.0–2.9, red < 2.0. All scores are Sahara Consult's judgment using the same scoring guide, informed by [S10]. The four-hub average column and the overall gap were calculated for this edition (Annex A, A3).

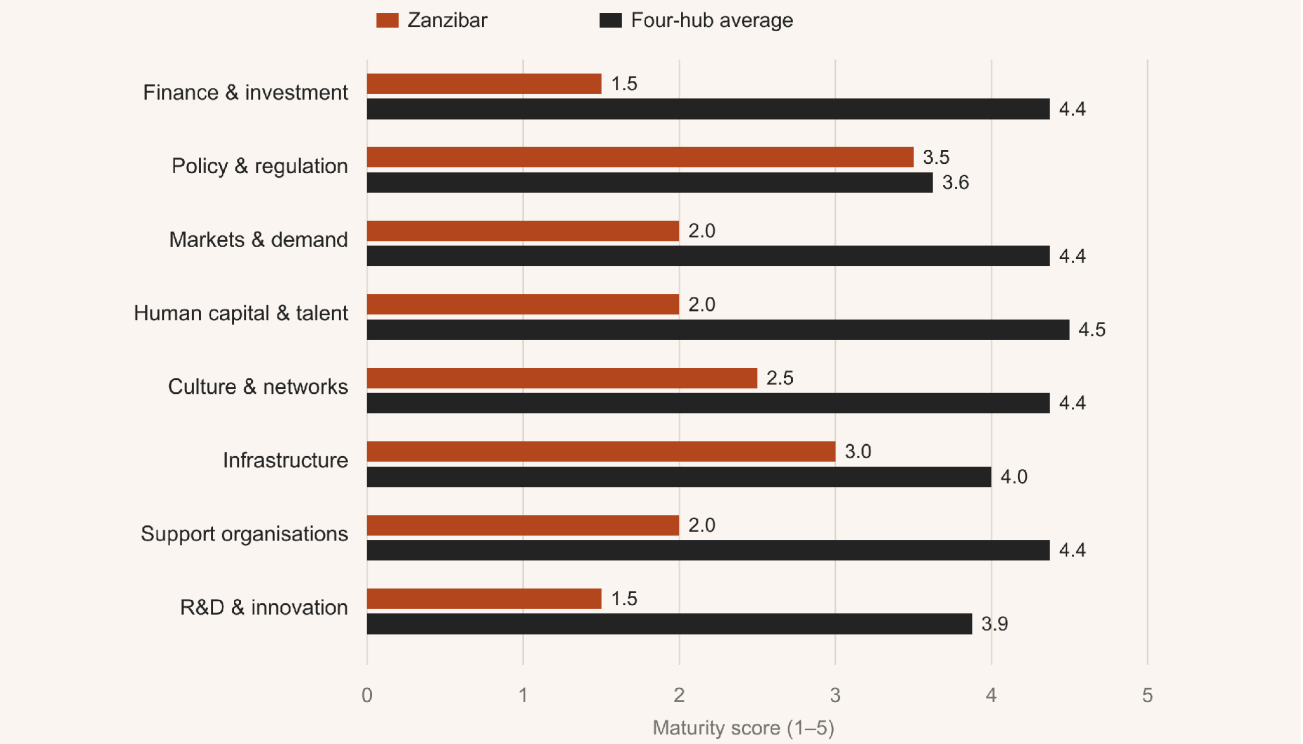


Figure 5. Zanzibar against the four-hub average, by domain

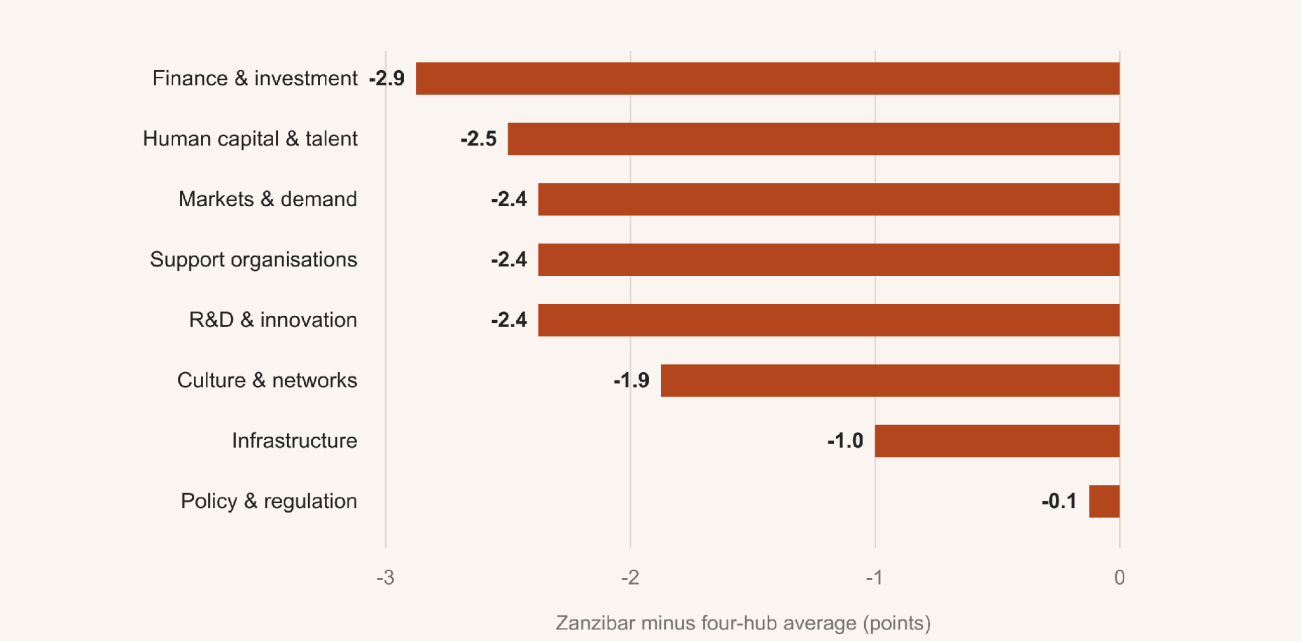


Figure 6. Gap to the four-hub average (points), largest gaps first

Source: Sahara Consult scores; calculations in Annex A.

What the comparison shows

Zanzibar is level with the leading hubs on policy. The gap is close to zero (−0.1): Zanzibar's 3.5 equals Lagos and beats Cairo (3.0). This is the strong position to protect, bearing in mind the delivery concern in Section 7.2. The widest gaps are in finance (−2.9), talent (−2.5), and markets, support organizations, and R&D (each −2.4). These take years and money to build, and the leading hubs keep adding to their lead.

The winnable game is to go deep in a chosen niche. Zanzibar should aim to be the easiest place on the continent to set up and run a company, and a specialist hub (ocean/climate economy, tourism and transport tech, and remote-work services), rather than trying to outgrow Lagos or out-raise Nairobi.

8.3 Lessons Zanzibar can borrow

Hub	Lesson	How it applies to Zanzibar	Rec.
Nairobi	Become known for one field and let investment gather around it; build a trusted local source of data.	Pick one or two fields Zanzibar can win; make the ecosystem easy for investors to find with a live map.	R1, R11
Lagos	Investment from citizens abroad and founders on their second or third company; relying on too few players is a warning.	An investment fund for Zanzibaris abroad and e-residents; link to Dar es Salaam instead of standing alone	R3, R4
Cape Town	Strong institutions: rule of law, protection of ideas, a working financial system; well connected to neighboring markets	Match incentives with investor protection and ways to settle disputes; promote a Zanzibar–Dar–Nairobi corridor; keep IIT Madras and ASE graduates working locally.	R2, R5, R4
Cairo	Creative financing and government as a customer; a warning on currency problems and red tape	Funds mixing public and private money, guarantees, and financing that fits Islamic finance principles; government as a first major customer; keep it easy to do business	R3, R4, R11

8.4 Strategic findings from the benchmark

Policy is the edge, not size.

Implication: Zanzibar cannot win on numbers; its advantage is how quickly its government can act.

What to do: Protect that speed and put it to work; avoid administrative delay (R2).

Funding is the ceiling.

Implication: Incentives bring registrations, not real operations: the “flag of convenience” risk

What to do: A Zanzibar seed fund that invests alongside others, on condition that the money is used locally and founders live on the islands (R3)

Talent must be built, not only imported.

Implication: Top graduates seek opportunities abroad.

What to do: Venture studios, university incubators, and programs that host startups on the islands (R5, R6)

Relocating a company is not the same as building one.

Implication: Company logos are a poor measure of an ecosystem’s health.

What to do: Tie incentives to results: measure jobs, founders, and investment on the islands (R10)

The gateway idea needs proof.

Implication: Founders need evidence that Zanzibar saves cost and time

What to do: Publish verified real-life examples on the time it takes to set up a company, tax, and cost of living (R4).

Incentives only	Incentives + local investment	Startups built on the islands
Tax and visa incentives lead only to company registrations. Risk: “flag of convenience."	→ Add local early-stage investment, on condition that founders live on the islands →	Founders living on the islands, local jobs, and a lasting ecosystem. The goal.

Figure 7 (diagram). From incentives to startups built on the islands. Source: Sahara Consult, adapted from Version 1.0.

9. Synthesis: Strengths, Challenges, Opportunities, and Risks

Strengths

Zanzibar's strengths start with strong, visible political backing, dedicated agencies, a set of policies and incentives, and a special economic zone model. The fiber internet network has grown from about 300 km (2020) to about 1,500 km (2025), and 82% of adults use financial services. Founders are well educated, with 75% holding a bachelor's or master's degree, and more startups are being created: about 53% of surveyed startups were founded in 2022–2023. The IIT Madras Zanzibar and ASE campuses, active associations (ZSA, ZNCC), and a growing number of events add to this base.

Challenges

There are no early-stage investors on the islands, only grant-sized funding, and startups have few routes to customers and contracts. Red tape remains, and the Startups Act is still pending. Skills and founder know-how are limited, efforts are scattered, and coordination is weak. There are gaps in power, data center capacity, housing, and links between the islands. Data are scarce, with no full count of startups and nothing broken down by island or gender, and the Wasoko case showed the danger of depending on big-name companies.

Opportunities

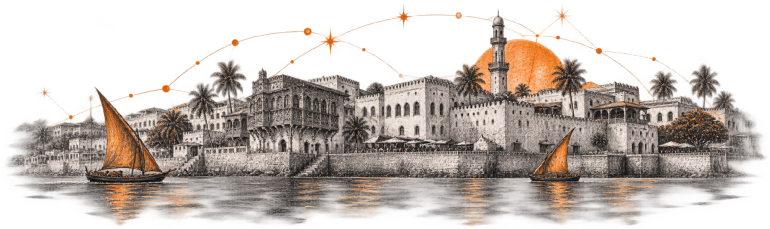
A seed and blue-economy fund that invests alongside others, together with a group of angel investors, would provide early money, while government and large companies could become first major customers. A path from campus into local startups would keep talent at home. Zanzibar can lead in ocean/climate, tourism and transport tech, and remote-work services, draw investment from Zanzibaris abroad through e-residency, and use the Zanzibar–Dar es Salaam–Nairobi corridor and its EAC and AfCFTA access. It can also attract Tanzanian startup activity as it spreads beyond Dar es Salaam, and use an annual scorecard to attract investors and partners.

Risks

The main risk is the "flag of convenience": registrations without real operations on the islands. Others are delivery risk on Dunia Cyber City (still undeveloped land in January 2026), support that depends on donor funding cycles, heavy reliance on tourism (about 29% of GDP), and brain drain. Policy delays, incentives that are not delivered consistently, and inequality between the islands if Pemba is not deliberately included are further risks.

The points in this section are Sahara Consult's judgments, not documented facts.

10. Prioritised Recommendations and Roadmap



The recommendations are set out over three time horizons. The idea is first to turn Zanzibar's policy strength into investment and proven results, then to build talent and stronger support, and finally to grow into a distinctive hub that can withstand setbacks. Priority is set by three tests: does the action tackle a major bottleneck (the lowest-scoring areas), must it happen before other actions can, and can it start under the powers institutions already have.

10.1 Summary of recommendations

ID	Recommendation	Priority	Horizon	Main area (gap to hubs)
R1	Data system and yearly ecosystem scorecard	1	0–12 months	All areas (data)
R2	Pass the Startups & Innovation Act; a founder's guide with guaranteed processing times	1	0–12 months	Policy (−0.1; delivery)
R3	Seed and Blue Economy fund that invests alongside others; group of angel investors; fund for Zanzibaris abroad	1	Design 0–12; invest 12–36.	Finance (−2.9)
R7	Ecosystem steering group, agreed way of referring startups, and shared data	1	0–12 months	Culture & Networks (−1.9)
R8	Inclusion and Pemba program: outreach, dedicated support for women and youth, reporting broken down by group	1	3–36 months	All areas (inclusion)
R10	Reset Silicon Zanzibar's success measures: incentives tied to results	1	0–12 months	All areas
R4	Market access: government and large companies as first major customers; proof of the gateway idea	2	6–36 months	Markets (−2.4)
R5	Getting graduates into local startups and building founders' skills	2	12–36 months	Talent (−2.5)
R6	Stronger business support: accelerators, venture studios, advice, a fund to keep support going	2	12–36 months	ESOs (−2.4)
R9	Reliable infrastructure: power, local data center capacity, housing, Pemba connections	2	6–60 months	Infrastructure (−1.0)
R11	Focus on niches, turning research into business, and growth funding	3	36–60 months	R&D (−2.4); Finance

Gap values are from Section 8.2. Priority 1 = major bottleneck or must come first; 2 = needed to deliver results once Priority 1 is under way; 3 = standing out and staying strong.

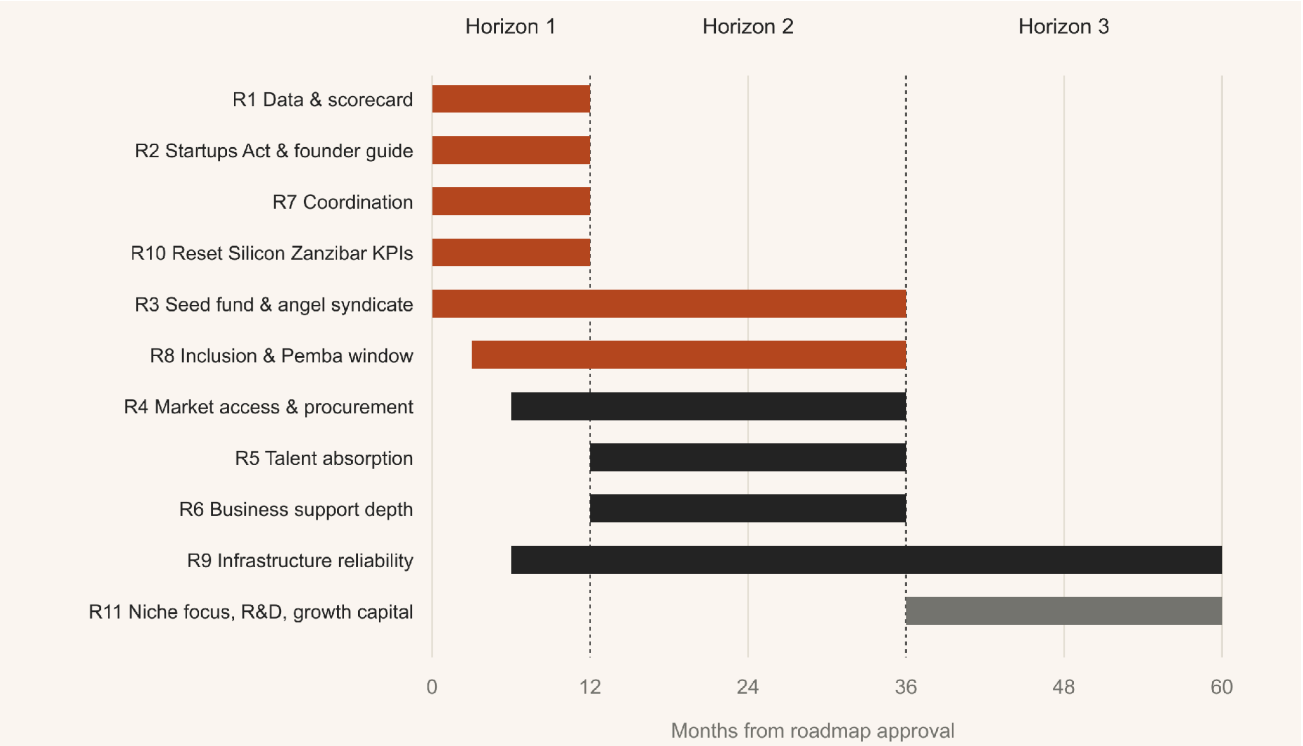


Figure 8. Indicative roadmap

Source: Sahara Consult. Bars show planned start and end months; Horizons are 0–12, 12–36, and 36–60 months.

How to read targets. Starting figures for most measures do not exist yet (Annex A, A4). Numeric targets marked "proposed" are Sahara Consult's suggestions, to be confirmed by the steering group once R1 produces starting figures. They are not forecasts or findings.

10.2 Horizon 1: Foundation and proof (0–12 months)

R1. Measure the ecosystem every year

Zanzibar needs reliable data before anything else. We recommend a yearly survey of founders that records island, gender, and age, together with a live map of the ecosystem and a register of startups. Records of consultations should be kept, the scorecard should be published, and the policy score should be re-checked once the survey results are in.

Who and when. ZRCP should lead with ZSA, supported by ZNCC, ZIPA, development partners (funding), and Sahara Consult (technical). The first set of starting figures should be ready by month 6, and the survey should then be repeated every year.

How progress will be measured. Today there is no reliable count of startups. The target is to publish starting figures with a clear record of how startups were selected, to have every record show island and gender, and to publish the scorecard every year.

R2. Turn policy into practice

The policies are strong on paper; what founders need now is delivery. We recommend passing the Startups & Innovation Act and publishing a single founder's guide to incentives, tax, and visas with guaranteed processing times. The rules that apply between the Union and Zanzibar on tax, data, and cross-border operations should be clarified, and plans should be made for investor protection and ways to settle disputes.

Who and when. The ministry responsible for ICT and innovation should lead with ZIPA, supported by ZICTIA, ZSA, and ZNCC. Both the Act and the guide should be in place by month 12.

How progress will be measured. The Act should move from draft to law, and the founder's guide should be published and updated every year. The number of days it takes to register and obtain incentives, which is not measured today, should be tracked; a standard processing time should be published, and the share of applications handled within it reported. A target will be proposed once starting figures exist.

R7. Make coordination real

The ecosystem's players need a regular way to work together. We recommend a steering group for the ecosystem with a written mandate and a secretariat, an agreed way of referring startups from one organization to another, a directory of support organizations, quarterly meetings, and shared data.

Who and when. The Silicon Zanzibar office should lead with ZSA and ZNCC, supported by UNDP/UNCDF, universities, and ZTBI. The group should be established by month 6.

How progress will be measured. No steering group exists today. The target is an active group with a published mandate that meets at least four times a year (proposed), with every known support organization listed in the directory and sharing data (proposed).

R10. Measure success by what is built on the islands

Silicon Zanzibar has so far counted the companies that relocate. We recommend making founders living on the islands, local jobs, and money invested on the islands the headline measures of success. Relocation incentives should be tied to real operating results, two verified homegrown success stories should be published, and progress checks should be set for Dunia.

Who and when. The Silicon Zanzibar office and the Ministry of Investment and Economic Development should lead, supported by ZIPA, ZRCP, and ZICTIA, within months 0–12.

How progress will be measured. The new success measures should be adopted in place of counting relocations. All new relocation incentives should be tied to results (proposed), and two success stories should be published, up from none today.

R3 (design). Design a local seed fund

Startups need investors based on the islands. In the first year, we recommend designing the Seed and Blue-Economy Fund, which would mix public money, money from development finance institutions, and money from Zanzibaris abroad, with residency conditions attached. A group of angel investors should be formed, and a fund for Zanzibaris abroad and e-residents should be explored.

Who and when. The Ministry of Investment and Economic Development should lead with development finance institutions and the Coprosperity Fund, supported by private fund managers, ZSA, and Sahara Consult (advisory). The design should be complete by month 12.

How progress will be measured. By then, the first major funding commitments should be secured, the fund design approved, and the group of angel investors launched. None of these has been identified today.

R8 (start). Bring Pemba and under-represented groups in

Inclusion will not happen by itself. We recommend holding a round of consultations in Pemba, appointing a lead for Pemba and inclusion, and requiring reporting by island, gender, and age.

Who and when. ZSA should lead with ZTBI, supported by UNDP/UNCDF, NGOs, and ZNCC, starting from month 3.

How progress will be measured. No Pemba stakeholders can be identified in the consultations so far. The target is a completed and published round of consultations in Pemba, and reporting by island and gender from all publicly funded programs (proposed).

10.3 Horizon 2: Depth and density (12–36 months)

R3 (deploy). Put the fund to work

Once designed, the fund and the fund for Zanzibaris abroad should be up and running and making their first investments, with dedicated funding for women founders and Pemba founders.

Who and when. A fund manager under the Ministry of Investment and Economic Development should lead, supported by development finance institutions, the Coprosperity Fund, and ZSA. The first investment should be made by month 36.

How progress will be measured. Progress will show in the first investments made on the islands, where none exist today. At least 75% of funded startups should have founders living on the islands (proposed), and the private money attracted for each public dollar should be reported every year.

R4. Open up markets for startups

Startups need customers as much as they need funding. We recommend a clear route for startups to win government as a first major customer, matching startups with corporate and hotel buyers through ZNCC, and help entering EAC and AfCFTA markets. Verified examples of the gateway idea working should also be published.

Who and when. The Ministry of Investment and Economic Development should lead with ZNCC, supported by ZIPA, TSA, ZSA, and private companies, during months 6–36.

How progress will be measured. Startup contracts with public or corporate buyers are not tracked today; they should be tracked and should grow. The number of startups with revenue beyond Zanzibar should be recorded, and at least two gateway examples should be published.

R5. Get graduates into local startups

The new campuses will only help the ecosystem if their graduates stay. We recommend paid fellowships and apprenticeships that place IIT Madras Zanzibar and ASE talent in local startups, placements for experienced managers, incentives for Zanzibaris to return, and management training for founders.

Who and when. IIT Madras Zanzibar, ASE, and the State University of Zanzibar should lead with ZSA, supported by employers, the Silicon Zanzibar office, and development partners, during months 12–36.

How progress will be measured. The number of graduates placed in local startups, which is not measured today, should be recorded and reported every year, along with the share of placements still in post after 12 months. The shares of participants who are women or based in Pemba should be reported against their shares of the population.

R6. Strengthen business support

Support for startups is thin and depends on donor funding. We recommend attracting or setting up one or two accelerators that support startups from start to finish, and a venture studio. A panel of specialist legal, finance, and fundraising advisers should be created, along with a fund to keep support going between donor cycles.

Who and when. Development partners should lead with ZSA, supported by ZTBI, private advisers, and Sahara Consult, during months 12–36.

How progress will be measured. The target is one or two accelerators or studios on the islands, where none has been identified today. The number of startups that complete programs and are still operating after 24 months should be tracked, and support should be funded beyond a single donor cycle.

R9. Make infrastructure reliable

Good infrastructure must also be dependable and reach both islands. We recommend local data center and cloud capacity, reliable power for the zones, affordable housing for talent, and an assessment of connections between Unguja and Pemba.

Who and when. ZICTIA should lead, supported by CPS, OurWorld, utilities, and the Ministry, during months 6–60.

How progress will be measured. Fibre and power should be mapped by island by month 12; neither is published today. Power and uptime in the zones should be reported every year, and the housing delivered for talent should be reported.

10.4 Horizon 3: Differentiation and resilience (36–60 months)

R11. Focus on niches, research, and growth funding

In the longer term, Zanzibar should stand out for a few things it does best. We recommend concentrating on one or two fields (ocean/climate economy, tourism and transport tech, remote-work services) and providing follow-up funding after seed. Funds mixing public and private money, guarantees, and financing that fits Islamic finance principles should be tested, and investment should go into turning research into business and protecting ideas.

Who and when. The Ministry of Investment and Economic Development should lead with the fund manager and universities, supported by ZRCP, ZSA, and development finance institutions, during months 36–60.

How progress will be measured. A strategy for the chosen fields should be adopted, and the number of island-based startups in those fields recorded. Patent filings and technology deals from local research, which are minimal today, should be reported every year, as should follow-up funding raised by funded startups.

10.5 Monitoring: the Zanzibar Startup Ecosystem Scorecard

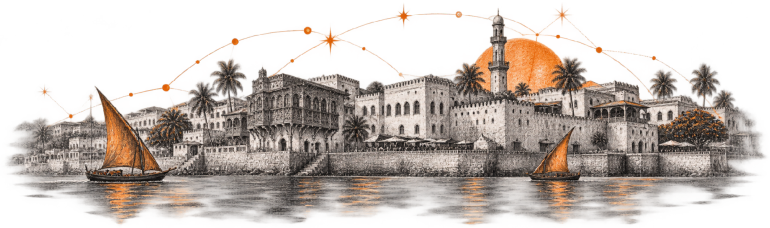
This assessment provides the starting point for a regular scorecard. Progress should be tracked with clear measures covering access to finance, the number and quality of links to markets, startup survival and growth, policy improvements, participation of women and youth, availability of technical talent, partnerships among ecosystem players, and startups moving from idea to growth.

Domain	Current score	Main measures to track each year	Proposed goal (to confirm once starting figures exist)
Finance & Investment	1.5	Money invested on the islands; investors based on the islands; funded startups with island-based founders	Reach 2.5 by month 36
Policy & Regulatory	3.5	Act passed; days to register; share handled within the standard time; delivery as reported by founders	Hold at least 3.5, with evidence of delivery.
Markets & Demand	2.0	Contracts with public and corporate buyers; revenue outside Zanzibar	Reach 3.0 by month 60
Human Capital & Talent	2.0	Placements and share still in post after 12 months; founders trained	Reach 3.0 by month 60

Domain	Current score	Main measures to track each year	Proposed goal (to confirm once starting figures exist)
Support Organizations	2.0	Program completion and survival after 24 months; funding that continues between donor cycles	Reach 3.0 by month 60
Culture & Networks	2.5	Referrals logged; steering group meetings; repeat founders	Reach 3.0 by month 36
Infrastructure	3.0	Power uptime, data center capacity, fiber by island	Reach 3.5 by month 60
R&D & Innovation	1.5	Patent filings; research projects that become startups	Reach 2.0 by month 60
Overall	2.3	Founders living on the islands, local jobs, money invested on the islands (inputs to the Ecosystem Health Score)	At least 2.8 by month 36 and 3.2 by month 60 (proposed)

Goals are proposals for the steering group to decide and are not forecasts. Scores should be reviewed every year using the same scoring guide and the R1 survey.

11. Conclusion



Zanzibar's bid to become Silicon Zanzibar is one of the more compelling big bets in African tech: a small economy built on tourism trying to leap ahead through bold policy, purpose-built infrastructure, and lifestyle appeal, instead of waiting years to build up a large base of companies. Measured with the ANDE method, the ecosystem scores 2.3 out of 5. It is an early "activation" ecosystem, with a real strength in the conditions it offers and clear, fixable gaps in funding, talent, support, and research. Stakeholders independently point to the same obstacles.

Compared with Lagos, Cairo, Nairobi, and Cape Town, Zanzibar is not behind on ambition. It is behind in the depth of investment, talent, and institutions, which those hubs took a decade and billions of dollars to build. The leading hubs did not win by building everything at once; they won by becoming known for one field, gathering investment around it, and building on early successes.

Three shifts matter most: from counting relocations to counting startups built on the islands; from announcing incentives to investing early-stage money on the islands; and from scattered initiatives to a coordinated, measured, and inclusive ecosystem that reaches Unguja and Pemba alike. The first step is also the simplest: measure the ecosystem properly every year so that progress and gaps are visible to government, investors, and founders.

In one line. Zanzibar has built the runway; now it must build the airline.

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How to cite. The bracketed tags used in the text map to these references through the source key at the end of this section, so readers can move from any tag to the full APA entries behind it.

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Source key: register IDs to APA citations

Each tag in the text and in Table A2 corresponds to the APA in-text citations below.

ID	Register source	APA in-text citation
S1	Sahara Consult, The State of the Zanzibar Startup Ecosystem, Version 1.0	(Sahara Consult, 2026b)
S2	Key Informant Interviews and Consultation Synthesis	(Sahara Consult, 2026a)
S3	ZRCP / ZSA / EKN / UNDP Scoping Study (2024)	(Zanzibar Research Centre for Socio-Economic and Policy Analysis [ZRCP] et al., 2024); thereafter (ZRCP et al., 2024)
S4	Policy brief: The high-tech start-up ecosystem in Zanzibar	(McCartney, 2024)
S5	ZIBI, Transforming Zanzibar Start-up Ecosystem	(Zanzibar Investment and Business Insights Magazine [ZIBI], n.d.-b)

ID	Register source	APA in-text citation
S6	ZIPA, incentives, eRegulations, Investment Act 2023	(Zanzibar Investment Promotion Authority [ZIPA], n.d., 2024; Zanzibar Investment Act, 2023; ZIBI, n.d. -c; U.S. Department of State, 2024)
S7	FinScope Tanzania 2023, Zanzibar report (via ANB Post)	(Financial Sector Deepening Trust, 2024; ANB Post, n.d.)
S8	Tourism and macro statistics	(TanzaniaInvest, 2026; TICGL, 2025; "Surging Tourism," 2025)
S9	Press coverage	("Government Launches," 2022; "Startups Now Seek," 2022; Tapper, 2022; "Silicon Zanzibar? Tourist Islands," 2023; Siele, 2023; Khalid, 2024; Okorie, 2024; "Exclusive: Wasoko Exits," 2024; "Wasoko, MaxAB Finalise," 2024; "Wasoko Co-Founder," 2025; "Crypto Adherents," 2026; Alao, 2026; Obi, 2026; Humayun, 2026; Palamountain, 2026)
S10	Startup trackers and funding data	(StartupBlink, 2026; Partech, 2025; Briter Bridges, 2025; Disrupt Africa, 2025)
S11	ZICTIA and connectivity	(Zanzibar Information and Communication Technology Infrastructure Agency, n.d.; ZIBI, n.d.-a; TechAfrica News, 2025)
S12	UNCDF Inclusive Digital Economy Scorecard	(United Nations Capital Development Fund, 2025)
S13	IIT Madras Zanzibar and ASE	(Press Trust of India, 2023; Asian News International, 2023; Charter Cities Institute, 2023; Owere, 2023)
S14	Frameworks	(Aspen Network of Development Entrepreneurs, 2013; Isenberg, 2011; Mason & Brown, 2014)

Annex A. Data Validation Note

A1. Purpose and approach

This note records how the report was checked, where the sources disagree, what could not be confirmed, and what data are missing. It is meant for readers who want to rely on, quote, or update the figures. Each claim was placed in one of four groups:

Group	Definition	How it is handled
Confirmed in the sources provided	Appears in a document provided to us with a named source, or was checked against a published source	Reported with source tag
Reported (secondhand)	Attributed in Version 1.0 to a named published source that was not checked again here	Reported with the S1 tag and the original source; flagged in the list of sources (A2)
Sahara Consult's judgment	Sahara Consult scores, assessments and recommendations	Labelled as judgment; never presented as measured fact
Cannot be traced	Stated without a source in the material provided	Left out or flagged (A5)

A2. How reliable each source is

ID	Source	Type	How it was accessed	Reliability
S1	Sahara Consult, The State of the Zanzibar Startup Ecosystem, Version 1.0 draft (Sept 2026)	Consultant report; based on published material plus Sahara Consult's scores	Provided; read in full	Medium; several figures cannot be traced
S2	Acknowledgement and stakeholder-challenges synthesis (key informant interviews and consultations)	Summary of first-hand interviews	Provided; read in full. Original records not provided	Medium; cannot be independently checked
S3	ZRCP / ZSA / EKN / UNDP, Scoping Study: The Start-up Ecosystem in Zanzibar (2024)	Survey-based study	Published PDF found (zsa.or.tz) but could not be downloaded, so figures were taken from S1 and S4	Medium-high; survey details unconfirmed
S4	Africa Urban Lab policy brief: The high-tech start-up ecosystem in Zanzibar	Policy brief	Opened and read	Medium-high
S5	ZIBI, Transforming the Zanzibar Start-up Ecosystem through Talents, Demand, Capital, and a Business-Enabling Environment	Magazine article	Opened and read; its summary is unclear on unemployment figures	Medium-low
S6	ZIPA, Investment Climate, and Opportunities 2024; ZIPA incentives; eRegulations; Investment Act 2023	Official	Cited through S1; not checked again	Medium-high

ID	Source	Type	How it was accessed	Reliability
S7	FinScope Tanzania 2023, Zanzibar report (via ANB Post)	Survey; newsletter report	Cited through S1; not checked again	Medium
S8	Bank of Tanzania exit survey and Zanzibar statistics (via TanzaniaInvest, TICGL, Daily News)	Official data via media	Cited through S1; not checked again	Medium
S9	Press: The Citizen, TechCabal, Semafor, Fast Company, Bloomberg, African Business, and others	Journalism	Cited through S1; not checked again	Medium
S10	StartupBlink 2026; Africa: The Big Deal; Briter/Partech; Disrupt Africa	Funding trackers	Cited through S1; not checked again; definitions differ	Medium (approximate)
S11	ZICTIA website and fiber-route pages; ZIBI articles	Agency and media	Cited through S1; not checked again	Medium
S12	UNCDF, Inclusive Digital Economy Scorecard: Zanzibar (2025; validated May 2024)	Development partner study	Cited through S1; not checked again	Medium-high
S13	IIT Madras Zanzibar and ASE reporting (ANI/Siasat, PTI/The Print, Careers360; Charter Cities Institute; ASE)	Press and institutional	Cited through S1; not checked again	Medium
S14	ANDE Entrepreneurial Ecosystem Diagnostic Toolkit; Isenberg; OECD	Frameworks	Reference for the method	High (as frameworks)

A3. Calculations

All scores and gaps in this edition were recalculated from the original table values rather than copied from Version 1.0. The rules applied are:

Measure	Rule	Result
Zanzibar overall score	Simple average of the eight area scores (1–5)	(1.5 + 3.5 + 2.0 + 2.0 + 2.5 + 3.0 + 2.0 + 1.5) ÷ 8 = 2.25, reported as 2.3
Hub overall score	Simple average of the eight area scores for each hub	Lagos 4.19; Cairo 3.94; Nairobi 4.25; Cape Town 4.38
Four-hub average	Average of the Lagos, Cairo, Nairobi, and Cape Town scores, by area and overall	Overall 4.19, reported as 4.2
Gap	Zanzibar's score minus the four-hub average, calculated before rounding and then rounded to one decimal	Overall 2.25 − 4.19 = -1.94, reported as −1.9
Rounding	Displayed values are rounded to one decimal place; gaps are never calculated from rounded figures.	Explains small differences between displayed columns

A4. Missing data and starting figures

The following data are either missing from the sources provided or exist only in a form that cannot be relied on. They are the priority items for the yearly survey (Recommendation R1).

Data item	Status	Where it affects the report
Pemba-specific data on startups, founders, and support	None in the sources provided	Section 6.2; inclusion measures (6.3)
Share of women among surveyed founders	Not reported in the available extracts of the scoping study	Section 6.1
Graduates joining local startups	No data; the “pipeline gap” is a concern raised by stakeholders and Sahara Consult.	Section 5.4
Data on individual investment deals in Zanzibar	No such data exist.	Sections 5.1 and 8.1
Number of active startups	No sourced count; Version 1.0 range removed (A5)	Section 3.1
Youth unemployment (15–24)	Definition and year unconfirmed (D3)	Section 1 context table
Starting figures for scorecard measures	Most measures have no starting figure yet.	Section 10.5; targets marked “proposed”

A5. Claims left out or flagged

Statements from Version 1.0 that could not be traced to a source were left out of this edition or are shown only with a warning.

Claim in Version 1.0	How it is handled in this edition
About 30–50 early-stage ventures in Zanzibar	Left out; no source or definition supports the range (Section 3.1).
“Strong air connectivity to 20+ destinations”	Left out; could not be traced (Section 5.3)
National higher-education enrollment rate of about 7.5%	Left out; could not be traced (Section 5.4)
FY2026 ministerial ICT budget of about TZS 53.39 billion	Shown as unconfirmed; no traceable source (Section 5.7)
Yearly venture capital and active-startup ranges for each comparison hub	Left out; no source (Section 8.1, D4)

A6. Where sources disagree

Where sources disagree, the report shows both values and explains how they are handled. Item numbers match the references in the text.

ID	Issue	What the sources say	How it is handled
D1	Companies interested in investing	About 180 (ZSA, Oct 2023); more than 100 (Wasoko CEO, late 2023); more than 150 (Fumba Town developer, Jan 2023)	All three are shown in Figure 2 as stated intention, not actual presence (Section 3.3).
D2	Tourism arrivals, 2025	654,880 arrivals (Bank of Tanzania exit survey) versus 736,755 in the 12 months to November 2025 (Zanzibar statistics)	Both reported; the two sources count differently.
D3	Youth unemployment (15–24)	33.3% as taken from a ZIBI article; the article's summary is unclear	Reported with a warning; definition and year to be confirmed
D4	Ranges for comparison hubs	Version 1.0 gave yearly venture capital and startup-count ranges per hub without sources.	Ranges left out; hub facts reported as cited.
D5	Coverage of the map of players	ZNCC is named as a key player in consultations but missing from the Version 1.0 map of players	Added to the stakeholder landscape (Section 4)
D6	Startup incentive terms	The 10-year corporate tax exemption is described for qualifying Free Economic Zone companies, while some analyses link a further 10 tax-free years to exporting at least 80% of output; the Startups and Innovation Act is reported to be still in draft.	Reported as stated; to be confirmed with ZIPA before the exemptions are treated as guaranteed (Sections 1.3 and 5.2)

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