

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



**FIRST QUARTER IMPLEMENTATION PROGRESS REPORT  
(JULY – SEPTEMBER, 2022)**



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## ACRONYMS AND ABBREVIATIONS

BRT	Bus Rapid Transit System
BSF	Black Soldier Flies
BoQ	Bills of Quantities
BDN	Behavior Design Nudges
BoT	Bank of Tanzania
CCT	Conditional Cash Transfer
CMC	Community Management Committee
CAG	Comptroller and Auditor General
COMSIP	Community Savings Investment Promotion
CSC	Community Score Card
DART	Dar-es-salaam Rapid Transit
DC	District Council
ECD	Early childhood development
EU	European Union
ESMP	Environmental and Social Management Plan
E-payment	Electronic Payment
FYDP II	Second Five Year Development Plan II
FYDP III	Third Five Year Development Plan III
FAQ	Frequently Asked Questions
GoT	Government of Tanzania
GRM	Grievances Redressal Mechanism
ICT	Information, Communication and Technology
IDA	International Development Association
LGA	Local Government Authority
LE	Livelihoods Enhancement
LEDI	Local Economic Development Initiative
M&E	Monitoring and Evaluation
MC	Municipal Council
MIS	Management Information System
MIS-LE	Management Information System-Livelihoods Enhancement
MUSE	Mfumo wa Ulipaji Serikali
NOK	Norwegian Kroners
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
OCGS	Office of Chief Government Statistician
OFID	OPEC Fund for International Development
OPEC	Organization of Petroleum Exporting Countries
OTC	Over the Counter
PAA	Project Area Authority
PDO	Project Development Objective
PPRA	Public Procurement Regulatory Authority
PLWD	People Living with Disability
PMT	Proxy Means Test
PSP	Payment Service Provider
PSSN I	First Productive Social Safety Net
PSSN II	Second 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
TACAIDS	Tanzania Commission for AIDS
TANROADS	Tanzania National Roads Agency
TANePS	Tanzania National e-Procurement System
TASAF III	Third Tanzania Social Action Fund
TID	Targeted Infrastructure Development
TMO	TASAF Monitoring Officer
TMU	TASAF Management Unit
ToT	Training of Trainers
ToR	Terms of Reference
TPRP IV	Fourth Tanzania Poverty Reduction Project
TV	Television
TZS	Tanzanian Shillings
UNICEF	United Nations Children's Fund
UN	United Nations
UNICEF	United Nations Children's Fund
URB	Unified Registry of Beneficiaries
USAID	United States Agency for International Development
USD	United States Dollar
ZSPP	Zanzibar Social Protection Policy

## GENERAL OVERVIEW OF PSSN II PROGRAM

The Government 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 has created 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 achieves 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 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.

#### **(ii) Integrated delivery systems**

In order to support implementation of PSSN II, existing delivery systems have been enhanced and new others developed. These include (a) the development and implementation of strategies for exit, graduation and re-certification and further enhancement of the targeting system; (b) further development of the MIS, building of NSR and development of innovative ICT tools; (c) enhancing the M&E system; (d) citizen engagement, communication and advocacy; and (e) 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 in all 186 PAAs across the country, about 1.4 million households.*

### **Conditional cash transfers**

3. *Two rounds of payments were generated and disbursed to beneficiaries whereby total disbursement for these two rounds was TZS 107.0 billion and they were paid to 1,371,038 households. Households with people living with disability were paid during May-June 2022 payment window whereby a total of 26,499 households were paid TZS 264.9 million and during the July-August 2022 payment window, a total of 45,875 households were paid TZS 458.8 million. The paid households with people living with disability were from 89 PAAs.*

4. *Compliance continued to be monitored during the quarter where the period of compliance Monitoring for January-February 2022, performance was fairly well. The performance compliance based on the number of children was 99.36% for education and 99.23% for health and March-April 2022 for education was 99.27 and Health 99.41. This performance was above the required target of 95.0 percent for both compliances.*

### **Public works program**

5. *Internal review of public works subprojects was conducted for 8,339 submitted subprojects. The review was mainly carried out on Bills of Quantities (BoQ) to ensure that they are properly prepared in terms of wage and man-days estimation, required tools and materials for subprojects and incorporation of safeguards issues. These subprojects were from 7,846 villages in 103 out of public works 123 PAAs. Following completion of year one public works subprojects in 51 PAAs, post review of the subprojects by Sector Expert Team (SET) was conducted in sampled PAAs. The objectives of the post review was to provide technical views and support to PAA implementation teams, check conformity with sector norms and standards and ensure compliance to the environmental and social frameworks (ESF).*

### **Livelihoods enhancement**

6. *Refresher training on saving group formation and management; gender mainstreaming and behavioral nudges was conducted to 85 national facilitators. Furthermore the training was conducted to 859 PAA facilitators in 32 Impact Evaluation PAAs. The facilitators enabled the formation of groups in those PAAs*

whereby an aggregate of 5,850 savings groups were formed and about 17,550 leaders trained.

7. **Training on basic skills to beneficiaries:** Training on basic skills was delivered to 9,254 Household Beneficiaries in Pemba who applied for Livelihood Productive Grants of which 8,640 beneficiaries were qualified for the grant. These beneficiaries were approved to receive the grant that will be used to develop their income generating activities.

8. **Processing of productive grant:** During the reporting period TZS 2,607,776,900 being the first installment of productive grant for 11,409 beneficiaries from Unguja and Kibaha was disbursed. Furthermore the second installment of productive grant amounting TZS 181,559,054 were disbursed to 1,085 beneficiaries from Chalinze and Bagamoyo PAAs (Chalinze 475 and Bagamoyo 610) to support their Income Generating Activities.

### **Targeted infrastructure**

9. 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.

10. A total 286 subprojects were funded and being implemented under TPRP IV in the regions of Mwanza, Simiyu, Geita, Njombe and Arusha. Out of these subprojects, 52 (18.2%) subprojects were completed. The completed subprojects were falling under the sectors of education (35 subprojects), health (17 subprojects), roads (2 subprojects), water (2 subproject) and agriculture (2 subprojects).

### **Training and participation**

11. TASAF organized a session for orientation of community leaders and CMC members on their roles in supervision of payment and community sessions in PAAs. After the orientation, the community leaders and CMC members were involved in payment supervision and delivery of community sessions during the payment window of July – August 2022 in all 186 PAAs.

12. Training of PAA facilitators on COMSIP was organized for 63 national facilitators. The objective of the training was to reorient the national team on COMSIP procedures. The team then cascaded the training to PAA facilitators in 32 PAAs that participate in the program impact evaluation. The PAA facilitators were assigned to 1,360 villages to facilitate formation of groups and train groups' leaders on leadership, group management and record keeping. A total of 18,011 group leaders were trained.

13.

### **Coordination**

14. TASAF coordinated a total of 10 field visits of national leaders and high level officials from World Bank, parliamentary committees, UN agencies and embassies in the program areas. The objective of the visits was to know about the status of the ongoing program activities in the sites, identify challenging gaps in the implementation and discuss with different stakeholders about the way forward to address the gaps.

#### **Human resources**

15. TASAF continued to fill up all open vacancies in the organogram. TMU advertised four managerial positions through the TASAF website and local newspapers. The interviews for the shortlisted candidates were completed and four successful candidates were selected for further procedures. Currently, vetting results were awaited and all necessary means were done to ensure that the recruiting process is completed at the earliest.

16. A total of 32 staff were facilitated to attend various short courses namely, car tracking, TANePs tendering, annual dissemination program to tender board committees, protocol and diplomatic etiquette, retirement training and internal auditors annual conference.

#### **Unified registry of beneficiaries**

17. The verification of beneficiaries living with disability was conducted in 49 PAAs. Data verification for the beneficiaries indicated that a total of 28,722 beneficiaries out of 45,435 were found with high level of disability and confirmed as being eligible for disability benefit. Furthermore, TASAF completed the targeting of poor households in the remaining villages that were not covered during PSSN I. The targeting was conducted in three PAAs where a total of 581 households were involved. The collected information is planned for PMT procedures and the selected poor households will be enrolled to join the Program.

#### **Electronic payment**

18. A total of 186 PAAs have been enrolled into e-payment as of the end of the reporting period where TZS 14.6 billion was transferred electronically to 334,400 (24.4%) out of 1,371,038 beneficiary households. Furthermore, 50 PAAs were provided technical support to address challenges that hindered them from enrolling more beneficiaries to e-payment.

#### **Social and environmental safeguards**

19. Screening of public works subprojects was done to 123 PAAs that will implement public works in the year 2022/2023. Screening was done by the PAA facilitators to identify potential adverse impacts and its mitigation measures during the implementation and operation and maintenance of the subprojects. A total of 8,339 sub-projects in 123 PAAs identified were screened.

20. The backstopping was carried out to 20 PAAs during the micro-planning process. The backstopping was aimed at addressing the screening gaps that were

observed during the review of the submitted forms. During the backstopping, it was revealed a satisfactory screening was done in comply with the screening requirements.

### **Technical support**

21. 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**

22. Delivery and deployment of procured ICT equipment to TMU staff and PAAs including laptops, desktop computers, photocopy machines and printers to TMU staff and 186 PAAs, enhancement of management information system - livelihoods enhancement (MIS-LE) module and system migration for financial management information system (FMIS) and grievance redressal mechanism (GRM) as well as integration of TASAF-PSSN MIS with HESLB systems were done during the period.

### **Development communication**

23. The review of GRM architecture was carried out to identify areas of improvements and the new system went live from July 2022. The improvement included review of grievance categories making it more user friendly during capturing. The improved system increased the quantity of grievances recorded from PAAs. Of the 2,173 grievances reported, 85.0 percent were on payment specifically on missing payment through mobile transfers and failure of OTC. .

### **Monitoring and evaluation**

24. Implementation of program interventions in sampled impact evaluation villages commenced during the period. The villages were categorized into four categories in order to measure effects and impacts of the program in these villages. The categories of villages comprised those which will implement public works, enhanced livelihoods, both public works and enhanced livelihoods and those which will be in control. Furthermore, categorization was done on the basis of villages which receive electronic versus those which receive manual payment.

25. Community Score Card (CSC) process was conducted in 6 randomly selected LGAs implementing TPRP IV. A total of 17 subprojects were selected and involved in the process. The subprojects belonged to the sectors of health, education and water. The process assessed transparency and accountability aspects of service providers to the ongoing subprojects. The report is under preparation, draft was being reviewed by TASAF management before sharing with wide stakeholders. The findings will be used to strengthen aspects of transparency and accountability to speed up implementation of subprojects.

### **Research and development**

26. *On the pilot project activities, the integration of Black Soldier Flies (BSF) and Behaviour Design Nudges (BDN) initiatives into the program implementation was on progress whereas the signing MoU for implementation of the cost of living subsidy pilot between TANROADS and TASAF was done. DART has not yet signed the MoU for the implementation to start. Also, TASAF continued working with the World Bank to implement the pilot test of the waste management (illegal dump). Lastly, TASAF was working with World Bank consultant to strengthen public work subprojects, linkage with livelihoods and their resilience to the climate change.*

27. *The assignment of the investment case for the universal expansion of the stawisha maisha and cash plus project was on progress by the UNICEF consultant. A tentative costing of stawisha maisha and Cash plus was shared. The process of integrating stawisha maisha into PSSN was initiated while that of cash plus was yet to be concluded.*

28. *The implementation of gender action Plan was going on. After ToT on gender at TMU, cascading of the training to PAAs as well as communities was conducted along with LE and PWP rollout. The mainstreaming of gender into program implementation was conducted in 32 impact evaluation PAAs and at the community level.*

### **Internal audit**

29. *TASAF conducted the audit in 20 PAAs implementing TPRP IV out of 33 PAAs. The objective was to ascertain compliance with various directives on subproject implementation and value for money on the implementation of the subprojects. The audit generally noted a good progress in subproject implementation despite some*

30. *TASAF conducted the audit at RAS offices and TMU as well as spot checks at PAAs. The objective was to review the payment windows to ascertain if they comply with CCT payment procedures. The audits noted some grievances emanating from non-payment for PWP beneficiaries, non-preparation of expenditure justification reports at RAS offices and weaknesses in controls, deduction of community health fund from cash transfers. Audit recommendations were submitted to the respective authorities for addressing the observed issues.*

31. *Special audit was conducted in 2 PAAs. The objective was to assess compliance with the payment procedure, review funds sent to PAAs from TMU and assess the extent PAAs adhere to instituted internal controls. The final report was compiled and shared with respective PAAs for follow-up and implementation of the recommendations.*

### **Procurement**

32. *The tender for the supply of network devices was at evaluation stage, procurement of software licenses was completed and tender for the supply of tablets*

was postponed because funds were re-allocated to other priority activities. Also, the impact evaluation on improved transport (BRT) was awaits signing of MOU between TASAF and BRT and for the PSSN II MIS annual support and maintenance, approval of ToR was completed and justification for direct selection method was worked on.

33. The status of signed contract for the supply of 93 vehicles indicated that 23 vehicles were received and distributed to PAAs; 35 vehicles were received and distribution to PAAs will be in October 2022; and 35 vehicles will be received in November 2022.

### **Financial management**

34. Financiers committed a total amount equivalent to USD 652,740,704.49 for PSSN II activities out of the Program total budget of USD 883,310,000.00 leaving a financing gap of USD 230,569,295.51. Out of the committed amount, USD 422,690,589.31 was absorbed by the end of the reporting period. The overall rate of absorption as of 30<sup>th</sup> September, 2022 stood at 64.76 percent.

35. In the period under review, the total amount received for PSSN II rolling out activities was equivalent to USD 76,284,946.40. The amounts were received from the Government of United Republic of Tanzania equivalent to USD 216,643.41, the UN Agencies USD 54,854.11, OFID USD 3,152,943.16, the Embassy of Switzerland USD 749,818.78 and the World Bank USD 72,110,686.93. The actual disbursement made to the special accounts USD 4,174,259.47.

36. A total amount of TZS 141,839,926,784.81 was spent during this period under review to finance various program activities as indicated in Table 2. The amount makes the cumulative annual program spending of TZS 141,839,926,784.81 and the cumulative program spending of TZS 823,429,610,634.76 up to the 30th September, 2022.

### **Implementation challenges**

37. Ignorance among program beneficiaries revealed during verification of beneficiaries living with disability that creates fearing to expressing or providing correct information and even hide people with disability.

38. Electronic payment model for productive grant payment delays payment to beneficiaries due to payment out of the system, name mismatching and lack of bank accounts or mobile wallet by most of beneficiaries.

39. Majority of staff from sampled PAAs were not conversant with all of the procurement guidelines and procedures at PAA and community levels that underlie TASAF Project.

***Mitigation measures and way forward***

*40. Community were sensitized to provide proper information and identify the need of disabilities in order to be assisted by the Program.*

*41. 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 or having mobile wallet.*

*42. Re-trained PAAs and regions and PAAs to enhance their capacity so that procurement activities at their levels are properly planned and executed through TANEPS.*

## **1.0 INTRODUCTION**

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.

The Project was declared effective by the World Bank in December 2019 and subsequently launched in February 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.

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.

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.

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**

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 Cash transfers

**(a) Beneficiary payment:** Two rounds of payments were generated and disbursed to beneficiaries. The ninth round of payment which covered the payment window of May-June 2022 was opened on 18<sup>th</sup> July 2022 and closed on 28<sup>th</sup> July 2022 and the tenth round which covered the payment window of July-August 2022 was opened on 8<sup>th</sup> March 2022 and closed on 20<sup>th</sup> April 2022. Total disbursement for these two rounds of payment was TZS 107,034,884,278 which were paid to 1,371,038 households. Households with people living with disability were paid during May-June 2022 payment window whereby a total of 26,499 households were paid TZS 264,990,000 and during the July-August 2022 payment window, a total of 45,875 households were paid TZS 458,750,000. The paid households with people living with disability were from 89 PAAs. Around 14 PAAs did not complete payment within payment windows due to various reasons and requested for extension. Some of the reasons included inadequate fund in budget item and challenges of MUSE financial management system. The statistical summary of payments is shown in Table 1 and Table 2. It contains both transfers to beneficiaries and transfers which covered overhead expenses. It has also the cost which covered withdrawal and transfers charges for electronic payment transactions through payment service provider.

**Table 1: Beneficiary payments for windows of May-June and July-August 2022**

Item	Payment window	
	May-June 2022	July-August 2022
Number of Households	1,371,038	1,368,317
Productive Transfer	22,627,128,000	22,559,328,000
Direct Transfer	5,757,432,000	5,818,848,000
Child Grant	9,391,550,000	9,388,850,000
Disability Grant	264,990,000	458,750,000
Human Capital Development Transfer	13,155,442,000	13,151,208,000
PWP Payment	3,517,809,000	111,303,000
Uncollected	1,310,587,364	6,906,676,382
Claimed Amount	49,294,532	-
Penalties	90,072,000	86,016,000

**Table 2: E-payment charges and facilitation funds**

Period	May-Jun 2022	July-August 2022
Withdrawal Charge (TZS)	746,656,230	857,744,063
Transfer Charge (TZS)	26,134,650	22,807,350
Facilitation Fund	4,155,294,287	5,827,194,287

**(b) Co-responsibilities:** Monitoring of compliance continued as per program design. The general performance of compliance to health and education conditions was above 99.0 percent which was above the set threshold of 95.0 percent. The attendance to school and health facility that were monitored were for the periods of January-February 2022 and March-April 2022 which were input for the May-June 2022 and July-August 2022 payments, respectively. The total amount of penalty for non-complying to the conditions was TZS 16,784,000. The statistical data of performance of compliance to health and education conditions are shown in Table 3.

**Table 3: Performance of compliance to program co-responsibilities**

Period	Sector	Number of students or infants	Number of non-compliers	Percent of non-compliers	Percent of compliers	Penalty amount for non-compliant (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

**(c) Program beneficiaries by age group and gender:** The current total number of direct beneficiaries enrolled in the Program from 186 PAAs from active households who were supposed to get cash transfers is 5,146,499 of which 55.5 percent are females and 44.3 percent are males. The total number of active households by September 2022 was 1,375,985 households. Table 2 provides a breakdown of the number of direct beneficiaries by age groups and in percentages. Beneficiaries aged 6-18 years who were required to attend school represent 41.3 percent while those aged 0-5 years who are required to attend health clinic represent 6.5 percent of all beneficiaries. The productive age members who are supposed to work under PWP represent 39.3 percent of all beneficiaries and adults aged 60 years and above represent 12.9 percent of all beneficiaries.

**Table 4: Breakdown of number of beneficiaries by age groups and in percentages**

Number of HHs	Children below 5 Years		Children 6-18 Years		Adult 19-65 Years		Elders above 65 Years		Total
	Male	Female	Male	Female	Male	Female	Male	Female	
1,357,985	164,099	170,083	1,058,078	1,067,814	834,067	1,189,160	225,191	438,007	5,146,499
	6.5%		41.3%		39.3%		12.9%		100.0%

## 2.2 Public works

(a) **Internal review of public works subprojects:** Internal review of public works subprojects was conducted for 8,339 submitted subprojects. The review was mainly carried out on Bills of Quantities (BoQ) to ensure that they are properly prepared in terms of wage and man-days estimation, required tools and materials for subprojects and incorporation of safeguards issues. These subprojects were from 7,846 villages in 103 PAAs out of public works 123 PAAs. The majority of the reviewed public works subprojects were road construction or rehabilitation and digging and construction of shallow wells as well as charco dams. Furthermore, funds for tools and inputs to facilitate implementation of 8,339 public works subprojects were prepared. The funds will be disbursed during the coming quarter of implementation.

(b) **Post review of public works subprojects by SET:** Following completion of year one public works subprojects in 51 PAAs, post review of the subprojects by Sector Expert Team (SET) was conducted in sampled PAAs. The objectives of the post review was to provide technical views and support to PAA implementation teams, check conformity with sector norms and standards and ensure compliance to the environmental and social frameworks (ESF). The major challenge observed during the post review was lacking of appropriate watershed interventions in some PAAs due to long time of public works implementation.

## 2.3 Livelihoods support (productive inclusion)



Picture\_\_: Beneficiary saving group formed in Singida DC.

**(a) Refresher training on saving groups formation and management:** A three days refresher training on saving group formation and management was conducted to 21 master trainers and 64 national facilitators. The coverage of this refresher training was on saving groups mobilization, group dynamics, group constitution preparation, loan management, record keeping and conflict resolution in the savings groups. In addition, the training participants were trained for one day on gender and behavioral nudges. The same training was then cascaded to 859 PAA facilitators in 32 impact evaluation PAAs. The facilitators enabled the formation groups in those PAAs and sensitized the beneficiaries on gender issues and behavioral nudges. An aggregate of 5,850 saving groups were formed and about 17,550 leaders were trained in mentioned areas.

**(b) Training on basic skills to beneficiaries:** Training on basic skills was delivered to 9,254 household beneficiaries in Pemba whereby about 8,640 household beneficiaries were trained and applied for livelihood productive grant. These beneficiaries were approved to receive the grant that will be used to develop their income generating activities.

**(c) Refresher training on economic activities:** Refresher training on basic skills in economic activities was delivered to 21 master trainers and 60 national facilitators. In addition, the training participants were trained in behavior nudges skills and gender issues. The master trainers and national facilitators will later be assigned to deliver the same training in PAAs that implement impact evaluation.

**(d) Processing of productive grant:** Processing of the second installment of productive grant for 598 household beneficiaries of Bagamoyo DC and 475 household beneficiaries of Chalinze DC was done. Furthermore, processing of the first installment of productive grant for 11,409 out of 13,065 household beneficiaries of Unguja Island and Kibaha DC was completed whereby TZS 2.5 billion was disbursed to support their income generating activities.

**(e) Mentorship and coaching to beneficiary recipients of productive grant:** Follow up, mentorship and coaching were done to the beneficiary recipients of productive grant in 7 PAAs of Bagamoyo DC, Chalinze DC, Lindi MC, Lindi DC, Mtwara MC, Unguja Island and Kibaha DC. The objective was to see progress of their income generating activities and provide any necessary advice towards improvement of their activities.

## 2.4 Targeted infrastructure development

**(a) Status of targeted infrastructure subprojects under PSSN:** Implementation status of 30 targeted infrastructure (TI) subprojects under of PSSN was at different stages of completion. Table 4 indicates the number and average level of completion of targeted infrastructure subprojects at the closure of this reporting period. Preparation is underway for the disbursement of funds to new subprojects in Kongwa DC, Temeke MC, Rufiji DC, Mafya DC, Hai DC, Kibaha Urambo DC and Newala TC.

**Table 5: Completion status of targeted infrastructure subprojects**

S/N	PAA	Number of subprojects	Level of completion (%)
1.	Chato DC	6	98.0
2.	Ilala CC	2	70.0
3.	Urambo DC	4	98.0
4.	Pemba Island	4	98.0
5.	Morogoro DC	2	50.0
6.	Rufiji DC	3	98.0
7.	Ruangwa DC	1	50.0
8.	Songea DC	1	10.0
9.	Chalinze DC	1	80.0
10.	Newala DC	1	20.0
11.	Unguja Island	1	20.0
12.	Kibiti DC	2	00.0
13.	Hai DC	1	00.0
<b>Total</b>		<b>30</b>	

**(b) Status of targeted infrastructure subprojects under TPRP IV:** A total 286 subprojects were funded and being implemented under TPRP IV in the regions of Mwanza, Simiyu, Geita, Njombe and Arsusha. Out of these subprojects, 52 (18.2%) subprojects were completed while the remaining 234 (81.8%) subprojects were at different stages of completion. These subprojects were out of 495 subprojects that were identified in the first year of project implementation. The categories of completed subprojects were labour intensive public works (6 subprojects) and basic service and economic infrastructure (52 subprojects). The total cost of the subprojects was TZS 23.7 billion. The completed subprojects were falling under the sectors of education (35 subprojects), health (17 subprojects), roads (2 subprojects), water (2 subproject) and agriculture (2 subprojects).

## 3.0 INSTITUTIONAL STRENGTHENING AND DELIVERY SYSTEMS

The institutional strengthening and integrated delivery systems is intended to provide support for effective delivery of the benefits and services described in component one.

### **3.1 INSTITUTIONAL CAPACITY ENHANCEMENT**

The effective delivery of the benefits and services is underpinned by the strengthening institutional capacity. This includes capacity building of program implementers, strengthening of inter-sectoral coordination and program management support.

#### **3.1.1 Training and participation**

**(a) Printing of community session guides:** Following the finalization of community session handbook, artwork and layout and training of PAA facilitators on enhanced community session using the handbook, it was printed so as to be used as guide to facilitate beneficiaries' community sessions at community level during payment events. A total of 10,664 copies of guide were printed for distribution to PAAs with average of 57 copies per PAA, and the distribution work is on progress.

**(b) Orientation and supervision of payment and community sessions:** TASAF organized a session for orientation of community leaders and CMC members on their roles in supervision of payment and community sessions in PAAs. After the orientation, Terms of Reference (ToR) for payment supervision was provided to them and later they were involved in payment supervision and delivery of community sessions during the payment window of July – August 2022 in all 186 PAAs.

**(c) Training of Trainers on procurement to TMU staff:** A one day training of 35 TMU staff on procurement was organized. The focus of the training was on procurement and store procedures at national, region, PAA and community levels. The objective was to enhance understanding on procurement processes at all levels of program implementation. The same training was also organized to 32 TMOs and 8 regional PSSN coordinators as well as 46 PSSN coordinators, 44 PSSN accountants, 35 internal auditors, 50 head procurement officers and 43 procurement officers from PAAs.

**(d) Training of PAA facilitators on COMSIP:** Training of PAA facilitators on COMSIP was conducted to 63 national facilitators. The objective of the training was to reorient the national team on COMSIP procedures. Following the training at the national level, the team was assigned to cascade the training to PAA facilitators in 32 PAAs that participate in the program impact evaluation. The trained PAA facilitators were assigned to 1,360 villages to facilitate the formation of groups and train groups'

leaders on leadership, group management and record keeping. A total of 18,011 groups leaders were trained of whom 2,622 were males and 15,389 females.

### **3.1.2 Coordination**

TASAF coordinated a total of 10 field visits of national leaders and high level officials from World Bank, parliamentary committees, UN agencies and embassies in the program areas. The objective of the visits was to know about the status of the ongoing program activities in the sites, identify challenging gaps in the implementation and discuss with different stakeholders about the way forward to address the gaps. The visits were for the Minister of State - President's Office Public Service Management and Good Governance, the Permanent Committee Overseeing National Leaders from House of Representatives - Zanzibar, the National Committee for Foreign Debt from the Ministry of Finance and Planning and the Deputy Minister of State - President Office, Public Service Management and Good Governance. Other visits were for the high level officials from President's Office – State House, the team from World Bank, the Norwegian Minister of International Development and the Parliamentary Network on International Monetary Fund and World Bank.

### **3.1.3 Human resource management**

**(a) Staff recruitment:** TASAF continued to fill up all open vacancies in the organogram. TMU advertised four managerial positions through the TASAF website and local newspapers. They included Monitoring and Evaluation Specialist, Safeguards Specialist, Account Manager and Disbursement Manager. The interviews for the shortlisted candidates were completed and four successful candidates for the four managerial positions were selected for further procedures. Currently, vetting results were awaited and all necessary means were done to ensure that the recruiting process is completed at the earliest.

**(b) Staff transfer:** A total number of nine staff members from TASAF Dar-es-Salaam Office were transferred to TASAF Dodoma head office including members from management and officers.

**(c) Staff training and career development program:** TASAF continued to organize training programs for staff within and outside the country to enable staff improve skills for better performance and career development. Training provided in line with the priorities of the organization and subject to availability of funds. Funds for training are indicated both in the Human Resources Plan as well as in the Annual Work Plan and Budget. TASAF supported training for staff during the reporting period is indicated in Table 5.

**Table 6: TASAF supported training for staff July – September 2022**

Number of staff	Training attended	Location	Provider
6 staff	Car tracking	Dar es salaam	Car Tracking Company PPRA
3 staff	TANePs tendering	Arusha	Public Procurement Regulatory Authority (PPRA)
8 tender board committee members	Annual dissemination program to tender board committees		Public Procurement Regulatory Authority (PPRA)
3 staff	Protocol and diplomatic etiquette	Zanzibar	Economic Diplomacy Training Academy
4 staff	Retirement training	Tanga	Tanzania Public Service College (TPSC)
8 staff	Internal auditors annual conference	Mwanza	Institute of Internal Auditors (IIA)

**(d) Medical insurance:** TASAF continued with coordinating staff enrolment with the National Health Insurance Fund (NHIF) for those who did not complete the exercise during the previous quarter. This included verification of personal details of the members and their dependents and carrying out necessary corrections information as required by the NHIF.

### 3.2 INTEGRATED DELIVERY SYSTEMS

The integrated delivery systems are key systems in place or which are being improved under the current operation. They provides opportunity for strengthening efficiency and effectiveness to ensure delivery of PSSN II across all levels of operations (national, regional, and PAAs).

#### 3.2.1 Unified registry of beneficiaries

**(a) Verification of beneficiaries living with disability:** The verification of beneficiaries living with disability was conducted in 49 PAAs from 8 regions<sup>1</sup>. 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 or her duties. Data verification for beneficiaries living with disabilities indicated that a total of 28,722 beneficiaries out of 45,435 were found with

<sup>1</sup> The regions were Katavi, Mara, Mbeya, Rukwa, Shinyanga, Songwe, Kilimanjaro and Lindi.

high level of disability and confirmed as being eligible for disability benefit as summarized in Annex 1.



**Picture\_\_:** Data verification for one of the beneficiaries living with disabilities.

**(a) Targeting and enrollment of remaining poor households:** TASAF completed the targeting of poor households in the remaining villages that were not covered during PSSN I. However, during the implementation some villages experienced administration challenges that led to skip the exercise. The targeting was conducted in the PAAs of Ifakara TC, Bunda TC and Rufiji DC where a total of 581 households were involved. The collected information is planned for PMT procedures and the selected poor households will be enrolled to join the Program.

#### **4.0 Electronic payment**

**(a) PAA enrollment into e-payment:** All 186 PAAs had been enrolled into e-payment as of end of the reporting period where TZS 14.6 billion amount of funds for beneficiaries was transferred electronically. A total of 334,400 (24.4%) out of 1,371,038 beneficiary households were paid electronically during July-August 2022 payment window.

**(b) Strategy to increase number of beneficiaries enrolled into e-payment:** Increasing number of beneficiaries enrolled to e-payment was the focus in this quarter in which 50 PAAs were provided technical support to address challenges that hindered them from enrolling more beneficiaries to e-payment. Sensitization on OTC was also done in 31 PAAs in group 6 and 7 to accommodate beneficiaries who cannot manage to own a mobile money wallet or bank account so as more

beneficiaries receive their funds electronically. Meetings with payment services providers were conducted to update Memorandum of Understanding documents and finalize sign off.

## **5.0 Social and environmental safeguards**

**(a) Screening of public works subprojects:** Screening of public works subprojects was done to 123 PAAs that will implement public works in the year 2022/2023. Screening was done by the PAA facilitators to identify potential adverse impacts and its mitigation measures during the implementation and operation and maintenance of the subprojects. A total of 8,339 sub-projects in 123 PAAs identified were screened. A sample of 170 completed screening forms was shared with WB for ex-ante review and the review comments were worked upon and resubmitted accordingly. Key accomplishments from the reviewed forms were stakeholders consultation with different groups done, different engagement methods used, procedures for land acquisition followed and documented and Environmental and Social Management Plan (ESMP) prepared that will be implemented during the implementation and operation and maintenance stage.

**(b) Backstopping during micro planning activities:** The backstopping was carried out to 20 PAAs during the micro-planning process. The backstopping was aimed at addressing the screening gaps that were observed during the review of the submitted forms. During the backstopping, it was revealed a satisfactory screening was done in comply with the screening requirements. However, some gaps were identified which few forms were not being filled in all sections, a mix up of environmental with social impacts as well as a mix up of impacts during the implementation stage and operation and maintenance stage and not to include all the identified impacts and its mitigation measures in the Environmental and Social Management Plan (ESMP). PAAs were guided on how to fill all sections, separating environmental and social impacts as well impacts during the implementation and operation and maintenance stages and to ensure ESMP include all the identified impacts and its mitigation measures.

## **5.1 Technical support**

**(a) Program implementation technical support:** Technical support on the implementation of program activities were provided by Technical Support Department in collaboration with other program departments and units through TASAF Monitoring Officers (TMOs), attached to respectively PAAs. Purpose was to ensure that all activities were properly implemented in accordance with the laid down procedures and an effective linkage between TASAF and regions and PAAs is maintained, so as to achieve the objective of the program.

**(b) Backstopping technical support:** Backstopping technical support was provided on the implementation of the planned as well as unplanned but emerging equally important activities which includes: (i) backstopping for field visits to 36 PAAs; (ii) attending the regional meetings organized by regional coordinators; (iii) CCT payments to beneficiaries for May – June 2022; and July - August, 2022 windows; and (iv) monitoring of PSSN II activities at PAA level.

## **5.2 Information, communication and technology**

**(a) Delivery and deployment of ICT equipment:** Distribution of procured ICT equipment that included laptops, desktop computers, photocopy machines and printers to TMU staff and 186 PAAs was completed. Installation of the equipment was completed in 113 PAAs whereas for the remaining 73 PAAs, the installation is scheduled to be completed by end of October 2022.

**(b) Enhancement of MIS LE module:** Enhancement of MIS-LE module was underway to align with the current operational requirements. Significant updates were completed on coding and testing of beneficiary registration and productive grant data capture. Other functions were still under development and expected to complete the enhancement by end of November 2022.

**(c) Systems migration and integration:** The GRM system was revamped to re-align with current program requirements and for easy reporting. The revamped system was set operational in July 2022. Migration for IFMS from Epicor 9.05 to MUSE<sup>2</sup>, a new Government integrated financial management system was completed in July, 2022. The MUSE system was in use during the period. Integration of PSSN-MIS and HESLB systems was completed in August 2022. This allowed for online verification and prioritization of loans of children from TASAF beneficiary households who applied for higher education loans. The system was deployed in August 2022 as planned and was operational.

## **5.3 Development communication**

**(a) Program publicity:** A total of 12 radio programs were aired in Radio Free Africa and 12 TV programs in Channel Ten to showcase achievement of the PSSN II. Newspapers were engaged to publicize key TASAF events including TASAF vehicles handing over by Her Excellency Hon. Samia Suluhu Hassan, President of The United Republic of Tanzania, inauguration of the National Steering Committee and field visit by Parliamentary Network for Worlds Bank and International Monetary Fund. TASAF

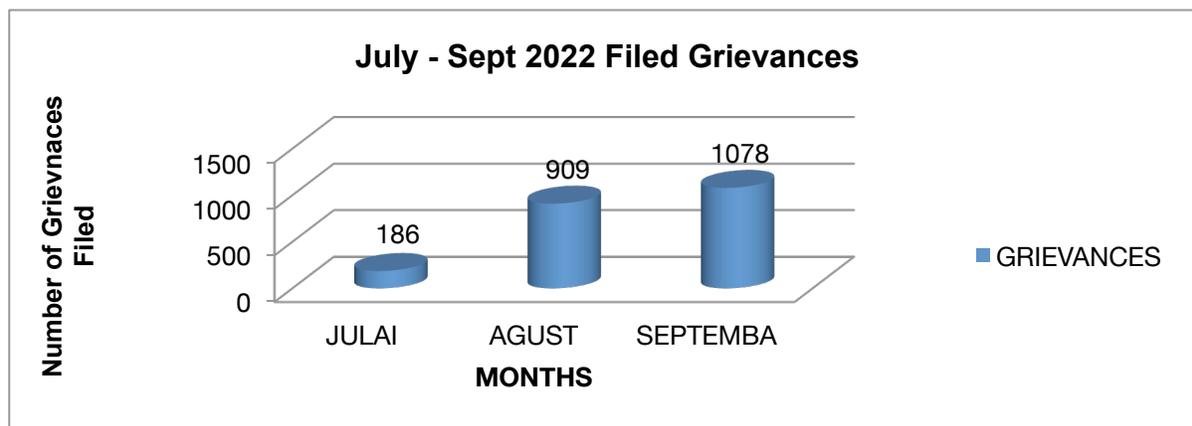
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<sup>2</sup> Mfumo wa Ulipaji Serikalini (MUSE)

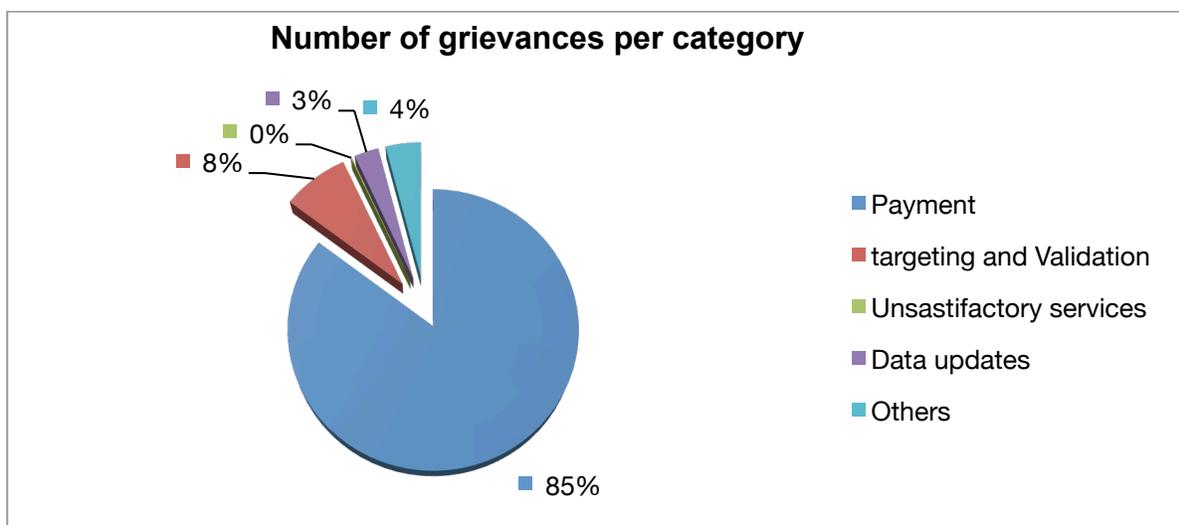
have continued to enjoy a cordial relationship with members of the press and their coverage on TASAF have been fairly positive.

**(b) Documentation:** Field visits to 21 PAAs of ten regions were conducted for documentation of success stories for dissemination in the mass media and TASAF platforms as well as production of regional newsletters. During the reporting period, newsletters for 14 regions were published and distributed to the respective PAAs. The newsletters serves as a platform to showcase implementation of program activities particularly achievements by beneficiaries in poverty reduction. Information materials including FAQ for e-payment, PWP, LE and GRM posters were updated ready for printing and distribution to the new villages and restocking to old villages. Publishing and posting content to website and other social networks continued whereas as 180 new items including short video and news items were posted.

**(c) Grievance redressal mechanism:** The review of GRM architecture was carried out to identify areas of improvements and the new system went live from July 2022. The improvement included review of grievance categories making it more user friendly during capturing. The improved system increased the quantity of grievance recorded from PAAs. However, more follow up was done at the PAA level to emphasize of closing of grievances once the matter was resolved. Adherence to maximum time of resolving grievances within two weeks of reporting was steadily being observed.



Around 60.0 percent of PAAs, that is 113 out of 186 PAAs filed grievances as shown in the above histogram. As seen above, there was an increase in the reporting of grievances and this was possibly due to the improved system which made it easier for data entry to record grievances that were received. Of the 2,173 grievances reported in the reporting period, 85.0 percent of all the grievances were on payment specifically on missing payment through mobile transfers and failure of OTC.



#### 5.4 Monitoring and evaluation

**(a) Baseline survey in PSSN supported areas.** A total of 434 villages from 32 PAAs were sampled for participating in the program impact evaluation (IE). The National Bureau of Statistics (NBS) and Office of the Chief Government Statistician (OCGS) Zanzibar were commissioned to conduct baseline data collection. Field data collection was completed and data analysis was going on during this reporting period. Implementation of program interventions in sampled IE villages commenced during the period. The villages were categorized into four categories in order to measure effects and impacts of the program in these villages. The categories of villages comprise those which will implement public works, enhanced livelihoods, both public works and enhanced livelihoods and the control. Furthermore, categorization was based on the basis of villages which receive electronic versus those which receive manual payment for beneficiaries (Table 6).

**Table 7: Categories and number of IE villages for measuring program impacts**

	Public Works	Enhanced Livelihood	Public Works + Enhanced Livelihood	Control	Total
No e-payment IE	57	56	57	56	226
Digital e-payment	26	26	26	26	104
Manual payment	26	26	26	26	104
<b>Total</b>	<b>109</b>	<b>108</b>	<b>109</b>	<b>108</b>	<b>434</b>

**(b) Community score card:** Community Score Card (CSC) process was conducted in 6 randomly selected LGAs implementing TPRP IV. A total of 17 subprojects from 17 villages were selected and involved in the process. The subprojects belonged to the sectors of health, education and water. The process assessed transparency and accountability aspects of service providers to the ongoing subprojects. The service providers included village leaders, community management committees and civil engineers. The process was preceded by training conducted to TASAF and LGA officials who became facilitators of the process at community level. The report is under preparation, draft is being reviewed by TASAF management before sharing with wide stakeholders. The findings of the process will be used to strengthen aspects of transparency and accountability to speed up implementation of subprojects in areas of subproject identification process, roles of LGA responsible sectors, village leaders and community management committees and fund management.

## **5.5 Research and development**

**(a) Integration of pilots into the program:** The integration of Black Soldier Flies (BSF) and Behaviour Design Nudges (BDN) initiatives into the program implementation was on progress. A working session on how these initiatives will be integrated was conducted and strategies were developed. It was agreed that the nudge will be integrated during LE implementation while the follow up of the nudge to beneficiaries will be tracked during community sessions in CCT payment. BSF will be integrated into implementation of LE and PWP interventions. The integration of BDN into livelihoods was conducted in 32 PAAs. A total of 129 TMOs were trained on the BDN during LE saving group formation from 29 PAAs and 859 facilitators received nudge training thereafter in communities with 54,122 beneficiaries, about 8,190 males and 45,122 females were sensitized.

**(b) Implementation of the cost of living subsidy pilot:** The signing MoU for implementation of the cost of living subsidy pilot between TANROADS and TASAF was done. DART has not yet signed the MoU for the implementation to start. The cost of living subsidy pilot aim to help the urban poor to benefit from the economic opportunities offered by the BRT by offsetting the high costs of living near and using the BRT.

**(c) The pilot of the waste management (the illegal dump subproject):** TASAF continued working with the World Bank consultant to implement the pilot test of the waste management (illegal dump). 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. Micro planning activities were completed in Ilemela DC and Kigoma MC. Beneficiaries and activities to be conducted were identified and the Implementation is planned to be conducted in the next quarter to February 2023.

**(d) 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 was on progress by the UNICEF consultant. A tentative costing of stawisha maisha and cash plus was shared. The process of integrating stawisha maisha into PSSN was initiated while that of cash plus was yet to be concluded.

**(e) Supporting postgraduate students:** TASAF supported postgraduate students from higher institutions to undertake their research projects which were related to the Program. A total of 6 postgraduate students were continuing with their research on various topics from the PSSN Research Agenda that will help in education attainment and inform PSSN through their findings recommendations.

**(f) The pilot test on climate change resilient subproject (PWP linked with LE):** TASAF was working with World Bank consultant to strengthen public work subprojects, linkage with livelihoods and their resilience to the climate change. The consultant conducted the assessment on that climate change resilience last year whereby findings recommended to establish a center of excellence for climate change resilience subprojects with the objective of replicating in other areas as per PSSN program implementation. Successful subprojects were identified for the pilots of establishing a center of excellence of climate change subprojects. Two activities were initiated during the reporting period: (i) the pilot test of climate change center of excellence in Chamwino PAA and workshops at the PAA and community were conducted; and (ii) field visit to coastal PAAs of Bagamoyo and Pemba was conducted to gather climate change information that will later determine the establishment of centers of excellence.

**(g) Gender mainstreaming into PSSN:** The implementation of gender action Plan was going on. After ToT on gender at TMU, cascading of the training to PAAs as well as communities was conducted along with LE and PWP rollout. The mainstreaming of gender into program implementation was conducted in 32 impact evaluation PAAs and at the community level. A total of 134 national facilitators, 85 males and 49 females were trained on how to integrate gender during livelihoods intervention implementation where a number of facilitators in from the PAAs received awareness on gender issues. Communities involved in LE implementation were also oriented and empowered on how to integrate gender in implementation. Facilitators

were provided with LE gender checklist to guide during savings groups' formation and other activities. During gender training of national and PAA teams on micro-planning and identification of subprojects, the gender awareness was conducted

## **5.6 Internal audit**

**(a) Audit in PAAs implementing OPEC IV:** TASAF conducted the audit in 20 PAAs implementing TPRP IV out of 33 PAAs. The aim was to ascertain compliance with various directives on subproject implementation and value for money on the implementation of the subprojects. Furthermore, the audit reviewed and assessed how well expenditures adhered to the approved budget from TMU. 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 progress of the TPRP IV in all 20 PAAs progressed well with few noted delays noted on the implementation of subprojects and weakness noted in the micro planning processes in some of the PAAs.

**(b) TMU, RAS and PAA audits:** The TMU internal audit conducted the audit at RAS offices and TMU as well as spot checks at PAAs. The audit objective was to review the payment windows to ascertain if they comply with CCT payment procedures. The audit also reviewed and assessed how well the beneficiary payment adhered to instituted internal control measures and existing payment procedures and policies. The audit evaluated the adequacy of internal controls in relation to a well-defined approval process, segregation of duties, acknowledgment of receipts, compliance with applicable laws and regulations, and good and reliable reports. Some of the key findings noted were grievances emanating from zero payment for PWP beneficiaries, non-preparation of expenditure justification reports at RAS offices and weaknesses in controls, deduction of community health fund from cash transfers for Ushetu DC and verification of households representatives for Tundururu DC and Chamwino DC.

**(c) Review of internal audit reports from PAAs:** PAAs internal auditors are responsible for conducting audits at PAAs as per the signed Memorandum of Understanding (MoU) between TASAF and PAAs. The internal auditors conducted audits mainly on cash transfer, TPRP IV, PWP and targeted infrastructures also followed up on CAG recommendations of which most of the recommendations were implemented. Some of the issues raised were grounded motor vehicles for more than 12 months, payment made to household representatives without proof of their validity and unpaid funds not returned to TMU.

**(d) Audit of CCT transfer windows:** TASAF conducted the audits in cash transfers for May-June 2022 and July-August 2022 payment windows in ACL

analysis. The objectives was to review and evaluate the correctness and authenticity of all CCT e-payment transfers to PAAs for the respective windows and 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. Some of the issues reported were 51,690 households with zero total payment and noted duplicate names from the same villages, wards, PAAs and absent villages in July–August 2022 payment window as this was pre-audit issues raised were rectified before payment.

**(e) Special audit:** Special audit was conducted and finalized a special audit in 2 PAAs of Msalala DC and Shinyanga DC. The objective was to assess compliance with the payment procedure, review funds sent to PAAs from TMU, and assess the extent PAAs adhere to instituted internal controls. Some of the issues noted were misappropriation of beneficiaries' transfers through forgery of 9,994,000 in the January-February 2022 and March-April 2022 payment windows in Msalala DC and delay in payment of beneficiaries and other TASAF activities in Shinyanga DC. The final report was compiled and shared with respective PAAs for follow-up and implementation of the recommendations.

## 5.7 Procurement

**(a) Goods:** The tender for the supply of network devices was at evaluation stage after bidders submitted their bids for supply of the items, procurement of software licenses was completed and tender for the supply of tablets was postponed because funds were re-allocated to other priority activities.

**(b) Consulting Services:** The impact evaluation on improved transport (BRT) was awaits signing of MoU between TASAF and BRT and for the PSSN II MIS annual support and maintenance, approval of ToR was completed and justification for direct selection method was worked on (Table 7).

**Table 8: Status of procurement activities for Quarter One FY 2022-2023**

Procurement Item	Status	Action taken
<b>Goods</b>		
IE.011/WB-PSSN II-P169165/305849/2022-23/G/10: Supply Network Devices	Evaluation underway	
IE.011/WB-PSSN II-P169165/239288/2021-22/G/07: Supply Software Licenses	Contract under execution. Procurement completed.	
IE.011/WB-PSSN II-P169165/2022-23/G/11: Supply Tablets	This activity will not be implemented.	Resources re-allocated to other priority activities.

Procurement Item	Status	Action taken
		Old tablets will be used.
<b>Consulting services</b>		
IE.011/WB-PSSN II-P169165/2022-23/C/02: Impact Evaluation on improved transport (BRT)	Awaits signing of MOU between TASAF and BRT	MOU under finalization
IE.011/WB-PSSN II-P169165/2022-23/C/05: PSSN II MIS Annual support and Maintenance	Approval of TOR and justification for direct selection underway.	TOR and justification for direct selection approved internally.

**(c) Contracts under execution:** Delivery of ICT equipment to supply projectors, power stabilizers, scanners and shredder was rescheduled to end of December 2022 because of unavailability of components which are used in manufacturing of equipment to be supplied. Furthermore, partial delivery was done whereby supplied items were 5 projectors, 5 scanners and one light duty shredder machine and remaining 6 heavy duty shredder machines. The remaining items are were power stabilizer and 6 heavy duty shredder machines. The status of signed contract for the supply of 93 motor vehicles was as follows: (i) 23 vehicles were received and distributed to facilitate program activities in PAAs; (ii) 35 motor vehicles were received and distribution to PAAs will be in October 2022; and (iii) 35 motor vehicles will be received in November 2022. The actual status of each particular activity in the Procurement Plan is as reflected in Annex I included in this report.

## 6.0 FINANCIAL MANAGEMENT

**(a) Funds commitment and absorption status:** Financiers committed a total amount equivalent to USD 652,740,704.49 for PSSN II activities out of the Program total budget of USD 883,310,000.00 leaving a financing gap of USD 230,569,295.51. Out of the committed amount, USD 422,690,589.31 was absorbed by the end of the reporting period. The overall rate of absorption as of 30<sup>th</sup> September, 2022 stood at 64.76 percent.

**Table 9: Status of commitments and financing agreements as of 30<sup>th</sup> Sep. 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	CHF	15,800,000	17,360,730	Signed

S/N	Source	Commitment Currency	Commitment in DPs Currency	Commitment in USD	Status of the Financing Agreement
	Switzerland				
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	5,262,391.60	5,262,391.60	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.	TACAIDS	TZS	5,942,992,458	2,598,597	Signed–PSSN I
15.	IDA Credit	SDR	323,700,000	450,000,000	Signed
<b>Total</b>				<b>652,740,704.49</b>	

**(b) Funds received:** In the period under review, the total amount received for PSSN II rolling out activities was equivalent to USD 76,284,946.40. The amounts were received from the Government of United Republic of Tanzania equivalent to USD 216,643.41, the UN Agencies USD 54,854.11, OFID USD 3,152,943.16, the Embassy of Switzerland USD 749,818.78 and the World Bank USD 72,110,686.93. The actual disbursement made to the special accounts USD 4,174,259.47. 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**.

**(c) Funds spending:** A total amount of TZS 141,839,926,784.81 was spent during this period under review to finance various program activities as indicated in Table 2. The amount makes the cumulative annual program spending of TZS 141,839,926,784.81 and the cumulative program spending of TZS 823,429,610,634.76 up to the 30th September, 2022.

**(d) Budgeting:** TASAF is implementing the first quarter of the Financial Year 2022-2023 Approved Plan and Budget. 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

which is 83.0 percent of the total and TZS 85,182,301,953 equivalent to USD 36,881,363 is the budgeted for delivery cost which is 17.0 percent of the total and the budget. As of 30<sup>th</sup> September 2022, more than 73.61 percent of planned activities were implemented..