

**TANZANIA SOCIAL ACTION FUND
THE SECOND PRODUCTIVE SOCIAL SAFETY NET (PSSN II) PROGRAM**



**FOURTH -QUARTER IMPLEMENTATION PROGRESS REPORT
(APRIL – JUNE, 2022)**

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ACRONYMS AND ABBREVIATIONS

BMGF	Bill and Melinda Gates Foundation
BRT	Bus Rapid Transit System
BSF	Black Soldier Fly
BOT	Bank of Tanzania
CCT	Conditional Cash Transfer
CMC	Community Management Committee
CMT	Council Management Team
COMSIP	Community Savings Investment Promotion
CSC	Community Score Card
DC	District Council
DCS	Director of Community Support
DIA	Director of Internal Audit
DP	Development Partner
ECD	Early childhood development
ESF	Environmental Social Framework
FSDT	Financial Sector Deepening Trust
FYDP III	Five Year Development Plan 1II
GePG	Government E-payment Gateway
GoT	Government of Tanzania
GRM	Grievances Redressal Mechanism
HBS	Household Budget Survey
HRM	Human Resource Management
ICT	Information, Communication and Technology
IDA	International Development Association
IGA	Income Generating Activity
ILO	International Labour Organisation
IRA	International Rapid Assessment
LAN	Local Area Network
LE	Livelihoods Enhancement
LEDI	Local Economic Development Initiative
M&E	Monitoring and Evaluation
MC	Municipal Council
MIS	Management Information System
MoFP	Ministry of Finance and Planning
MTR	Mid-Term Review

MUSE	Mfumo wa Ulipaji Serikali
NAO	National Audit Office
NBS	National Bureau of Statistics
NHIF	National Health Insurance Fund
NIDA	National Identification Authority
NIN	National Identification Number
NSC	National Steering Committee
NSPP	National Social Protection Policy
OFID	OPEC Fund for International Development
OPEC	Organization of Petroleum Exporting Countries
OTC	Over the Counter
PAA	Project Area Authority
PDO	Project Development Objective
PLWD	People Living with Disability
PMT	Proxy Means Test
PO-RALG	President's Office Regional Administration and Local Government
PPA	Public Procurement Act
PSP	payment service provider
PSSN	Productive Social Safety Net
PWP	Public Works Program
RAS	Regional Administrative Secretary
SDR	Special Drawing Rights
SET	Sector Experts Team
Sida	Swedish International Development Cooperation Agency
SIS	Students Information System
TACAIDS	Tanzania Commission for AIDS
TANePS	Tanzania National e-Procurement System
TASAF	Tanzania Social Action Fund
TID	Targeted Infrastructure Development
TMO	TASAF Monitoring Officer
TMU	TASAF Management Unit
TOTs	Training of Trainers
TOR	Terms of Reference
TPRP	Tanzania Poverty Reduction Project
TWG	Technical Working Group
TZS	Tanzanian Shilling
UNICEF	United Nations Children's Fund

URB	Unified Registry of Beneficiaries
USAID	United States Agency for International Development
USD	United States Dollar
VC	Village Council
VEO	Village Executive Officer
WAN	Wide Area Network
WB	World Bank
WFP	World Food Programme
RFP	Request for Proposals
ZSPP	Zanzibar Social Protection Policy

GENERAL OVERVIEW OF PSSN II PROGRAM

The Government has designed PSSN II to contribute to the achievement of key policy priorities, including those set out in the Second Five Year Development Plan (FYDP II), the Zanzibar Social Protection Policy (ZSPP), the newly formulated National Social Protection Policy (NSPP) for Mainland and the Local Economic Development Initiative (LEDI) which aims to boost economic development in order for Tanzania to reach middle income status by 2025. PSSN II intends to continue promoting human development outcomes and modifying the benefit structure to strengthen impacts on secondary education.

The PSSN II strongly focuses on productive impacts; full digitalization of payments; design of a recertification strategy of beneficiary households and graduation approaches; and a move from the existing registry of project beneficiaries to a social registry that will serve other programs. The project will create a platform to link the poor to a range of other services important to their development, including education, health, nutrition, early childhood development (ECD), agricultural extension and financial services.

The Project Development Objective (PDO) of PSSN II is to improve access to income-earning opportunities and socio-economic services for targeted households while enhancing and protecting the human capital of their children. The PSSN II will achieve its objectives through the implementation of combined and integrated interventions structured into two components, namely:

a. Productive Household Support

This component provides beneficiary households with an integrated package of benefits and services, including a foundational package consisting of cash transfers and public works activities complemented with livelihoods support activities.

b. Institutional Strengthening and Integrated Delivery Systems

(i) Institutional Capacity Enhancement

This subcomponent will provide support to ensure: (i) adequate and systematic needs-based capacity building for all stakeholders and implementers at all levels; and (ii) institutional coordination and harmonization to enhance effectiveness and promote convergence of interventions to maximize sustainable impact on beneficiaries.

(ii) Integrated Delivery Systems

In order to support implementation of PSSN II existing delivery systems will be enhanced and new others developed. These include (a) exit, graduation, targeting and re-certification - the development and implementation of strategies for exit, graduation and re-certification and further enhancement of the targeting system; (b) ICT - further development of the MIS, building of NSR and development of innovative ICT tools; (c) M&E - enhancing the M&E system; (d) citizen engagement, communication and advocacy; e) payments - biometric authentication for payments and full digitalization.

The PSSN II Program operates nationally covering all Project Area Authorities (PAAs) on the Tanzania Mainland and Zanzibar. The Program continues to target the poorest and most vulnerable households in villages, mitaa and shehia. The beneficiaries will be provided with productive cash transfer, public works and basic livelihoods support.

EXECUTIVE SUMMARY

General overview

1. The Third Tanzania Social Action Fund (TASAF III) is implementing the Second phase of the Productive Social Safety Net (PSSN II) Project which was launched in February 2020 after the PSSN I was closed in December 2019.

2. The Project Development Objective (PDO) is to improve access to income-earning opportunities and socio-economic services for targeted households while enhancing and protecting the human capital of their children. The Project beneficiaries are the targeted poorest and most vulnerable households living in all villages, mitaa, and shehia in all 186 PAAs across the country, about 1.4 million households.

3. This report outlines activities carried out during the third quarter ended on 30th June 2022, based on two major components of PSSN II: (i) Productive household support (benefits and services) and (ii) Institutional capacity and integrated delivery systems.

Conditional cash transfers

4. The eighth round of PSSN payment which covered a payment window of Mar-April 2022 was completed for all 186 PAAs. A total of TZS 49,413,349,648.00 was paid to 1,273,537 households during a payment window of March/April 2022 which was opened from on 9th May 2022 and closed on 20th May 2022.

5. Compliance continued to be monitored during the quarter where the period of compliance Monitoring for January-February 2022, performance is fairly well. The performance compliance based on the number of children is 99.36% for education and 99.23% for health and March-April for education is 99.27 and Health 99.41. This performance is above the required target of 95 percent for both compliances.

Public works program

6. PWP in the financial year of 2022/2023 has expanded its activities to 72 new PAAs thus making a total of 123 target PAAs for round 2.

7. Training has been done to 3,158 PAA facilitators from different sectors such as forest officers, environment officers, water engineers/technicians, civil technicians / engineers, land surveyors, quantity surveyors and community developments officers for 72 PAAs which will start implementation of PW in 2022/23 financial year.

8. PWP Sub projects round one implementation has been completed in 51 PAAs, and a total of 3,185 Sub projects was executed in financial year 2021/2022. During this period, payments of wages for March – April 2022 cycle was paid to 189,987

beneficiaries HHs amounted to TZS 9,440,979,000.00. Payments of wages for May – June 2022 cycle which comprises of outstanding unpaid dues is TZS 3,455,085,000.00.

9. From Mid-May 2022 the subprojects Micro planning activity commenced in 72 PAAs for the financial year 2022/2023. In this process subprojects are identified through a participatory community-based planning approach. In additional 51 old PAAs are also reviewing their Multiyear plans and are progressing well.

Livelihoods enhancement

10. Training of COMSIP Management team was conducted to 22 PAAs covering 14,2831 COMSIP management team out of 15,807 leaders from those PAAs. The COMSIP management teams were trained on savings group mobilization, group dynamics, group constitution preparation, loan management, record keeping and conflict resolution in the savings groups.

11. A total of Tshs 781,015,000/= was transferred to 28 PAAs to purchase 6,546 savings boxes. The purchase of boxes is done through community procurement procedures, using CMC with the technical support from sector experts of the respective PAAs.

12. For this quarter 2,194 out of 7,457 beneficiary household (BH) from the five PAAs (317 beneficiaries from Bagamoyo and 1,877 Beneficiaries from Mtwara MC, Chalinze DC, Lindi DC and MC) qualified to receive LPG have successfully received 1st installment of LPG. Payment process for the remained beneficiaries who have no bank accounts and mismatch are in progress.

13. Coaching and mentoring has been done to 2,194 beneficiaries who have received productive grant in 5 PAAs of Bagamoyo DC, Lindi MC, Lindi DC, Mtwara MC and Chalinze DC and it is an ongoing activity.

14. Training of Basic Skills to 40 PAAF and 4,192 Beneficiaries have submitted their PG applications from 34 Shehia out of 78 Shehia in Pemba. Training on Basic Skills continues in the remaining 44 Shehia.

Targeted infrastructure

15. Implementation of 30 infrastructure subprojects for the education and health sectors was ongoing during the period. The status of implementation for the subprojects indicated that 20 subprojects were between 90.0 and 100.0 percent, 4 subprojects were between 70.0 and 80.0 percent and 6 subprojects were below 40.0 percent of the completion rate. Preparation and disbursement of funds to one subproject were in progress.

Training and participation

16. Conducted Community sessions facilitation Training of Trainers to TMU staff, TMOs, PAA PSSNCs and RPSSNCs of all regions and 186 PAAs implementing PSSN II program activities. A total of 45 TMU staff, 143 TMOs, 175 PAA PSSNCs and 27 RPSSNCs were trained.

17. Coordinated the preparation of E-payment awareness training on OTC to TMOs, PSSNCs and PSSNAs from 21 PAAs (3rd round of E-payment roll out)

Human resources

18. A total of 200 staff were facilitated to attend various short courses, namely; Training on protocol and diplomatic etiquette, training on the ethical hacker, training on ethics, integrity and effective communication skills, retirement training, training on Office Management, Advocates Annual Conference, workshop on preparation of Financial Statement and Annual Secretaries Professional Conference.

19. Handing over ceremony of 123 new Vehicles: On 1st June 2022, there was a handover ceremony where 123 vehicles were dispersed to different PAAs, Offices and TMU. This handover ceremony was officiated by the President of the United Republic of Tanzania, Hon. Samia Suluhu Hassan. The remaining 118 vehicles are expected in July 2022 to make a total of 241 vehicles.

Unified registry of beneficiaries

20. Data on beneficiaries living with disabilities has been collected and stored in PSSN's database. However, this information needs verification before providing the benefits. Prior to start the verification of people living with disability, there were a preparatory activity such as preparation of guidelines, training and awareness raising materials, development of MIS and Mobile App, testing and system integration.

21. Roll out of the verification for PSSN beneficiaries living with disabilities started in 22 PAAs of Geita, Kagera and Mwanza Regions from 5th to 14th May, 2022. Followed by 22 PAAs of Kigoma, Tabora and Simiyu Regions from on 15th to 24th June 2022 whereby 26,780 household members found with high level of disability and confirmed as being eligible for disability benefit from 44 PAAs.

Electronic Payment

22. TASAF has continued to rollout E-payment in phases in which by March/April 2022 payment window that was done in May 2022, all 186 PAAs have been rolled out E-payment. However, there are 27 PAAs which could not start E-payment due to technical know-how to some of PAAs and time constraint to capture and approve E-payment

data. There is additional of 40 PAAs that paid OTC payment during the said window, making a total of 100 PAAs implementing OTC solution.

23. A total of 254,504 (20%) out of 1,273,521 beneficiaries in 186 PAAs were paid electronically during March/April 2022 payment window in which 89% are female. There has been a significant increment of beneficiaries paid through banks in which 33% of beneficiaries out of those receiving electronically are being paid through bank, this is due to low cost of accounts, easy management and high response of bank to register PSSN beneficiaries.

24. TASAF organized a meeting between TASAF, NIDA and Immigration teams for 48 PAAs with less than 20% beneficiaries registered and issued NIN, to strategize on effective registration exercise. Currently, a NIN registration exercise is ongoing to beneficiaries in those 48 PAAs.

Social and Environmental Safeguards

25. The Program conducted awareness rising session on Environmental and Social Framework (ESF) to 121 PAA facilitators from 33 PAAs not implementing PW in the year 2022/2023. Objective of session was to enhance the capacity of PAA sector experts in planning and implementation of ESF at the community and PAA level.

26. Screening of Public Works subprojects is ongoing to 72 PAAs where a total of 3,938 subprojects are expected to be identified and screened. Screenings of subprojects are done by the trained PAA facilitators in collaboration with the community members.

Technical support

27. Technical support on the implementation of PSSN activities was provided by TMU to PAAs to ensure that all activities are properly implemented in accordance with the laid down procedures and an effective linkage between TASAF and regions or PAAs is maintained. The objective was to make sure that the procedures are adhered to in the implementation of program activities as outlined in the guidelines of respective components and sub-components.

Information, communication and technology

28. TASAF in collaboration with PO - RALG has finalized coding of Application Development Interface (API) to integrate PSSN - MIS and School Information System (SIS) owned by PO-RALG. The integration will allow automation of Education

Compliance data collection. Testing and deployment of the system is planned in current financial year.

29. The activity to integrate PSSN-MIS and HESLB system has also been completed. This integration will allow online verification of TASAF beneficiaries who applied for Higher Education loans from loan board. The deployment of the system is expected in August 2022.

30. The review of GRM architecture has been carried out to identify areas of system improvements. The development of the suggested improvements was finalized and the new system will go live in July 2022.

Development communication

31. GRM handbook has been shared internally and comments incorporated. Awaits a review workshop for finalization

32. Grievance capturing continues and reporting is done through the GRM IS. During May 2022 total grievances reported were 1600 (CCT – 1300, coordination 8, other 111, PWP 90 and URB 108. With the continuing update on architecture in progress, reporting categories will be updated to include targeting and validation, payments, service delivery, data update, GBV and other. This will allow better reporting of grievances captured and measures taken.

Monitoring and evaluation

33. The design of PSSN II impact evaluation was completed and survey questionnaire developed. A total of 495 villages and shehias from 32 PAAs were sampled for the evaluation. Training of enumerators on questionnaire management was done and completed, enumerators were deployed to conduct data collection in sampled areas in Zanzibar and Tanzania Mainland. Field data collection completed and data validation is going on. Through all the processes, TMU conducted supervision and follow up in to ensure smooth data collection by addressing emerging administrative challenges related to some villagers demanding to be enrolled in the Program.

34. Community score card exercise has been conducted in 5 selected PAAs implementing TPRP IV. The Exercise commenced with Orientation of TMU Team (National Team) that involved fieldwork practical training. The National team members were allocated into 5 PAAs where they conducted training to PAA facilitators teams and supervised them accordingly conduct CSC in selected villages. Based on selected indicators, each PAA will conduct assessment of ongoing sub projects to determine the level of achievement, participation of beneficiaries, accountability of PAAs and village leaderships in facilitating timely implementation and disbursement issues pertaining to sub project implementation.

Research and development

35. *An internal session to integrate the pilot results of behavior design nudge has been conducted. The plan to scale up behavioral nudge into livelihood enhancement and Public work projects is in progress.*

36. *The assignment of the investment case for the universal expansion of the stawisha maisha and cash plus project is on progress by the UNICEF Consultant, and a tentative costing of Stawisha Maisha and Cash plus has been shared. The consultant is working on the inputs provided. The session to discuss the way forward has been conducted by stakeholders on the integration of two pilots into PSSN and options for scaling have been worked out*

37. *The implementation of gender action Plan is going on, PSSN activities were integrated with gender in its implementation. Training handbook, guidelines and monitoring tools were developed. Training of remaining program officers 120 (TOTs) has been conducted in the fourth quarter, the way forward is to cascade training to PAAs and communities, monitoring of gender mainstreaming, assessment and dissemination of gender materials.*

Internal audit

38. *The expenditures incurred from April to June 2022 were TZS 123,870,000 which related to the planned routine audit activities in the quarter. The planned activities that were executed included a Spot audit of CCT Payments, Conducting an audit of OPEC and PWP projects in 20 PAAs aiming to see the progress of implementation and value for money for the project. The audit also evaluated the adequacy of internal controls with a well-defined approval process at all levels, segregation of duties, acknowledgment of receipts, and compliance with applicable policies and regulations.*

39. *The Directorate of audit also conducted a review of the quarterly internal audit reports received from PAA and made follow-ups with PAA management on issues reported. The key issues noted in the submission of PAA reports include the fairly improved submission of the quarterly internal audit report for the 4th quarter of the financial year 2021/2022.*

Procurement

40. *Procurement Plan for TMU for the Financial Year 2022/23 using TANEPS during the fourth quarter. A reminder was sent to PAAs on use of TANEPS in TASAF procurement activities and emphasis was made during ex post procurement review and supervision as a result 45 PAAs submitted procurement plan extracted from TANEPS for the third and fourth quarter of 2021/22.*

Financial management

41. *Financiers have committed a total amount equivalent to USD 652,685,851.33 for PSSN II activities out of the Program total budget of USD 883,310,000.00 leaving a financing gap of USD 230,624,148.67. Out of the committed amount, USD 346,405,642.91 have been absorbed by the end of the reporting period. The overall rate of absorption as of 30th June, 2022 stood at 53.07 percent*

42. *Due to currencies fluctuations between the Loan Currency SDR and the Disbursement Currency USD, the Program has suffered a loss on exchange rate of USD 8,552,055.17 from World Bank as of 30th June, 2022 contrary to previous quarter where the Program had realized a gain on exchange of USD 609,116.20.*

43. *In the period under review, the total amount received for PSSN II rolling out activities is equivalent to USD 73,689,821.83. The amounts were received from the following sources the Government of United Republic of Tanzania equivalent to USD 177,889.08, the UN Agencies USD 345,018.51, OFID (OPEC) USD 4,240,079.26, the Embassy of Switzerland USD 5,115,221.50, Sida USD 9,932,351.62 and the World Bank USD 53,879,261.87. The actual disbursement made to the special accounts is thus USD 19,810,559.96.*

44. *A total amount of TZS 89,727,827,556.57 was spent during this period under review to finance various program activities as indicated in Table 2 below. The amounts makes a Cumulative Annual Program spending up to 30th June, 2022 to reach TZS 432,436,151,282.12 and the Cumulative Program spending up to 30th June, 2022 to reach TZS 681,589,683,849.94.*

Implementation challenges

45. *A low number of beneficiaries' saving groups registered in the BoT system due to inadequate awareness and unavailability of the internet services in community areas where connectivity is poor.*

46. *Mobile nature of people looking for green pasture for the out of school adolescents resulted to absence of them in their villages during the identification and enrollment of adolescents at Kasulu TC, Kasulu DC, Kibondo DC, Kakonko DC and Uvinza DC done on June 2022.*

47. *Electronic payment model for Productive grant payment delays payment to Beneficiaries due to payment out of the system, name mismatching, lack of bank accounts/mobile wallet by most of beneficiaries.*

Mitigation measures

48. Intensification of awareness meeting to beneficiaries on the importance of saving Group registration on BOT system for legal recognition, and opportunity for accessing government financial support (specific loans, 10% of Council income)

49. Internal discussion on how to address LPG payment and Sensitize Electronic payment Service providers (Banks and mobile companies) to conduct house to house visit to sensitize beneficiaries to open bank accounts / having mobile wallet.

50. Conduct sensitization to parents and community leaders to encourage adolescents to participate fully in Cash Plus project

1.0 INTRODUCTION

1. The Third Tanzania Social Action Fund (TASAF III) is implementing the Second Phase of the Productive Social Safety Net (PSSN II) program, following the successful implementation of the first phase of the Productive Social Safety Net project (PSSN I) between 2012 and December, 2019. The Project Development Objective (PDO) of the PSSN II is to improve access to income-earning opportunities and socio-economic services for targeted households while enhancing and protecting the human capital of their children.
2. The Project was declared effective by the World Bank on December 13th, 2019 and subsequently launched on February 17th, 2020. It is expected to cover about 1.4 million poorest and most vulnerable households in all villages, mitaa and shehia in all Project Area Authorities (PAAs) across the country.
3. PSSN II contributes to the achievement of overall objective of the Government of Tanzania (GoT) of reducing poverty and improving the quality of life of the poorest and the most vulnerable population as reflected in the Tanzania Development Vision 2025, National Five Year Development Plan (FYDP III) 2021/22-2025/26. The major focus of PSSN II is to engage beneficiary households with labour capacity in productive work so as to improve their livelihoods, increase incomes and create community assets through participation in labour intensive public works.
4. The implementation of PSSN II is structured into two major components, namely: (i) Productive Household Support (Benefits and Services) and (ii) Strengthening Institutional Capacity and Integrated Delivery Systems.
5. This report outlines activities carried out during the third quarter ended on 30th June 2022, based on two main components of PSSN II: (i) Productive household support (benefits and services) and (ii) Institutional capacity and integrated delivery system as follows:

2.0 PRODUCTIVE HOUSEHOLD SUPPORT (BENEFITS AND SERVICES)

6. This component provides beneficiary households with an integrated package of benefits and services, including a foundational package consisting of cash transfers and public works activities complemented with livelihoods support activities.

2.1 Conditional Cash Transfers

2.1.1. Beneficiary payment

7. The 8th round of PSSN payment which covered a payment window of Mar-April 2022 was completed for all 186 PAAs. A total of TZS 49,413,349,648.00 was paid to 1,273,537 households during a payment window of March/April 2022. which was opened from on 9th May 2022 and closed on 20th May 2022.

8. During payment exercise it was observed that most PAAs managed to pay within the payment window with exception of the few which requested for extension. The reasons which made some of the PAAs to request extension included just to mention few, inaccessibility to communities due damaged roads during rainy season, inadequate fund in budget vote and challenges of MUSE financial Management Systems.

9. The statistical summary of payments are as shown in table 1 below for all 186 PAAs. It contains both transfer to beneficiaries and transfer to cover overhead expenses. It also has costs to cover withdrawal and transfers charges for electronic payment transactions through Payment Service Provider. Table 1 below provides the total cash transfer for the two payment windows.

Table 1: Total Cash transfers for March- APRIL 2022 Payment Windows.

Item	Mar/Apr 2022
Number of Households	1,273,537
Direct/Productive Transfer	26,035,176,000
Human Capital Transfer Primary School	7,431,384,000
Human Capital Transfer Lower Secondary	1,903,048,000
Human Capital Transfer Upper Secondary	34,324,000
Human Capital Transfer Infant	2,789,150,000
Uncollected Amount	1,725,331,767
Claimed Amount	8,673,770,000
Child Grant	13,800,000
Penalty Amount Education	51,952,000
Penalty Amount Health	16,784,000
Withdrawal Charge	714,559,781
Transfer Charge	24,070,100
	49,413,349,648.00

2.1.2 PSSN beneficiaries by age group and gender.

10. The current total number of direct beneficiaries enrolled in the Program from 186 PAAs from active households who supposed to get cash transfers is **5,180,684** of which 56.0 percent are females and 44.0 percent are males. The total number of

active households by June 2022 is 1,375,107 households of which 884,692 households are from the old villages, mitaa and shehia and 490,415 households are from new villages, mitaa and shehia. Table 2 and Figure 1 below provide a breakdown of the number of direct beneficiaries by age groups and in percentages. Beneficiaries aged 6-18 years who are required to attend school represent 41 percent while those aged 0-5 years who are required to attend health clinic represent 6 percent of all beneficiaries. The productive age members who are supposed to work under PWP represent 35 percent of all beneficiaries and adults aged 60 years and above represent 17 percent of all beneficiaries. This implies that large part of benefits are used to support productive and school age groups which ultimately contributes to building productive capacity and protecting human capital.

Table 2. PSSN beneficiaries by age group and gender.

Sex	Clinic Age		School Age	Productive Age	Elders	Total
	Below 2 Years	Year 3-5	Year 6-18	Year 19-59	Above 60 Years	
Male	37,636	140,731	1,065,055	759,666	293,260	2,296,348
Female	39,233	145,288	1,074,445	1,050,439	574,931	2,884,336
Grand Total	76,869	286,019	2,139,500	1,810,105	868,191	5,180,684
Percent	1%	6%	41%	35%	17%	

2.1.3 Monitoring compliance with co-responsibilities

11. Conditional monitoring since reinstated in January - February 2022 continued to perform fairly well. Since last mission the performance of compliance has still remained above 95% for both education and health. The table 3 below shows the performance of compliance for this period.

Table 3: Compliance Performance

Period	Sector	Number of students/infants	Number of Non-compliers	percent of Non-compliance	Percent of compliance	Total Penalty Amount (in TZS)
Jan/Feb 2022	Education	1,503,791	9,604	0.64%	99.36%	40,892,000
	Health	375,870	2,912	0.77%	99.23%	20,496,000
Mar/Apr 2022	Education	1,503,258	10,986	0.73%	99.27%	51,952,000
	Health	377,021	2,228	0.59%	99.41%	16,784,000

Non-compliance for few children is caused by several reasons including the following:

- 1) Not able to go school during heavy rainy seasons
- 2) Children of pastoralist families as they move in search of pasture

2.1.4 Digital data capture for attendance records in schools and health centers as part of compliance process

12. TASAF is continuing making effort to improve compliance process through digitizing data capture process. This is being done in collaboration with PO - RALG the Government organ that is administering the student attendance recording system. The development of APIs have been completed and plans to test APIs have been prepared for the next financial year.

13. In addition, TASAF in collaboration with PO-RALG and Ministry of education collected information to introduce the unique identification number (PREMS) in the system that would facilitate integration with student attendance recording system from PO-RALG and other national systems. PREMS were collected during payment exercise for primary and secondary school from selected PAAs. Five PAAs have been selected to participate in this exercise at initial stage in order to draw lessons before rolling out to the rest of PAAs.

2.1.5 Distribution of Hygiene Materials

14. The second phase of distributing hygiene materials was done to all PAAs from Iringa and Njombe region and on PAA from Morogoro. This exercise is carried in collaboration with UNICEF as a part of efforts to take precautions to the spread of COVID-19. These hygiene materials are distributed to girls between 11 to 18 years. Preparation of third phase of distributing hygiene materials are going on and distribution is expected to take place during a month of July 2022.

2.2 Public Works

15. Public Works Program (PWP) sub-component creates productive assets at community level and provide temporary employment opportunities to beneficiary households, providing additional income to smooth consumption and mitigate shocks during the lean season. In addition, access to seasonal incomes provides opportunities for households to save and later make small livelihood investments. PWP key principle is that it is labour-intensive, so that the majority of funds are transferred to extreme poor households in the form of wages. Likewise, it is also intended that the assets created should address supply-side constraints to livelihoods development and access to socio - economic service of extreme poor households. Accomplished activities under public works program are as follows:

2.2.1 Training of PAA facilitators in 72 PAAs.

16. PWP in the financial year of 2022/2023 has expanded its activities to 72 new PAAs thus making a total of 123 target PAAs for round 2. Among the activity carried out as part of micro planning is training of PAA facilitators from 72 PAAs which will start implement PW in 2022/23 financial year. The training has been done to 3,158 PAA facilitators from different sectors such as forest officers, environment officers, water engineers/technicians, civil technicians/engineers, land surveyors, quantity surveyors and community developments officers.

17. Training has been done in three rounds of six days each, five days was for theory and one day was for practical session in the field. General observation shows that the objective of the training was achieved.

2.2.2 Payments of wages to PWP Beneficiary households in 51 PAAs.

18. PWP Sub projects round 1 implementation has been completed in 51 PAAs, and a total of 3,185 Sub projects was executed in financial year 2021/2022. During this period, payments of wages for March – April 2022 cycle to 189,987 beneficiary HHs amounted to TZS 9,440,979,000.00 was paid. Payments of wages for May – June 2022 cycle which comprises of outstanding unpaid dues is TZS 3,455,085,000.00.

2.2.3 Technical Backstopping on Mobile Application in pilot PAAs.

19. A Technical backstopping to 5 PAAs piloted the use of Mobile Application on capturing attendance and monitoring subproject implementation progress was undertaken. Two teams were formed to visit the PAAs, and key findings from the visit include:

- Inconsistent linkage between the Monitoring Application and the main PSSN-MIS.
- Need of more capacity enhancement to Application users at low level.

After observing the challenges, the following action were taken;

- Re-orientation PAAs facilitators on how to use Mobile Application.
- TAMISEMI and ICT reviewed the monitoring Application.

2.2.4. Microplanning to 123 PAAs

20. From Mid-May 2022 the subprojects Microplanning activity commenced in 72 PAAs for the financial year 2022/2023 and 51 PAAs reviewing of Multiyear plans are progressing well, in this process the subprojects are identified through a participatory community-based planning approach, in which the trained PAA facilitators work closely together with the community to develop multi-year community action plans based on their priorities from raised obstacles and

opportunities' disbursed total amount Tsh.5,500,602,155.00.00 for micro planning activities in all 123 PAAs

2.2.5. Technical Backstopping to 72 PAAs during micro planning.

21. During microplanning in 72 PAAs the technical backstopping was done to all 72 PAAs to support PAA facilitators and providing guidance for Public Works Program. Reviewing of subproject application package including environmental screening forms were done. Also, the field visit on 432 sampled villages from 72 PAAs were done for site verification on identified subprojects, and the follow up made on compliance of participatory approach is being monitored.

2.2.6. Post review by SET to 2021/2022 implemented PW Subprojects

22. The post review of implemented subproject in financial year 2021/2022 from 51 PAAs is on progress whereby Sector Expert Team members are working on sampled 21 PAAs to gather useful feedback. The team is reviewing subprojects operation and maintenance plans, adherence to environmental and social safeguards frameworks, challenges encountered in sector norms and standard during implementation period in order to improve in the next implementation cycle.

2.2.7 Implementation of TPRP IV

23. The TPRP IV subprojects implementation continued by completing 500 subprojects in 33 PAAs. Approximately 40% of subprojects are 60% to 75% complete in finishing stage. The second round of financing batches is being prepared, to enable subprojects implementation from July 2022 in forthcoming financial year

24. A technical backstopping is currently progressing in 33 PAAs, aimed at reviewed progress made, challenges encountered and set for identification of new subprojects.

2.3 Livelihoods Support (Productive Inclusion)

2.3.1. Basic livelihood support for all beneficiary households with labour capacity

Under Basic Livelihood support the following interventions has been implemented

2.3.1.1 Training of COMSIP Management team

25. The training was conducted to 22 PAAs covering 14,283 COMSIP management team out of 15,807 leaders from those PAAs. The COMSIP management teams were trained on savings group mobilization, group dynamics, group constitution preparation, loan management, record keeping and conflict resolution in the savings groups.

2.3.1.2 Disbursement of funds to PAA for Savings groups Security boxes.

26. During this quarter 6,546 Savings Groups in 28 PAAs were planned to receive fund for purchase of security boxes where by all of them received and about Tzs. 781,015,000/= have been transferred for the purpose of purchasing the said savings groups security boxes in those 28 PAAs. The purchase of boxes is done through community procurement procedures, using CMC with the technical support from sector experts of the respective PAA.

2.3.1.3 Supplied Stationeries

27. Supply of stationeries has been done (secretary's Book, members passbook, receipt book, simple cash book, Members register and payment voucher) to 5,410 saving groups in 22 PAAs.

2.3.2 Enhanced livelihoods support package for selected households

28. Under enhanced livelihoods the aim is capacity building to beneficiaries to engage on viable Income Generation Activities by undergoing basic skill training and development of simple business plan and finally receive productive grant.

29. For this quarter 2,194 out of 7,457 beneficiary household (BH) from the five PAAs (317 beneficiaries from Bagamoyo and 1,877 Beneficiaries from Mtwara MC, Chalinze DC, Lindi DC and MC) qualified to receive LPG have successfully received 1st installment of LPG. Payment process for the remained beneficiaries who have no bank accounts and mismatch are in progress.

30. Coaching and mentoring has been done to 2,194 beneficiaries who have received productive grant in 5 PAAs of Bagamoyo DC, Lindi MC, Lindi DC, Mtwara MC and Chalinze DC and it is an ongoing activity.

31. The door to door verification was conducted to the beneficiaries in 3 PAAs of Chamwino, Kibaha and Unguja whereby 22,006 HH out of 28,313 qualified to receive the 1st installment of the productive grant. Payment process for the 3 PAAs is on progress. The door to door activity aimed at confirming the eligibility of HH to receive LPG by assessing the availability of labour capacity to HHs and whether the HHs has started an income generating activity.

32. Training of Basic Skills to 40 PAAF and 4,192 Beneficiaries have submitted their PG applications from 34 Shehia out of 78 Shehia in Pemba. Training on Basic Skills continues in the remaining 44 Shehia.

2.3.3 Implementation of Pilot Project Activities

33. The LE Unit is participating implementation of different pilot project development to enhance livelihood interventions to program beneficiaries. The ongoing pilot projects are Cash Plus and Black Soldier Fly. Among the activities which have been conducted are: capacity building on reproductive health, entrepreneurship and environmental sanitation. Specific projects are;

34. The Black Soldier Fly (BSF) pilot under livelihood enhancement program. During this quarter, implementation follows up of subprojects in Mabwepande and Kunduchi in Kinondoni was conducted.

35. Cash Plus is a multi-sectoral project targeting adolescents aged 14 – 19 years from PSSN poor households.

- Pre planning workshops of scaling up of cash plus into PSSN was conducted
- Refresher training, identification and enrollment of adolescent were done in Five PAAs of Kibondo, Kasulu DC, Kasulu TC, Kakonko and Uvinza.

2.3.4 Others

Participation of Livelihoods Unit in 5th Exhibition of Fund and Programme for Economic Empowerment held at Morogoro.

3.0 INSTITUTIONAL STRENGTHENING & INTEGRATED DELIVERY SYSTEMS

36. The Institutional Strengthening and Integrated Delivery Systems is intended to provide support for effective delivery of the benefits and services described in Component I.

3.1 INSTITUTIONAL CAPACITY ENHANCEMENT

37. This sub-component provides support to ensure: (i) adequate and systematic needs-based capacity building for all stakeholders and implementers at all levels; and (ii) institutional coordination and harmonization to enhance effectiveness and promote convergence of interventions to maximize sustainable impact on beneficiaries.

3.1.1 Training and Participation

38. Conducted Community sessions facilitation Training of Trainers to TMU staff, TMOs, PAA PSSNCs and RPSSNCs of all regions and 186 PAAs implementing PSSN II program activities. A total of 45 TMU staff, 143 TMOs, 175 PAA PSSNCs and 27 RPSSNCs were trained.

39. Coordinated the preparation of PWP and LE MIS module training to TMOs from 51 PAAs.

40. Coordinated the preparation of E-payment awareness training on OTC to TMOs, PSSNCs and PSSNAs from 21 PAAs (3rd round of E-payment roll out) .

41. Coordinated the preparation and supervision of training conducted to PAA facilitators (Extension staff) on how to conduct/ facilitate enhanced community sessions to beneficiaries. A total of 3,225 Extension staff from 147 PAAs of Mbeya, Iringa, Njombe, Ruvuma, Songwe, Katavi, Rukwa, Dar es salaam, Pwani, Morogoro, Dodoma, Lindi, Mtwara, Mwanza, Shinyanga, Geita, Simiyu, Mara, Kagera, Kigoma, Tabora regions, Unguja and Pemba in Zanzibar were trained.

3.1.2 Coordination

42. Mission field visits to PSSN II operational areas: TASAF organized various field visits during the period .

3.1.3 Human Resource Management

Human resource management (HRM) in TASAF plays a pivotal role in the implementation of the organization's activities. It not only takes care of the present organizational objectives but also examines and determines the organization's future needs for developing strategies as per the future requirements. Furthermore, it facilitates and drives change throughout the Program and the implementation of appropriate policies and processes. Accomplished activities under the human resource management are as follows:

43. Open vacancies: Currently, there are four open vacancies because employees holding those posts have now taken up new positions. The new vacancies include (1) Monitoring and Evaluation Specialist (M&E-S), (2) Safeguard Specialist (SS), (3) Account Manager (AM) and (4) Disbursement Manager (DM). The recruitment process for these open vacancies has commenced on 9th February 2022.

44. Staff training and career development: TASAF continued to organize training programs for its staff in order to enhance their skills for better performance and career development. The training programs were organized in line with the priorities of the organization. Funds for training programs were included in the procurement and Annual Work Plan and Budget.

45. A total of 200 staff were facilitated to attend various short courses, namely; Training on protocol and diplomatic etiquette, training on the ethical hacker, training on ethics, integrity and effective communication skills, retirement training, training

on Office Management, Advocates Annual Conference, workshop on preparation of Financial Statement and Annual Secretaries Professional Conference.

Other HR-related matters:

46. Handing over ceremony of 123 new Vehicles: On 1st June 2022, there was a handover ceremony where 123 vehicles were dispersed to different PAAs, Offices and TMU. This handover ceremony was officiated by the President of the United Republic of Tanzania, Hon. Samia Suluhu Hassan. The remaining 118 vehicles are expected in July 2022 to make a total of 241 vehicles.

47. Social welfare and sports: TASAF employees are engaged in various sports activities, including a football team that enables employees to socialize and keep their health fit.

48. Administration Handbook: TASAF management team is improving some provisions and procedures of the administration handbook to fit the new rules, policies and regulations.

49. Other related matters under HR included facilitating Staff enrollment and updating data with the National Health Insurance Fund (NHIF) for medical services, facilitated management meetings, ensuring proper registry functions, continued to respond to staff matters such as applications for bank and SACCOS loans, updating staff records, handling supplies office responsibilities, refund of medical claims, monitor all TASAF vehicles and supervision of all contracted service providers.

3.4 INTEGRATED DELIVERY SYSTEMS

3.2.1 Unified Registry of Beneficiaries

50. TASAF started implementation of the disability benefit. A disability is a condition that causes a person to have a deficit or inability to move using certain parts of the limbs or muscles to perform their duties. This condition causes the person to have limited ability to perform various tasks and sometimes to fail to perform fully his/her duties.

Verification of People Living with Disability.

51. Data on beneficiaries living with disabilities has been collected and stored in PSSN's database. However, this information needs verification before providing the benefits. Prior to start the verification of people living with disability, there were a preparatory activity such as preparation of guidelines, training and awareness raising materials, development of MIS and Mobile App, testing and system integration.

52. Verification is includes training of trainers at National and Regional Level; training of PAA Facilitators/ Implementers; preparation of village general assembly

to validate system lists and create a new list; data collection, review and processing. The verification assessment criteria has been categorized based on type of disability i.e. physical, visual, hearing, albinism and mental; level of disability i.e. high, moderate and low. Further, causes of disability i.e. by birth, accident and side effects; by sex (female or male) and by age such as below 5 years, between 6 to 18 years, 19 to 59 years and above 60 years.

The roll out for Verification of People Living with Disabilities

53. Roll out of the verification for PSSN beneficiaries living with disabilities started in 22 PAAs of Geita, Kagera and Mwanza Regions from 5th to 14th May, 2022. Followed by 22 PAAs of Kigoma, Tabora and Simiyu Regions from on 15th to 24th June 2022 whereby 26,780 household members found with high level of disability and confirmed as being eligible for disability benefit from 44 PAAs.

Levels of Disability

Region	# of PAAs	High	Moderate	Low	Total verification
Geita	6	3691	2234	387	6312
Kagera	8	6561	3858	662	11081
Mwanza	8	4177	2290	473	6940
Kigoma	8	4779	2299	486	7564
Simiyu	6	3290	1942	380	5612
Tabora	8	4282	1605	364	6251
Grand Total	44	26780	14228	2752	43760

Implementation of verification in the remaining 133 PAAs planned to commence from July to September 2022. Below is verification schedule to complete the exercise.

Verification Implementation Schedule for the Remaining PAAs

	Activity description	Time Line 2022												Responsible
		July				August				September				
		1	2	3	4	1	2	3	4	1	2	3	4	
1	Training of facilitators at PAA													PAA & TMU
2	Carry out verification exercise 44 PAAs													URB, CCT
3	Carry out verification exercise 44 PAAs													URB, CCT
4	Carry out verification exercise 45 PAAs													URB, CCT
5	Disburse payment July/Aug & Sep/Oct 2022													CCT



Photo 1: Village assembly at Tukamisasa village in Chalinze PAA announcing names of people living with a disability before verification.

3.2.2 Electronic Payment

TASAF beneficiaries' payments are being made electronically directly into their mobile wallet or bank accounts. For beneficiaries who can not manage to have an account, receives their payment through over the counter (OTC) payment solution, where they are bio-metrically authenticated using National Identification Number (NIN) by payment services provider agents.

54. Sensitization on electronic payment: TASAF has continued to rollout E-payment in phases in which by March/April 2022 payment window that was done in May 2022, all 186 PAAs have been rolled out E-payment. However, there are 27 PAAs which could not start E-payment due to technical know-how to some of PAAs and time constraint to capture and approve E-payment data. There is additional of 40 PAAs that paid OTC payment during the said window, making a total of 100 PAAs implementing OTC solution.

55. TASAF in collaboration with Ministry of Finance and Planning (MoFP) have been exploring the touchless solution which uses mobile phone camera to scan biometrics which aimed at increasing efficiency on biometric scanning, reducing the cost of purchasing and managing the physical biometric scanners and hence increase overall efficiency of OTC payment solution.

56. E-payment status. A total of 254,504 (20%) out of 1,273,521 beneficiaries in 186 PAAs were paid electronically during March/April 2022 payment window in which 89% are female. There has been a significant increment of beneficiaries paid

through banks in which 33% of beneficiaries out of those receiving electronically are being paid through bank, this is due to low cost of accounts, easy management and high response of bank to register PSSN beneficiaries. TASAF is planning to work on the recommendation of IBM phone survey reports so as to increase the number of beneficiaries receiving electronically. TASAF is also planning to conduct a survey to cash beneficiaries in group one to three of E-payment rollout plan on reasons that hinders them to receive their funds electronically.

57. NIN registration to PSSN Beneficiaries. National Identification Number (NIN) is key in electronic payments as it is a basic requirement on registering mobile phone simcard, opening a bank account and is used for biometric authentication on OTC payments. TASAF organized a meeting between TASAF, NIDA and Immigration teams for 48 PAAs with less than 20% beneficiaries registered and issued NIN, to strategize on effective registration exercise. Currently, a NIN registration exercise is ongoing to beneficiaries in those 48 PAAs.

58. Payment services Providers Engagement. Three banks out of five and two MNO out of four have already signed the MOU to provide special product for TASAF beneficiaries that will reduce cost of payment delivery. The plan is to start using the new products from next financial year 2022/23 hence the deadline for the same is 30th June 2022. For the PSPs who will not be ready to work with us, beneficiaries in their network/banks will be sensitized and moved to other PSPs.

3.2.3 Social and Environmental Safeguards

59. During this quarter the key implemented activities are; conducting awareness rising session on Environmental and Social Frameworks to PAAs not implementing public works, Backstopping during Micro planning and screening of Public Works subproject to 72 PAAs.

Awareness rising session on ESF PAAs not implementing public works

60. The Program conducted awareness rising session on Environmental and Social Framework (ESF) to 121 PAA facilitators from 33 PAAs not implementing PW in the year 2022/2023. Objective of session was to enhance the capacity of PAA sector experts in planning and implementation of ESF at the community and PAA level. Participants were TMOs, PSSN Coordinators and 2 PAA Sector experts (1 responsible with Environmental and 1 Social issue) will cascade the knowledge to fellow at PAA and community to ensure ESF requirements are well addressed during the Program implementation.

Screening of Public Works subproject to 72 PAAs

61. Screening of Public Works subprojects is ongoing to 72 PAAs where a total of 3,938 subprojects are expected to be identified and screened. Screenings of subprojects are done by the trained PAA facilitators in collaboration with the

community members. Five Environmental and Social screening forms are used namely; (i) Subproject identification and stakeholders consultations, (ii) environmental and social screening and the preparation Environmental and Social Management Plan (ESMP), (iii) Land availability Agreement Form, (iv) Climate Change and (v) Screening on Presence of Vulnerable Groups

Backstopping during Microplanning to 72 PAAs

62. Backstopping to ensure the environmental and social requirements are adhered during the micro planning has been conducted to 72 PAAs by the TMU and National facilitators. Among areas focused on during the backstopping are; ensuring the are adequately stakeholders consultations, Screening to consider both the environment and social risks, separating the E&S impacts and its mitigation measures during the implementation and operation and maintenance stage, preparation and implementation of ESMP; and ensuring all sections of the screening forms are correctly filled.

3.2.4 Technical Support

PSSN Implementation technical support.

63. Technical support on the implementation of PSSN II activities continued to be provided by Technical Support Department in collaboration with other program departments/units, through TASAF Monitoring Officers (TMOs), attached to respectively PAA. Purpose being to ensure that all activities are properly implemented in accordance with the laid down procedures and an effective linkage between TASAF and regions/ PAAs is maintained, so as to achieve the objective of the program.

64. During the period under review, backstopping technical support was provided on the implementation of the planned as well as unplanned but emerging equally important activities which includes;

- Backstopping for Field visit to 45 PAAs
- To attend the Regional meeting organized by Regional coordinators.
- CCT payments to beneficiaries for
- Monitoring of PSSN II activities at PAA level.

3.2.6 Information, Communication and Technology

65. TASAF in collaboration with PO - RALG has finalized coding of Application Development Interface (API) to integrate PSSN - MIS and School Information System (SIS) owned by PO-RALG. The integration will allow automation of Education Compliance data collection. Testing and deployment of the system is planned in current financial year.

66. The activity to integrate PSSN-MIS and HESLB system has also been completed. This integration will allow online verification of TASAF beneficiaries who applied for Higher Education loans from loan board. The deployment of the system is expected in August 2022.

67. The review of GRM architecture has been carried out to identify areas of system improvements. The development of the suggested improvements was finalized and the new system will go live in July 2022.

3.2.6 Development Communication

During the period under review following was undertaken;

68. Awareness and advocacy activities on PSSN II to beneficiaries and the public is ongoing through various media outlets.

69. GRM handbook has been shared internally and comments incorporated. Awaits a review workshop for finalization

70. Grievance capturing continues and reporting is done through the GRM IS. During May 2022 total grievances reported were 1600 (CCT – 1300, coordination 8, other 111, PWP 90 and URB 108. With the continuing update on architecture in progress, reporting categories will be updated to include targeting and validation, payments, service delivery, data update, GBV and other. This will allow better reporting of grievances captured and measures taken.

3.2.7 Monitoring and Evaluation

71. Baseline survey in PSSN supported areas. The design of PSSN II impact evaluation was completed and survey questionnaire developed. A total of 495 villages and shehias from 32 PAAs were sampled for the evaluation. The National Bureau of Statistics (NBS) and Office of the Chief Government Statistician (OCGS) Zanzibar were commissioned to conduct baseline data collection. Training of enumerators on questionnaire management was done and completed, enumerators were deployed to conduct data collection in sampled areas in Zanzibar and Tanzania Mainland. Field data collection completed and data validation is going on. Through all the processes, TMU conducted supervision and follow up in to ensure smooth data collection by addressing emerging administrative challenges related to some villagers demanding to be enrolled in the Program

High Frequency Mobile Phone Survey

72. The survey was completed and report shared and discussed. Issues raised in the report are being shared with PAAs and also included in the ongoing training,

especially on Community Sessions. Among the key findings from the survey include (but not limited to);

- Increase of NIN card ownership;
- Increase in the level of awareness of the community sessions and attendance of community session.;
- VEO remains the main source of information on the payment date.

TMU will keep on following up on issues especially in areas where improvements seem to be slow.

Community Score Card

73. Community Score Card (CSC) is an instrument to be used to assess accountability aspects of service providers at community, which uses the community-level service or facility as the unit of analysis. It generates information through focus group interactions, provides immediate feedback to service providers, enables immediate response and joint decision-making and result in agreement to undertake reforms to improve service quality.

74. Community score card exercise has been conducted in 5 selected PAAs implementing TPRP IV. The Exercise commenced with Orientation of TMU Team (National Team) that involved fieldwork practical training. The National team members were allocated into 5 PAAs where they conducted training to PAA facilitators teams and supervised them accordingly conduct CSC in selected villages. Based on selected indicators, each PAA will conduct assessment of ongoing sub projects to determine the level of achievement, participation of beneficiaries, accountability of PAAs and village leaderships in facilitating timely implementation and disbursement issues pertaining to sub project implementation.

3.2.8 Research and Development

75. Implementations of behavioral design nudge in CCT study. An internal session to integrate the pilot results of behavior design nudge has been conducted. The plan to scale up behavioral nudge into livelihood enhancement and Public work projects is in progress.

76. Waste management pilot project: TASAF and the World Bank implement the waste management pilot project. So far, practical training was conducted in one community. This was a learning training on how the collection of waste is done at the community level, how the waste is processed into compost manure for livelihood activities and how the community is engaged in waste management. The pilot aimed at informing PSSNII program by confirming that BSF production at a community scale is feasible across multiple topographies in Tanzania and to test the concept

that BSF production are suitable livelihood enhancement activity to enable beneficiaries to enhance income diversification.

At closing of the pilot the beneficiaries were monitored by PSSN facilitators and advised to continue with production activities and strengthen their market promotion and packaging strategies to earn money for their saving groups. A survey was conducted to assess the outcome of the pilot to beneficiaries after completion of a pilot test to inform PSSN especially about livelihood enhancement in introducing new innovative diversified Income generating activities for beneficiaries.

The findings showed that Significant reduction in communities waste; high-quality fertilizer availability for local agriculture/horticulture activities, increased capacity building within communities on the importance of waste management and the value of waste as a resource, beneficiaries have shown great interest and motivation to implement the pilot and were eager to produce BSF, all sites selling larvae to local small-scale chicken farmers, with growing demand, revenue gained from selling larvae being placed into existing saving groups set up through PSSN LE program and enabling further productive investment opportunities; This provides longer term flexibility for the model to be scaled up; The design of both production units are adequate for production but double chamber were highly recommended. Almost all facilitators interviewed and 95% of beneficiaries confirm that the production of larvae is viable and profitable to PSSN beneficiaries. It was agreed that the possibility of aligning the BSF project into LE and PWP will be worked on where PWP will assist in establishing a production Unit while LE will be involved in the production of larvae to increase Income generating activities. The issue of ration by PWP is associated with further discussion.

77. Implementation of the cost of living subsidy pilot: The cost of living subsidy pilot project which was postponed due to COVID19 has resumed. The team conducted a session to review of MOU, implementation plan and budget as well as the TOR for engaging the consultant to evaluate the program. The documents have been shared to TANROADS and Dart to provide their final inputs. Implementation is expected to commerce after incorporating the final comments and signing the MOU by parties (TASAF, TANROADS and DARTS).

78. The pilot of the illegal dump subproject under PWP: TASAF continues working with the World Bank consultant to design the pilot on the illegal dump pilot study. The pilot aims to: (i) confirm that illegal dump rehabilitation subproject implementation guidelines are usable and aligned to the PSSN II framework, and (ii) showcase potential synergies between the PSSN II program and other World Bank-financed projects. The pilot planned to be implemented in two PAAs of Ilemela and Kigoma which were selected based on suitability criteria. The technical discussion has been conducted to implement the pilot in the selected PAAs with add the PWP menu on the option for the illegal dump subproject.

79. The investment case for Stawisha Maisha and Cash plus Pilot Project:

The assignment of the investment case for the universal expansion of the stawisha maisha and cash plus project is on progress by the UNICEF Consultant, and a tentative costing of Stawisha Maisha and Cash plus has been shared. The consultant is working on the inputs provided. The session to discuss the way forward has been conducted by stakeholders on the integration of two pilots into PSSN and options for scaling have been worked out

80. Implementation of gender action plan:

The implementation of gender action Plan is going on, PSSN activities were integrated with gender in its implementation. Training handbook, guidelines and monitoring tools were developed. Training of remaining program officers 120 (TOTs) has been conducted in the fourth quarter, the way forward is to cascade training to PAAs and communities, monitoring of gender mainstreaming, assessment and dissemination of gender materials.

3.2.9 Internal Audit

This report covers the activities of the Directorate of Internal Audit from April to June 2022. Auditing in TASAF is aimed at contributing to improved management and cost-effectiveness of the project delivery and internal operational activities. It is also aimed at strengthening accountability for funds advanced at all levels of implementation in line with laid down policies and procedures.

The expenditures incurred from April to June 2022 were TZS 123,870,000 which relate to the planned routine audit activities in the quarter. The planned activities that were executed included a Spot audit of CCT Payments, Conducting an audit of OPEC and PWP projects in PAA namely Magu DC, Misungwi DC, Ilemela DC, Ukerewe DC, Mwanza City, Sengerema DC, Kwimba DC, Geita TC, Geita DC, Nyang'hwale DC, Chato DC, Bukombe DC, Mbogwe DC, Bariadi DC, Itilima DC, Maswa DC, Meatu DC, Bariadi TC, Buchosa DC, and Busega DC aiming to see the progress of implementation and value for money for the project. The audit also evaluated the adequacy of internal controls with a well-defined approval process at all levels, segregation of duties, acknowledgment of receipts, and compliance with applicable policies and regulations also Audit of ICT and E-payment, special audit in Tandahimba DC and Msalala DC, Review of PAAs Internal Audit reports and ACL analysis of March- April 2022 payment window.

Conducted audit in PWP project including those implementing OPEC IV activity.

81. The Directorate of Internal Audit conducted the audit on the PWP project including those implementing OPEC IV activity this involves PAA namely Magu DC,

Misungwi DC, Ilemela DC, Ukerewe DC, Mwanza City, Sengerema DC, Kwimba DC, Geita TC, Geita DC, Nyang'hwale DC, Chato DC, Bukombe DC, Mbogwe DC, Bariadi DC, Itilima DC, Maswa DC, Meatu DC, Bariadi TC, Buchosa DC, and Busega DC aim were to see the progress of implementation and value for money for the project. The audit also evaluated the adequacy of internal controls with a well-defined approval process at all levels, segregation of duties, acknowledgment of receipts, and compliance with applicable policies and regulations.

The final reports are compiled and shared with management for follow-up and implementation of the recommendations.

Review of PAAs quarterly internal audit reports and related replies.

82. The Directorate of audit also conducted a review of the quarterly internal audit reports received from PAA and made follow-ups with PAA management on issues reported. The key issues noted in the submission of PAA reports include the fairly Improved submission of the quarterly internal audit report for the 4th quarter of the financial year 2021/2022.

TMU Audit for CCT E-payment payment transfers March- April 2022 payment windows using ACL analysis.

83. The objectives were to review and evaluate the correctness and authenticity of all CCT E-payment transfers to PAAs for the respective windows and also to verify the transfers using ACL to substantiate the authenticity and correctness of cash transfers to beneficiaries. The audit also intended to evaluate the challenges so faced in E-payments and recommended actions to be taken to overcome the noted challenges.

84. The final report was compiled and shared with respective E-payments and CCT units for follow-up and implementation of the recommendations.

Audit of PSSN targeted and enrolled beneficiaries in sample Villages conducted in 30% PAAs by 30th June 2022

3.2.10 Procurement

The Objective of procurement. The procurement functions aimed at supporting TMU, PAA and communities in the acquisition of goods and services necessary for project implementation. Towards achieving this objective, project procurement activities were managed through a series of activities. These included: (i) planning, managing and monitoring of procurement activities; (ii) assessing procurement capacity building requirements; (iii) developing and delivering capacity building programs (formal and on-job training); and (iv) providing procurement technical support to all levels.

Procurement Planning.

85. Procurement Plan for TMU for the Financial Year 2022/23 using TANEPS during the fourth quarter. A reminder was sent to PAAs on use of TANEPS in TASAF procurement activities and emphasis was made during ex post procurement review and supervision as a result 45 PAAs submitted procurement plan extracted from TANEPS for the third and fourth quarter of 2021/22.

Submission of 2022/23 procurement plan by PAAs and regions extracted from TANEPS started during the fourth quarter and will peak in July 2022. TMU will make follow up for the remaining entities to submit procurement plans by end of July 2022.

Also, the use of TANEPS in planning and executing procurement activities in PAAs and regions will be underscored during training planned to be conducted in the first and second quarter of FY 2021/22.

Monitoring of Procurement Activities

86. Report on ex post procurement review conducted from February to March 2022 was compiled. It was noted that most of the procurement staff (focal persons) who were trained in TASAF procurement Procedures had been transferred to different work stations and mostly not with same status (procurement focal person). Some of observations from the review are narrated below:

Strengths noted during review:

- i) Institutional arrangement in PAAs and regions was right as different structures required in implementing different procurement activities were in place.
- ii) The inspection and receiving of goods was properly managed and reports were available.
- iii) The PAAs were better than regions in record keeping. PAAs store ledgers, registers, receipt notes and issue notes for records keeping were in place and updated.
- iv) All payments were made within schedules. The payments were effected according to the goods or services rendered. All contractual payments complied with the manual.
- v) There was no indication of possible fraud or corruption.
- vi) Contracts/system generated LPOs were properly prepared.

Challenges noted during the review include:

- i) Some PAAs did not observe internal approvals by tender boards for some procurement.

- ii) The issue of exclusion in planning and processing PSSN II activities in TANEPS already observed was also observed during review.
- iii) Majority of staff from sampled PAAs are not conversant with all of the procurement guidelines and procedures that underlie TASAF Project.
- iv) The use of framework agreement whose primary procurement was not conducted by PAAs/regions themselves (GPSA FA) was also observed.
- v) Incidences of price analysis instead of evaluation were noted.
- vi) Shortage of procurement staff was noted in some PAAs which caused challenges in facilitating PSSN II activities.
- vii) There were still challenges in record keeping especially in keeping records in one file.

Mitigation measures recommended included

- i) Re-train PAAs and regions and PAAs to enhance their capacity so that:
 - a) procurement activities at their levels are properly planned and executed in TANEPS
 - b) appropriate methods and procedures specified in TASAF Manuals are used
 - c) proper authorization is obtained for each procurement
 - d) filing system is improved to simplify tracking of needed documents
 - e) PMU staff in regions and PAAs are advised to plan and seek refresher training on TANEPS, Public Procurement Acts and Regulations in order to increase awareness of the system and laws respectively from their respective entities
 - f) PMU staff in regions and PAAs are advised to ensure they forward PMU staffing gaps to their respective Accounting Officers for further actions.
- ii) Enhance supervision and monitoring during training which is conducted by PAAs:
 - a) during subproject identification to ensure communities (Community Management Committees - CMCs) plan properly their procurement activities;
 - b) during subproject implementation so that CMCs execute procurement properly and improve their filing system to simplify tracking of needed documents
 - c) Timely provision of technical support in all levels
- iii) Re-issue a new directive stating clearly that Regions and PAAs should adhere to TASAF's Procurement procedures specified in the Program Manuals (Procurement and Stores Procedural Manual and its associated Community Procurement Handbook)

Procurement status of goods:

- 87.** The status of procurement of goods was as described below.
- (a) Delivery of ICT Equipment has been rescheduled because of unavailability of components which are used in manufacturing of equipment to be supplied. Unavailability has resulted from COVID lockdown and Russia Ukraine war.
 - (b) Achievement has been recorded on acquisition of motor vehicles where so far 123 motor vehicles were received and distributed to facilitate program activities in PAAs.
 - (c) The actual status of each particular activity in the Procurement Plan is as reflected in Annex I. included in this report.

4.0 FINANCIAL MANAGEMENT

88. Funds commitment and absorption status: Financiers have committed a total amount equivalent to USD 652,685,851.33 for PSSN II activities out of the Program total budget of USD 883,310,000.00 leaving a financing gap of USD 230,624,148.67. The financing agreements for Switzerland and Ireland of USD 2.0million and Euro 2.0 Million respectively are with the Ministry of Finance and Planning for final evaluation and signature hence have not been incorporated in the above figures.

Out of the committed amount, USD 346,405,642.91 have been absorbed by the end of the reporting period. The overall rate of absorption as of 30th June, 2022 stood at 53.07 percent

89. Due to currencies fluctuations between the Loan Currency SDR and the Disbursement Currency USD, the Program has suffered a loss on exchange rate of USD 8,552,055.17 from World Bank as of 30th June, 2022 contrary to previous quarter where the Program had realized a gain on exchange of USD 609,116.20. The DPs commitments stated above includes the remaining funds from PSSN I for DPs who had sanctioned their remaining PSSN I funds to be utilized in financing PSSN II activities as indicated in Table 1. Further to that Table 1 shows the status of signing of financing agreements reached for DPs commitments.

Table 1: Status of DPs commitments and financing Agreements as of 30th June, 2022.

Table 7: Funds Commitment as at 30th June 2022.

Status of DPs Commitments and Financing Agreements Signing as of 30th June, 2022

S/N	Source	Commitment Currency	Commitment in DPs Currency	Commitment in USD	Status of the Financing Agreement
1	BMGF	USD	500,867	500,867	Signed–PSSN I
2	OFID	USD	50,000,000	50,000,000	Signed
3	Norwegian Government	NOK	150,000,000	16,447,302	Signed
4	Embassy of Switzerland	CHF	15,800,000	17,360,730	Signed
5	Sida	SEK	450,000,000	53,974,542	Signed
6	Sida	SEK	100,000,000	11,994,343	Signed
7	European Union through Sida	EURO	20,000,000	24,390,000	Signed
8	Ireland	EURO	2,000,000	2,439,000	Signed
9	UN Agencies	USD	5,207,537.49	5,207,537.49	Signed–PSSN I
10	USAID	USD	785,010	785,010	Signed–PSSN I
11	GOT	USD	14,000,000	14,000,000	Signed
12	GOT – IMF	TZS	5,542,514,000.00	2,427,289.89	Signed
13	FSDT	USD	560,632	560,632	Signed–PSSN I
14	TA=AIDS	TZS	5,942,992,458	2,598,597	Signed–PSSN I
15	IDA Credit	SDR	323,700,000	450,000,000	Signed
Total				652,685,851.33	
Total Program Budget				883,310,000	USD
Financing Gap in USD				230,624,148.7	USD

90. Funds received: In the period under review, the total amount received for PSSN II rolling out activities is equivalent to USD 73,689,821.83. The amounts were received from the following sources the Government of United Republic of

Tanzania equivalent to USD 177,889.08, the UN Agencies USD 345,018.51, OFID (OPEC) USD 4,240,079.26, the Embassy of Switzerland USD 5,115,221.50, Sida USD 9,932,351.62 and the World Bank USD 53,879,261.87. The actual disbursement made to the special accounts is thus USD 19,810,559.96 The summary of funds committed, received and absorption rate of PSSN II at the end of this period under review was as shown in Table 3.

91. Funds spending: A total amount of TZS 89,727,827,556.57 was spent during this period under review to finance various program activities as indicated in Table 2 below. The amounts makes a Cumulative Annual Program spending up to 30th June, 2022 to reach TZS 432,436,151,282.12 and the Cumulative Program spending up to 30th June, 2022 to reach TZS 681,589,683,849.94.

Budgeting

92. TMU is implementing the last quarter of the 2021-2022 approved plan and budgets. As of May 2022 more than 83% of planned activities have been implemented. The Plan and Budget for the Financial Year 2022-2023 was recently approved. The approved amount is TZS 488,009,924,594 equivalent to USD 211,293,551. Out of the Budgeted funds TZS 402,827,622,641 equivalent to USD 174,412,188 is going directly to beneficiaries stand which is 83% of the total and TZS 85,182,301,953 equivalent to USD 36,881,363 is the budgeted for delivery cost which is 17% of the total and the budget.

Implementation of MUSE and the Phasing out of EPICOR:

93. TASAF is finalizing implementation recommendation of the consultant on the capability assessment for “Mfumo wa Ulipaji Serikalini” (MUSE) a new Government Integrated Financial Management System so as to allow kick off. TASAF is working jointly with MoFP to ensure that customized reports are incorporated in MUSE modules. This will allow going live on 18th July, 2022 so as to incorporate the reconciled closing balances as of 30th June, 2022.

Shifting from Cash to Accrual Basis of Accounting

94. TASAF is implementing the plan to migrate its reporting policies from the current IPSAS Cash Basis to the new IPSAS Accrual Basis of accounting so as to comply with the IPSAS requirements and to make the financial statements more elaborative, detailed and transparent.

95. The plan is to start using accrual basis of accounting from July 2022, the new Financial Year 2022/2223. TMU has already translated its Audited Financial statements ending June 2021 into IPSAS Accrual Basis; the external auditors have completed review of the same.

External Audit

96. TMU has already shared responses on comments received from DP team on the issues raised by the National Audit Office on the Management Letter. TMU has also shared with the DP's team an Action Plan to address all audit queries and enhance controls in different areas. Both the responses on the comments and an Action Plan were cleared by the DP's team.