

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



**THIRD QUARTER IMPLEMENTATION PROGRESS REPORT
(JANUARY– MARCH, 2023)**



**JAKAYA MRISHO KIKWETE ROAD
P.O. BOX 2719, DODOMA – TANZANIA
TELEPHONE: +255 026 2963866, FAX: +255-026-2963871
EMAIL ADDRESS: info@tasaf.org
WEBSITE: www.tasaf.go.tz**

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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 re certification 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 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.

(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.*

Conditional Cash Transfers

3. *One round of payment for November - December window was generated and disbursed to beneficiaries whereby a total of TZS 66.62 billion was paid to 1,347,361 households in 17,260 villages. Cash transfer to people with disability amounted to TZS 1.01 billion for 101,333 beneficiary households for people with disability.*
4. *Compliance performance for education and health continued to be monitored during the quarter, where the performance based on the number of children was 98.82% for education and 98.78% for health. This performance was above the required target of 95.0 percent for both compliances.*

Public Works Program

5. *Implementation of PWP subprojects progressed well in 123 where by a total of 14,236 sub-projects are under implementation. The implementation status reached ranges from 20 per cent to 100 per cent due to delays of procurement of tools to a few PAAs.*
6. *A total of 72 PAAs were visited to observe implementation challenges and progress made. The changes identified were addressed and technical advice was provided to implementers.*
7. *Preparation for wages payment to 123 PAAs commenced and is in progress. The process is expected to be finalized in the fourth quarter and payments be effected.*
Submissions of quality job cards were observed in 51 PAAs and some challenges were observed from 72 PAAs which have participated in implementation for the first time in the Year 2022/2023.

Livelihoods Enhancement

8. *Formation of Savings Groups was conducted in 13 PAAs under Tanzania Poverty Reduction Project (TPRP IV) in order to enhance livelihoods and increase incomes through community savings. A total of 3,867 savings groups were formed in 13 PAAs of Njombe and Arusha Regions.*

9. *Basic skills training was conducted for 54 PAA facilitators of 32 IE PAAs and 3 new PAAs in order to participate in the development of business plans for the beneficiaries. A total of 11,137 beneficiaries were trained on livelihood Basic skills and were facilitated to develop business plans for their identified Income Generating Activities (IGA).*

10. *In the financial year of 2022/2023, the target for Livelihood Productive Grant (LPG) was to reach 50,000 beneficiary households (25,000 from the old 8 PAAs and 25,000 from the IE PAAs and 3 new PAAs). During this quarter, a total of 467 beneficiaries were reached. Beneficiaries have continued to receive mentorship and coaching as well as training to ensure that the grants are used according to their business plans.*

Targeted Infrastructure

11. *Follow up on targeted infrastructure for the ongoing subprojects was conducted for 17 PAAs. The objectives were to get the status on the implementation of subprojects and provide the technical support for ongoing subprojects. Implementation of subprojects is going on well and technical support provided included issues from MIS, payment of wages payment of beneficiaries and provision of certificate in terms of subproject completion*

12. *The follow-up and backstopping of ongoing subprojects were conducted for 495 new subprojects of year I and II from 33 PAAs of Arusha, Njombe, Mwanza, Geita, and Simiyu Regions. A total of 5 subprojects were completed and are ready to provide services.*

Training and Participation

13. *During the November-December payment window, the training team supervised community sessions during payment event in seven PAA's. The objective of the supervision exercise was to ensure that sessions are well conducted according to the guide, the topics are well elaborated, beneficiaries are actively engaged to the sessions, data update and grievances are well attended and recorded as per program guidelines.*

14. A participation survey was conducted in sampled 20 PAAs of 5 regions implementing TPRP IV subprojects. Participation survey in TPRP IV subprojects was conducted to evaluate the engagement of different key Program stakeholders in the implementation and progress of the TPRP IV subprojects at all levels.

15. A total of 31 TMU Officers and 75 TMOs were trained on recertification process on how to assess the status of PSSN beneficiary households. They were assigned to train PAAs Facilitators and supervise recertification exercise for the first wave. A total of 106 PAA facilitators (72 Males and 34 females) in 51 PAAs were trained on recertification process.

Coordination

16. A total of ten field visits of national leaders, National Steering committee members, and high level officials from World Bank and Parliamentary Committee were conducted in the program areas. The objective of the visits were to assess the status and outcomes of the ongoing program activities, identify challenges of implementation and discuss with various stakeholders on ways to address challenges and way forward.

Human Resources

17. The recruitment process for the four Managerial positions has been completed. The four Managerial positions included Monitoring and Evaluation Specialist, Safeguard Specialist, Account Manager and Disbursement Manager. Furthermore, the Recruitment process for the Director of Knowledge Management and Advocacy and Communication Specialist has commenced. In addition, two Officer-level positions were advertised internally, which included Research and Development Officer and Community and Development Officer.

Unified Registry of Beneficiaries

18. The verification of People With Disability (PWD) was conducted in all 186 PAAs using an electronic questionnaire. A total of 183,579 beneficiaries were confirmed as disabled whereby 116,745 were classified with high level disability and confirmed as being eligible for disability benefits.

19. The recertification of PSSN beneficiaries was conducted to 51 PAAs where a total of 267,635 households were recertified. The results showed that 2,485 households were active, 19,498 did not show up, 4,358 death 1,205 shifted to other areas and 78 household signed covenant for voluntary quit from the Program.

Electronic Payment

20. A total of 400,719 beneficiaries' households received their payments electronically, amounting to TZS 18,710,518,293 during the November/December

2022 payment window. The technical support was also provided to address challenges that hinder the number of beneficiaries to enroll into E-Payment.

21. A working session was conducted with the PSSN MIS developer to address the challenges and issues regarding the MIS. The session was conducted in collaboration with the GePG team to review electronic payment processes and reporting in PSSN MIS. The session addressed internal and external audit queries that were observed which needed enhancement of PSSN MIS.

Social and Environmental Safeguards

22. The process of finalizing the environmental and social documents to fulfil the requirements for the Additional Financing was completed. The process was done with the guidance from the World Bank Safeguards team and the final draft of the documents was submitted for review and clearance. World Bank cleared the documents and the Program disclosed them for public in TASAF website.

23. Implementation of Public Works is going on together with the implementation of environment and social management plans (ESMP) that were prepared during the screening of subprojects. A close follow up to PAAs have been done to ensure the identified mitigation measures are implemented.

Technical Support

24. Backstopping technical support for field visits was conducted to 17 PAAs including one regional meeting. The overall objective was to ensure the PAA stakeholders and implementers of PSSN II understand and follow the guidelines, procedures and directives of program implementation. The PAAs as well the RAS office were visited so as to ensure that the authority is committed and aware of the program implementation as well as receiving feedback in order to improve the daily activities.

25. Approval of operation fund for the subsequent quarter was done to 186 PAAs. The operation fund was provided for the objective of follow up of PSSN subprojects.

Information, Communication and Technology

26. There has been significant progress in the upgrade of PSSN MIS Database and Application. The server deployment and optimization were completed, which has resulted in improved performance and increased efficiency. The upgrade of the database from Oracle 11g to 19c was completed, which has resulted in better security, reliability, and performance.

27. Data collection questionnaire was developed and support for households' recertification to 51 PAAs was provided. The developed data collection questionnaire has led to improved accuracy, consistency in the data collected, and increased

efficiency and effectiveness in the recertification process from beneficiaries' households.

28. The upgrading of network hardware and software, installing new routers and switches, and implementing new security protocols have been completed. These upgrades have resulted in improved connectivity, faster data transfer rates, and increased security. The enhanced network infrastructure has also enabled staff to work more efficiently and effectively, leading to increased productivity.

Development Communication

29. Dissemination of PSSN achievements continued through various news media that includes Television Programs, Radio Programs and Newspapers. A total of 13 TV Programs and 13 Radio Programs were broadcast and covered issues that were of interest to the public including queries' on the graduation process, participation criteria for enrolment and payments for public works program, criteria for receiving productive grants.

30. Two press statements were issued to inform the public about TASAF activities and their procedures, to create more awareness and address misinformation. The first statement was on the recertification exercise of which beneficiaries were urged to attend and get relevant information. The second press statement was on the implementation of public works. This took place to respond to news that was circulating in the media regarding the eligibility of beneficiaries.

Monitoring and Evaluation

31. Data analysis for the baseline Impact Evaluation for PSSN II was completed and the main report writing is in progress. In addition, the support was provided to all 32 PAAs implementing PSSN II impact evaluation in order to keep IE design intact.

32. Process Evaluation for the PSSN program is in progress to assess the extent to which various processes in project implementation are adhered to.. Training of enumerators was conducted and pilot testing of data collection tools was done in 2 PAAs. Field data collection is ongoing in 14 sampled PAAs.

33. During the reporting period, the Joint Review and Implementation Support Mission (JRIS) was organized and conducted with the objective of reviewing the progress of the current phase of the project focusing on assessing progress towards the expansion of the public works and livelihood enhancement activities. The mission found that the project is broadly on track to achieve its development objectives. In addition, the program was rated as moderately satisfactory.

Research and Development

34. A total of 52 National facilitators were trained on behavioral design nudges who in turn trained 480 PAA Facilitators from 13 PAAs of OPEC on behavioral nudges. The objective of the training was to integrate behavioral design nudges into livelihood component. A total of 191,938 beneficiaries were reached with behavioral design nudges in more than 13 PAAs. Behavioral nudges were introduced to help beneficiaries use their monies more productively, set realistic goals, track activities and act on their goals.

35. Internal research on Factors Affecting PSSN Beneficiaries to opt out for e-payment method is on progress. The data collection and analysis of the study was completed, the report preparation is underway and is expected to be finalized by end of April where it will be shared for uptake and implementation adjustment as per recommendation of study report.

36. The implementation of Gender Action Plan is going on in various sub components. In PWP, implementation on gender training have been provided in 123 PAAs. In the livelihoods enhancement, activities of gender was mainstreamed along with savings group formation and basic skill training in 52 PAAs. A total of 480 PAA facilitators were trained on Gender during basic livelihood support who then cascaded to 58,005 beneficiaries in 13 OPEC PAAs.

Internal Audit

37. An internal audit was conducted to 19 PAAs out of 33 PAAs implementing OPEC IV. The aim was to ascertain compliance with various directives on Subproject implementation and to ascertain value for money on the implementation of the subprojects. The implementation of the OPEC project in all 19 PAAs audited was good with few noted delays and Weakness in the Micro Planning processes in some of the PAAs.

38. The spot check audit was conducted in 11 PAAs to review the payment windows to ascertain if they comply with CCT Payment procedures. The audit also, reviewed and assessed how well the Payment exercise adhered to instituted internal control measures and existing Payment procedures and policies. The findings were shared with relevant PAAs for implementation.

39. Internal Audits were conducted in Conditional Cash Transfer (CCT) for November-December 2022 payment window and productive Grants in eight PAA using ACL analysis to substantiate the authenticity and correctness of cash transfers to beneficiaries. As this is pre-audit activity issues raised were rectified before payment.

Procurement

40. *Project Procurement Strategy for Development (PPSD) and Procurement Plan for Productive Social Safety Net II Project Additional Financing were prepared. The documents were reviewed internally and where expected to be appraised during appraisal mission which was scheduled to be conducted from 3rd to 8th April, 2023.*

41. *Preparation for Ex Post Procurement review for PAAs and respective regions to be reviewed was done. Ex Post Procurement review will be undertaken in the fourth quarter of 2022/23 after appraisal and negotiation Missions of PSSN II Project Additional Financing.*

Financial Management

42. *Financiers have committed a total amount equivalent to USD 678,402,654.32 for PSSN II activities out of the Program total budget of USD 883,310,000.00 leaving a financing gap of USD 204,907,345.68. The financing gap has been reduced by USD 6,130,000.00 after receiving new commitment from British Embassy (FCDO). Out of the committed amount, USD 486,963,394.59 was absorbed by the end of the reporting period. The overall rate of absorption as of 31st March, 2023 stood at 71.78 percent.*

43. *The total amount received for PSSN II rolling-out activities was equivalent to USD 31,132,223.76. The amounts were received from the Government of the United Republic of Tanzania equivalent to USD 216,315.37, UN Agencies (UNICEF) USD 119,737.05, OFID USD 3,082,011.26 and the World Bank USD 27,714,160.08.*

44. *A total amount of TZS 85,807,382,067.84 was spent during this period under review to finance various program activities. The amounts makes the cumulative annual program spending of TZS 361,854,966,211.22 and the cumulative program spending of TZS 1,043,444,650,061.17 up to the 31st March, 2023.*

Implementation Challenges

45. *Some of the PAA experienced heavy rainfall which affected the progress of subprojects implementation particularly the digging of Charco-dams and the construction of earth roads.*

46. *During verification of People With Disability (PWD), some households attempted to hide information. This could be due to ignorance that led to provide incorrect, or even hide information on disability.*

47. *Beneficiaries' fear of being exited from the Program and the fear of what life will be like after they have been exited from the program made some households to provide incorrect information about their improvements in terms of selected welfare indicators.*

Mitigation Measures and Way Forward

48. *Since extreme weather condition is unexpected event, awareness to PSSN beneficiaries and other stakeholders at community level was provided on how to reduce negative effects of weather condition to subprojects implementation.*

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

50. *Continue to conduct awareness sessions on the need for households to engage in productive activities that will increase their income even after their departure from the Project*

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 31st March 2023, 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

During the reporting period, one round of payment was generated and disbursed. This was the eleventh round of PSSN payment which covered a payment window of November/December for the second batch of PAAs implementing PWP (72 PAAs) and (63 PAAs) which have not yet implemented PWP. The window was opened on 7th February 2023 and closed on 17th February 2023. The payment for the first PAAs implementing PWP (51 PAAs) was opened on 7th March 2023 and closed on 17th March 2023 after the completion of data collection for the recertification exercise.

The total disbursement for the payment window was TZS 66,623,291,766 which was transferred to 1,347,361 households in 17,260 villages. The amounts includes a CCT payment of TZS 50,267,434,735 with an average transfer of TZS 37,308.08 per household. A total of TZS 1,013,330,000 was transferred to 101,333 beneficiary households for People With Disability (PWD).

The summary of payments for November/December 2022 is shown in Table 1 below for both transfers to beneficiaries and transfers to cover overhead expenses. Table 2 shows the costs relating to withdrawal and transfers charges for electronic payment transactions through the Payment Service Provider.

Table 1: Beneficiary Payments for November/December

Item Description	Amount
Number of Households	1,347,361
Direct/Productive Transfer	22,891,584,000
HCT Primary School	7,668,524,000
HCT Lower Secondary School	2,034,252,000
HCT Upper Secondary School	38,144,000
Human Capital Transfer Infant	3,115,550,000
Uncollected Amount	4,361,238,735
Claimed Amount	-
Overpaid Amount	-
Child Grant	9,258,780,000
Disability Grant	1,013,330,000
Penalty Amount Education	(78,640,000)
Penalty Amount Health	(35,328,000)
Withdrawal Charge	835,852,276
Transfer Charge	29,102,450
PWP Payment	9,661,278,000

Table 2: E-Payment Charges and Facilitation Fund

Item Description	November/December 2022 payment
CCT beneficiary payment	50,267,434,735
Public work payment	9,661,278,000
Transfer Charge	29,102,450
Withdrawal Charge (TZS)	835,852,276
Facilitation Fund	5,829,624,305
Total Amount	66,623,291,766

(b) Co-responsibilities

Compliance performance for education and health continued to be monitored during the quarter, where the performance based on the number of children was 98.82% for education and 98.78% for health. This performance was above the required target of 95.0 percent for both compliances. The penalties for education and health were TZS 78,640,000 and TZS 35,328,000 respectively. The statistical data of performance for compliance are shown in table 3 below;

Table 3: Performance of Compliance

Period	Sector	Number of students or infants	Number of Non-complaints	Percent of non-compliance	Percent of compliance	Total Penalty Amount (in TZS)
Nov/Dec 2022	Education	1,557,285	18,421	1.18%	98.82%	78,640,000
	Health	423,912	5,187	1.22%	98.78%	35,328,000

2.2 Public Works Program

Activities implemented through public works programme in the third quarter include the following:

(a) Implementation of PWP subprojects to 123 PAAs

Implementation of PWP subprojects to 123 PAAs is progressing well. A total of 14,236 sub-projects are under implementation in 123 PAAs. The implementation status of the PWP subprojects differs from one PAA to the other depending on the duration of implementation. In general, the implementation status of sub-projects ranges from 20 per cent to 100 per cent as shown in Table 4 below.

Table 4: Status of the implementation of PWP subprojects in 123 PAAs

S/N	Number of sub-projects	Percentage of total sub-projects	Implementation status
1.	1,690	11.9	Completed
2.	7,518	52.8	Over 80 percent
3.	4,044	28.4	Over 50 percent
4.	984	6.9	Within 20 percent to 30percent
Total	14,236	100.0	

(b) Technical backstopping to 18 PAAs

During this quarter, a technical backstopping was conducted in 18 PAAs to examine the implementation progress and provide technical support to ensure procedures, sector norms and standards for PW sub-project implementation are adhered to. The PAAs visited were from the new 72 PAAs implementing PW and had more challenges in implementation. The PAAs visited were Kasulu DC, Kasulu TC, Kigoma DC, Kigoma MC, Kakonko DC, Buhigwe DC, Bunda DC, Bunda TC, Butiama DC, Musoma DC, Musoma MC, Rorya DC, Tarime DC, Tarime TC, Shinyanga DC, Shinyanga MC, Ushetu DC and Ushetu TC. The technical backstopping team discussed with PAAs the challenges they face during implementation and devised strategies to address them.

(c) Preparation for wages to 123 PAAs

Preparation for wages payment to 123 PAAs commenced during this quarter and expected to be finalized in the fourth quarter and payment be effect. Submissions of quality job cards were observed in 51 PAAs and some challenges were observed from 72 PAAs which have participated in implementation for the first time in the Year 2022/2023 which were corrected accordingly.

2.3 Livelihoods Support (Productive Inclusion)

Livelihoods Enhancement (LE) provides support to community driven interventions which enhance livelihoods and increase incomes through community savings and investments as well as specific livelihoods enhancing grants. Livelihoods support consist of key elements considered necessary to strengthen households' income-generating capacity. These include: savings promotion which includes strengthening of the existing community savings and investment promotion (COMSIP) as well as other individual savings modalities; basic skills training; and the provision of productive grants to selected households, followed by coaching and mentoring. Under this component the following activities have been implemented.

(a) Basic livelihood support for beneficiary households with labour capacity

I. Formation of saving groups in 13 PAAs

Formation of Savings Groups was conducted in 13 PAAs under Tanzania Poverty Reduction Project (TPRP IV) in order to enhance livelihoods and increase incomes through community savings. A total of 3,867 savings groups were formed in 13 PAAs of Njombe and Arusha Regions. The exercise started with refresher training on Savings Group formation to 52 National Facilitators who in turn trained 480 PAA Facilitators in 13 PAAs.

II. Integration of gender and nudges into LE interventions

Gender and nudges were mainstreamed into LE interventions during basic livelihood activities which were conducted to 13 PAAs under TPRP IV during group formation exercise. The activity involved 32 Impact Evaluation (IE) PAAs and 3 new PAAs of Songea DC, Rungwe DC and Mtwara DC. A total of 52 national facilitators and 1,020 PAA facilitators were oriented in gender as well as nudges who in turn will disseminate at the community level.

(b) Enhanced livelihoods support package for selected households

Currently, a total of 9 PAAs have been reached by Livelihood Productive Grant (LPG) package whereby about 30,350 beneficiary households have been reached. The PAAs are Unguja, Pemba, Mtwara MC, Lindi MC, Lindi DC, Chamwino DC, Kibaha DC, Chalinze DC and Bagamoyo. During this quarter the following activities were implemented on enhanced livelihood support:

I. Basic Skills Training in 32 IE PAAs and 3 new PAAs

Basic skills training was conducted to 54 PAA facilitators of 32 IE PAAs and 3 new PAAs. A total of 25,681 beneficiaries were trained on basic skills and were also facilitated to develop business plans for the identified Income Generating Activities (IGA).

II. Livelihood Productive Grant Disbursement

A total of 1,654 beneficiary households were paid the first instalment of Productive Grants from 4 PAAs of Pemba, Chamwino DC, Chalinze DC and Mtwara MC. In addition, the second instalment was paid a total of TZS 654,817,541 to 467 beneficiary households from Lindi DC and Lindi MC. The objective was to enable beneficiaries to implement their developed business plans. They have continued to receive mentorship, coaching and training to ensure that the grants received are used according to their business plans.

(c) Other livelihoods support activities Implemented

I. Cash Plus Project Implementation

During this quarter, a training of adolescents was conducted to the five PAA of Kigoma region whereby a total of 1,304 adolescents were trained. A start-up productive grant amounting to TZS 265,602,000 was disbursed to them to implement activities as per their business plans.

2.4 Targeted Infrastructure Development

The major targeted infrastructure development activities that were carried out during the reporting period included:

(a) Follow-up on TI for ongoing subprojects

Follow-up on targeted infrastructure for ongoing subprojects was conducted for 16 PAAs of Kibiti DC, Rufiji DC, Morogoro DC, Ruangwa DC, Newala TC, Newala DC, Morogoro DC, Urambo DC, Butiama DC, Songea DC, Muheza DC, Chalinze DC, Pemba, Unguja, Kibaha DC and Hai DC. The objective was to get the status on the implementation of subprojects and provide the technical support for ongoing subprojects. Implementation of subprojects is going on well and technical support provided included issues on MIS, payment of wages for beneficiaries and provision of certificates in terms of subproject completion.

(b) Follow-up and Backstopping of ongoing subprojects

The follow-up and backstopping of ongoing subprojects were conducted for 495 new subprojects of year 1 and II from 33 PAAs of Arusha, Njombe, Mwanza, Geita, and Simiyu Regions. A total of 5 subprojects were completed and are ready to provide services. construction of a health center with 6 units – Nyabilezi Chato DC, construction of a health center with 4 units at Kendwa in Pemba, construction of 4 classrooms and school fence at Piki, in Pemba, market building construction at Peramiho in Songea DC, rehabilitation of 2 classrooms and office at Chekimaji in Hai DC. The implementation status of other subprojects is as indicated in table 5 below.

Table 5: PSSN Subprojects Implementation Status for the reporting period

S/n	PAA	Subproject Name	Percentage of Completion
1.	Ilala CC	Rehabilitation of water systems – Segerea Migombani	80.0
2.	Urambo DC	Construction of dormitories for girls students	98.0
3.	Morogoro DC	Construction of maternity ward, laboratory Mkambarani	70.0
4.	Rufiji DC	Construction classrooms, office, laboratory Ikwiriri	98.0
5.	Ruangwa	Construction of dispensary - Mtakuja	70.0
6.	Chalinze	Construction of mortuary - Msoga	80.0
7.	Kibaha DC	Construction of health center – Mwanalugali/Vikawe	70.0
8.	Kibiti DC	Construction of health center – Nyamisati/Namatanga	30.0
9.	Newala DC	Construction of dispensary - Namangudu	80%

S/n	PAA	Subproject Name	Percentage of Completion
10.	Unguja	Construction of maternity ward - Donge	95%

3.0 INSTITUTIONAL STRENGTHENING AND DELIVERY SYSTEMS

The institutional strengthening and integrated delivery systems are 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) Supervision of community sessions

During the November-December payment window, supervision was conducted for community sessions during payment events in seven PAAs of Mbeya CC, Songwe DC, Mkuranga DC, Temeke MC, Ubungo MC, Butiama DC and Rombo DC. The objective of the supervision exercise was to ensure that sessions are well conducted according to the guide, the topics are well elaborated, beneficiaries are actively engaged in the session, data update and grievances are well attended and recorded as per program guidelines.



Photo 1: Beneficiaries attending community session before payment at Likombe village Mtwara MC.

(b) Participation survey on TPRP IV subprojects

A participation survey was conducted in sampled 20 PAAs of 5 regions implementing TPRP IV subprojects in Njombe region (Njombe TC, Njombe DC, and Makete DC), Arusha region (Arusha CC, Monduli DC and Ngorongoro DC), Mwanza region (Ilemela DC, Mwanza CC and Misungwi DC), Geita region (Geita TC, Nyang'wale DC, Mbogwe DC, Chato DC and Bukombe DC) and Simiyu region (Bariadi TC, Bariadi DC, Kwimba DC, Meatu DC, Itilima DC and Maswa DC). A participation survey was conducted to evaluate the engagement of different key Program stakeholders in the implementation and progress of the subprojects at all levels. These stakeholders included beneficiaries, CMCs, Village/Mtaa Leaders, PSSNC, District engineers, TMOs, Regional Coordinators, DEDs, and RAS. The sampled PAAs visited was due to a report which indicated challenges related to low participation of stakeholders towards the implementation of the subproject that has contributed to slow progress of the construction status and hence project completion delays.

(c) TOT on the Recertification process

A training session was conducted for TMU and TMOs staff on the recertification process. A total of 31 TMU Officers and 75 TMOs were trained. After the session the teams were assigned to different PAAs to train Facilitators and supervise rectification exercises for the first wave of 51 PAAs. The team in turn trained a total of 106 (72 Males and 34 females) PAA facilitators on recertification process.



Photo 2: A PAA Facilitator recertifies one of the household representative at Nyangaga Village Liwale DC

(d) Orientation of CMC on their roles and procurement procedures

To ensure smooth and adequate implementation of the program specifically to the CMCs, capacity building is paramount. This is to ensure that the CMCs have clear understanding of their roles and responsibilities on program implementation. During the September – October, 2022 payment event most of CMCs were oriented on the procurement process and procedures at community level. During payment window of November- December, 2022, sensitization was done for those CMC members who were not sensitized in the previous session.

3.1.2 Coordination

Coordination Department provides coordination support to other departments for smooth implementation of Program activities. These activities include coordination of the Joint review missions, meetings, field visits of different stakeholders and TMU participation to the Parliamentary committee sessions. The following field visit were organized and coordinated during the period.

(a) Coordinated field visits to Arusha region and Arusha PAA of the Minister of State, President's Office Public Service Management and Good Governance Hon. Jenista Mhagama (MP) also visited Unguja PAA from 25th to 26th January, 2023, Kianga and Dongwe pwani Shehia on saving groups and Dispensary Building. The purpose of this official visit aimed at observing the implementation progress of the Program especially OPEC subprojects.

(b) Facilitated field visit for Hon. Deogratius John Ndejemb, Deputy Minister of State, Presidents Office - Good Governance to Geita Region from 25th to 27th January 2023. The main objective of the field visit was to see the progress of the implementation of TASAF program especially OPEC.

(c) Coordinated field visit of the National Steering Committee to Bariadi Town Council on 13th February, 2023. The main objective was to witness implementation of program activities.

(d) Coordinated field visit of the Minister of State, President's Office Public Service Management and Good Governance Hon. Jenista Mhagama (MP) on 20th to 22th February, 2023 to Mwanza Region (Ilemela MC, Mwanza CC, Buchosa DC, Sengerema DC and Magu DC). The main objective of the field visit was to see the progress of the PWP and OPEC projects.

(e) Coordinated field visit for Hon. Deogratius John Ndejemb, Deputy Minister of State, Presidents Office - Good Governance to Njombe Region from 20th to 24th February, 2023. The main objective of the field visit is to see the progress of the implementation of TASAF program especially OPEC.

(f) Coordinated field visit of the Minister of State, President's Office Public Service Management and Good Governance Hon. Jenista Mhagama (MP) and the Deputy Minister Ridhiwani Kikwete (MP) to Siha District Council on 1st March 2023.

The purpose of this official visit aimed at witnessing the implementation progress of the Program.

(g) Coordinated field visit for the Committee to Manage the Offices of Chief National Leaders of the Zanzibar House Of Representatives to Arusha Region from 06th to 8th March, 2023. The main objective of the field visit was to learn and gain experience on the implementation TASAF program.

(h) Facilitated field visit for TASAF National Steering Committee's Chairperson to Pwani Region and visited Kibaha and Bagamoyo District Councils from 13th to 14th March, 2023. The objective of the visit was to see the progress of the program whereby he received testimonies from TASAF beneficiaries in savings groups and observed PWP subprojects.

(i) Coordinated field visit of the Secretariat of Parliamentary Permanent Standing Committee of Administration, Constitution and Law to Tabora and Shinyanga Region at Uyui DC (Migiri Village) and Shinyanga MC on 14th to 15th March, 2023. The main objective of the field visit was to see the progress of the program, especially PWP projects.

(j) Facilitated field visit for Hon. Jenista Mhagama, Minister of State Presidents Office - Good Governance to Pwani Region - Mkurunga DC on 31st March 2023. Hon Minister did hold discussions with beneficiaries and observed the progress of the program.

3.1.3 Human Resource Management

(a) Update on recruitment of vacant positions

TMU has concluded the recruitment process for the four Managerial positions. The four managerial positions include (1) Monitoring and Evaluation Specialist, (2) Safeguard Specialist, (3) Account Manager and (4) Disbursement Manager. The list of the candidates and commencement date is shown on table 6 below.

Table 6: Update on recruitment of four vacant managerial positions

S/N	Position	Successful Candidate	Commencement Date
1.	Accounts Manager	Mr. Moringeti Mollel	2 nd May 2023
2.	Disbursement Manager	Ms. Amye Bange	3 rd April 2023
3.	Safeguard Specialist	Mr. Amos Mkude	3 rd April 2023
4.	Evaluation & Monitoring Specialist	Mr. Aggrey Kinasha	2nd May 2023

Furthermore, the recruitment process for the Director of Knowledge Management and Advocacy and Communication Specialist has commenced. In addition, two Officer-level positions were advertised internally, which included Research and Development Officer and Community and Development Officer.

3.2 INTEGRATED DELIVERY SYSTEMS

The integrated delivery systems are key systems in place or which are being improved under the current operation. They provide 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 People With Disability (PWD)

The verification of People With Disability (PWD) was conducted in all 186 PAAs using electronic questionnaire. A total of 183,579 beneficiaries were confirmed as disabled whereby 116,745 were classified with high level of disability and confirmed to be eligible for disability benefits. The verification assessment criteria has been categorized based on: Level of disability (high, moderate and low), type of disability (physical, visual, hearing, albinism and mental) and causes of disability (by birth, accident and side effects). The Summary of verification results are as presented on the Table 7 below.

Table 7: People with disability by sex and age groups

Characteristics	Number
Number of PAAs	186
Households with disability	169,141
Household members with disability	183,579
Male household members with disability	79,590
Female household members with disability	103,989
Below 5 years	8,210
Between 6 -18 years	25,788
Between 19 - 59 years	80,732
Above 60 years	68,849
High level of disability	116,746

(b) Recertification of PSSN households

The recertification of the PSSN beneficiaries was carried commenced on March, 2023 to reassess social economic status. The objective of recertification is to determine the continuity or exit of PSSN beneficiaries whereby the uniform and objective application of the Proxy-Means Testing (PMT) formula was applied during the payment event. The households below the cut-off threshold will continue and those above the cut-off threshold will exit the Program. A one day training was conducted for 106 supervisors on data collection and application of recertification questionnaires using tablets and synchronization who in turn trained PAA facilitators. The logistics, practical preparations and deployment of PAA facilitators to the village level were undertaken. Furthermore, the special village assembly, field operations by

supervisors and PAA facilitators and sensitization during community session was conducted to inform about the event and request for voluntary quit at the village level. A total of 267,635 households were recertified from 51 PAAs. The results show that a total of 242,485 households were active, 19,498 did not show up, 4,358 dead 1,205 shifted to other areas and 78 households signed a covenant for voluntary quit from the Program. The Summary of recertification results is presented in the table 8 below.

Table 8: The results of recertification exercise

Active HHS	Death	Shifted	No Show	Voluntary Quit	Total
242,485	4,358	1,205	19,509	78	267,635
90.60%	1.60%	0.50%	7.30%	0.03%	100.00%



Photo 3: A PAA facilitator conveying recertification message to PSSN beneficiaries attending community session before re-certification exercise in Kinengembasi village at Mufindi DC.

(c) Assessment of appeals from Households not selected in PSSN Program

TMU completed targeting for the remaining 30% villages which were not covered during PSSN I. PSSN targets only the extreme poor households using two-step procedures; sensitization of the community on identification of poor households based on the criteria provided in Village/Mtaa/Shehia and verification using a statistical methodology known as Proxy Means Test (PMT) applied as a questionnaire with households' socio-economic data.

The final procedures on PMT were completed that resulted on development of the list of poor and non-poor households whereby the results was shared with the PAA for verification and acceptance of the enrolment for poor households. However, after sharing the final results, TMU received about 70,000 complaints and appeals which necessitates the review of the cutoff point, recalculating PMT, and producing the list of households to be enrolled from the list of the appeal cases from PAAs. The exercise is on progress and the results will be provided for management decision.

3.2.2 Electronic Payment

(a) Technical support to increase enrolment of beneficiaries on e-payment

A total of 400,719 beneficiary households received their payments electronically, amounting to TZS 18,710,518,293 during the November/December 2022 payment window. Technical support was also provided to address challenges that hinder the number of beneficiaries enrolled on E-Payment.

(b) Technical working session to address issues on PSSN MIS

A working session was conducted with the PSSN MIS developer to address the challenges and issues regarding the MIS. The session was conducted in collaboration with the GePG team to review electronic payment processes and reporting in PSSN MIS. The session addressed internal and external audit queries that were observed that needed enhancement of PSSN MIS.

3.2.3 Social and Environmental Safeguards

Safeguards are responsible for addressing the environmental and social risks and impacts associated with the implementation of the Program activities. During the reporting period, the key implemented activities include.

(a) Disclosure of safeguard documents

The process of finalizing the environmental and social documents to fulfil the requirements for the Additional Financing was completed. The process was done with guidance from the World Bank Safeguards team and the final draft of the documents was submitted for review and clearance. World Bank cleared the documents and the Program disclosed them to the public on the TASAF website.

(b) Implementation of mitigation measures

Implementation of Public Works is going on together with the implementation of environment and social management plans (ESMP) that were prepared during the screening of subprojects. A close follow up to PAAs have been done to ensure the identified mitigation measures are implemented.

3.2.4 Technical Support

The following technical support activities were carried out during the reporting period:

(a) Provision of technical support to PAAs

Technical support on the implementation of program activities were provided through TASAF Monitoring Officers (TMOs), attached to respective PAAs. The purpose was to ensure that all activities were properly implemented in accordance with the laid down procedures and that an effective linkage between TASAF and regions as well as PAAs is maintained, so as to achieve the objective of the program.

(b) Backstopping technical support

Backstopping technical support was provided during implementation of activities. These activities include: (i) backstopping for field visits conducted to 17 PAAs of Kiteto DC, Babati TC, Babati DC, Mbongwe DC, Nyang'hwale DC, Chato DC, Tandahimba DC, Newala TC, Newala DC, Bumbuli DC, Lushoto DC, Kahama MC, Ushetu DC, Msalala DC, Mafinga TC, Mufindi DC, and Makete DC PAAs. (ii) Attending the one regional meeting organized by regional coordinators during the period of January - March 2023. The overall objective was to ensure the PAA stakeholders and implementers of PSSN II understand and follow the guidelines, procedures and directives of program implementation. Technical backstopping has also been an instrument to receive feedback from region and PAA on program implementation. The PAAs as well the RAS office were visited so as to ensure that the authority is committed and aware of the program implementation as well as receiving feedback in order to improve the daily activities.

(c) Preparation of operational funds for TMOs

Approval of operation funds for the subsequent quarter was done to 186 PAAs. The operation fund was provided for the objective of follow up of PSSN subprojects. TMOs from PAAs implementing OPEC subprojects were also provided with operational funds for follow up to OPEC subprojects.

3.2.4 Information, Communication and Technology

The following information, communication and technology activities were implemented during the quarter:

(a) PSSN MIS database and application upgrade

Significant progress has been made in the upgrade of the PSSN MIS Database and Application. The server deployment and optimization were completed, which resulted in improved performance and increased efficiency. The upgrade of the database from Oracle 11g to 19c was completed which has resulted in better security, reliability, and performance. These upgrades will significantly improve the system's overall performance and increased user satisfaction. The upgrade of the application (PHP) is ongoing following the signing of the PSSN MIS Support and Maintenance Contract. The application upgrade is expected to further enhance the system's performance, reliability, and security. The application upgrade is anticipated to be completed by the end of April 2023.

(b) Development of data collection questionnaire and support for households recertification

The development of data collection questionnaire and support for household recertification to 51 PAAs was provided. The activity aimed at improving the quality of data collected from households and providing support to PAAs in ensuring that households are correctly recertified. The developed data collection questionnaire has led to improved accuracy and consistency in the data collected from households. The support provided to PAAs also led to increased efficiency and effectiveness in the recertification process, which has reduced errors and inconsistencies.

(c) Enhancement of network infrastructure at TASAF Dar es Salaam Office

Significant progress has been made in upgrading the network hardware and software, installing new routers and switches, and implementing new security protocols. This activity was aimed at improving the connectivity and reliability of the network, which would facilitate communication and collaboration between different departments and staff. These upgrades have resulted in improved connectivity, faster data transfer rates, and increased security. The enhanced network infrastructure has also enabled staff to work more efficiently and effectively, leading to increased productivity.

3.2.5 Development Communication

The following development communication activities were implemented during the reporting period

(a) Program publicity

Dissemination of PSSN achievements continued to be made through various news media that include Television programs, Radio programs and Newspapers. During the reporting period, a total of 13 TV Programs and 13 Radio Programs were broadcast and covered issues that were of interest to the public including queries on the graduation process, participation criteria for enrolment and payments for public works programs and criteria for receiving productive grants. Also, the programs carried interviews with beneficiaries who accounted for the progress they have made ever since they joined the program.

Through these programs, there was also a direct interaction with the public and beneficiaries through live broadcasts that are usually done once every month during the last program of the month. During these live sessions, people ask questions regarding program operations, they air their views, comments and grievances and all are responded accordingly. The recommendations are welcome and among the recommendation that comes up now and again is a revision of the targeting mechanism to institute tight measures to reduce inclusion and exclusion errors. Apart

from the 26 programs, several other programs were prepared and transmitted following field visits in Njombe, Ruvuma, Mara and Tabora regions through community radios in respective areas.

Apart from radio and TV programs, TASAF news stories were published in Kiswahili and English newspapers. On the other hand, TASAF social media accounts and other blogs posted TASAF news highlighting on TASAF implementation, particularly the impacts and what was observed during government official's visits to project sites and their interaction with beneficiaries.

(b) Press statements on TASAF activities

Two press statements were issued to inform the public about TASAF activities and their procedures to create more awareness and address misinformation. The first statement was on the recertification exercise which beneficiaries were urged to attend and get relevant information about the activity. The second press statement was on the implementation of public works. This took place to respond to news that was circulating in the media regarding the eligibility of beneficiaries. The press statement issued details on the public works program, and eligibility criteria including age, working hours and payment. The press statements allowed the media to follow up on the issues, conducted interviews, and wrote detailed feature articles, and prepared radio and TV programs focusing on the matters.

(c) Regional newsletters

Articles which were submitted from 105 PAAs from 13 regions of Dar es Salaam, Dodoma, Katavi, Lindi, Pwani, Songwe, Ruvuma, Rukwa, Morogoro, Mbeya, Mtwara, Iringa and Dodoma were reviewed and edited. The articles were on activities done by beneficiaries to improve their livelihoods as well as service delivery in areas of health, education, rural roads, water and environment. The stories are a living testimony that the beneficiaries are working hard to improve their lives. The articles also serve as a learning platform for readers to understand that the support extended to beneficiaries' is not wasted but changes people's lives for the better. The newsletters have been distributed to respective PAAs and TMU. The newsletters are also distributed in various functions including exhibitions for many people to read and learn.

(d) Social media contents development

To revamp the programs' social media accounts, a training was conducted to 15 staff on social media contents development. The objective of the training was to enhance staff capacity in using social media to communicate with the public on Program activities. Through this training, several posts have been developed and are due to posting beginning fourth quarter. It is expected that once the postings go out, TASAF will increase its reach and allow more interaction with stakeholders and allow giving out the feedback spontaneous. TASAF is also working on getting verified pages of social media accounts for authenticity. The social media accounts earmarked to be revamped are twitter, youtube, Instagram and Facebook. To start with the focus will be on twitter and face-book. The move will promote institutional brand, direct

engagement with public and respond promptly to queries and misconceptions about the program.

(e) Grievance Redressal Mechanism

A total of 8,076 across all PAAs were filled in the GRM system, 4,882 grievances were handled to the satisfaction of clients and therefore closed, 394 grievances were escalated to TMU and these were on overdue payments, particularly on public works. In the reporting period, the payments category documenting a large portion of filed grievances, which is 93.15%; this category includes all kinds of grievances that involve cash transfers including e-payment, cash payments and over-the-counter payments on CCT and Public Works payments. Other categories that receive a substantive number of grievances are targeting, service delivery and data update.

3.2.7 Monitoring and Evaluation

(a) Baseline survey for Impact Evaluation in PSSN II supported areas

Data analysis for the baseline Impact Evaluation for PSSN II was completed and the main report writing is in progress. In addition, support was provided to all 32 PAAs implementing PSSN II impact evaluation in order to keep IE design intact.

(b) Supervision on process evaluation

Process Evaluation for the PSSN program is in progress to assess the extent to which various processes in project implementation are adhered to. Training of enumerators was conducted and pilot testing of data collection tools was done in 2 PAAs. Field data collection is ongoing in 14 sampled PAAs.

(c) Implementation of Joint Review and Implementation Support Mission

During the reporting period, the Joint Review and Implementation Support Mission (JRIS) was organized and conducted from 9th to 20th, January 2023. The mission objective was to review the progress of the current phase of the project, with a focus on assessing progress towards the expansion of the public works and livelihood enhancement activities. The mission review was carried out through meetings with Government counterparts, in Technical Working Groups (TWGs), field visits, and discussions with other stakeholders including beneficiaries. The mission found that the project is broadly on track to achieve its development objectives. In addition, the program was rated as moderately satisfactory.

(d) A working session on risk management

A working session was conducted to members of the risk Technical Working Group (TWG) on risk management. The session aimed to review and update the current risks register and identification of new risks. A total of 21 members of Technical Working Group (TWG) from TASAF Directorates/Units were oriented on risk

management. As a result of the session, the risk register was reviewed and updated, and new risks were identified.

(e) Result Framework

The Project Development Objective Indicators to measure performance are tracked on a quarterly basis. Its status towards project targets is shown in the PSSN II results framework as of 31st March 2023 attached as **Annex I**.

3.2.8 Research and Development

The following research and development activities were implemented during the period:

(a) Integration of Successful Pilots

I. The Integration of Behavioral Design Nudges

During the reporting period the behavioral design nudges were introduced into a livelihoods component to 52 National facilitators. The national facilitators in turn trained 480 PAAFs from 13 PAAs of OPEC on behavioral nudges. The objective of the training was to integrate behavioral design nudges into the livelihoods component. A total of 191,938 beneficiaries were reached with behavioral nudges in more than 13 PAAs. Behavioral nudges were introduced to help beneficiaries use their monies more productively, set realistic goals, track activities and act on their goals. The follow up on how beneficiaries are realizing their plan and goals are expected to be conducted during bimonthly CCT payment and LE follow up activities. The challenge is the availability of nudge materials especially planning cards and pouches to be distributed to all beneficiaries and limited time for training facilitators, an alternative means were used during the roll out of the nudges.

II. Integration of Black Soldier Fly (BSF) pilot

The process of integrating BSF in PW and LE is on progress and implementation is expected to be conducted in the next financial year. Identification of possible urban areas and beneficiaries who will engage in this activity will be done through livelihoods and PW component to facilitate establishment of production units as agreed during technical session. Follow up of BSF production in piloted areas of Morogoro and Kinondoni has been done and beneficiaries are involving in production of larvae and are selling to earn their income. More technical support is required to help beneficiaries in their production process.

(b) Other pilots or testing under implementation

I. The Pilot test on climate change resilient subprojects (PWP linked with LE)

TASAF is working with a World Bank consultant to strengthen the Public Work subprojects linkage with livelihoods and resilience to climate Change. The first pilot and fieldwork in the coastal areas provided lessons that the center of excellence can be implemented in other areas. The Norwegian Embassy has shown interest in funding, hence its implementation is expected to be conducted through PWP and LE.

II. The cost of living subsidy pilot under Bus Rapid Transit projects (BRT)

The cost of living subsidy pilot is aimed at helping the urban poor households to benefit from the economic opportunities offered by the BRT by offsetting the high costs of living near and using the BRT. The MOU between TANROADS, DART and TASAF was reviewed and signed by three parties. TASAF activities such as identification of Mitaa and beneficiaries, categorizing them into treatment and control, sensitization and enrollment are planned to be conducted in April and May 2023. The process to engage NBS and technical people to conduct an impact evaluation is in progress and where the MOU between TASAF and NBS is already signed.

III. The pilot of the waste management (the illegal dump subproject under PWP)

TASAF continues working with the World Bank consultant to implement the pilot test of 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. The implementation has been conducted in Kigoma and Ilemela and an assessment to ascertain the viability of the subproject will be conducted to the beneficiaries involved.

(c) Research and development studies and assessments

I. Internal research on factors affecting PSSN beneficiaries to opt out for the e-payment method.

TASAF has rolled out electronic payment to all 186 PAAs. However, the pace of beneficiaries enrolling into e-payment has been very low despite the efforts made. Hence the study to establish the factors behind this situation was needed. The study is aimed at finding out factors affecting some PAAs' with low rates of enrolment of households into electronic payment in the first three groups of PAAs in the roll out plan. The survey is also examining the factors that contributed to the high enrolment of households into e-payment for some PAAs from the same groups. In addition, the survey will recommend measures to be taken to increase the enrolment rate of households into e-payment, especially in those PAAs with very low numbers of

households enrolled in e-payment. The data collection and analysis of the study were completed, the report preparation is underway and is expected to be finalized by the end of April 2023, where it will be shared for uptake and implementation adjustment as per the recommendation in the study report.

II. Support to Postgraduate Students and Other Researchers/institutions Conducting Studied Related to PSSN

The preparation for the baseline survey for Stawisha Maisha radio program is underway. TASAF is working with UNICEF and the research team (EDI and Buffalo University) on the plan to conduct a baseline impact evaluation. An inception meeting was conducted and the design of the survey was shared and discussed by the team. The survey will be conducted before starting the implementation of the Stawisha Maisha program. TASAF supports postgraduate students from higher institutions to undertake their research projects which are related to the Program. There are 6 postgraduate students who are continuing with their research on various topics from the PSSN Research Agenda. The studies will help in education attainment and inform PSSN through their findings and recommendations. Field activities and report writing for their research are underway.

(d) Implementation of PSSN Gender Mainstreaming into PSSN

I. Gender mainstreaming activities with key interventions

The implementation of gender action plan is on progress where women economic empowerment are enhanced through capacity building on gender, as well as the accessibility and use of benefits received by beneficiary households. Capacity building to majority of TMOs and PAAs staffs involved in the implementation continues. In CCT, gender is mainstreamed during payment and community sessions where facilitators supervising payment are provided with checklist to ensure equal participation of both female and male in the sessions. During payment events, pregnant women and lactating mothers are paid first.

In PWP, gender training related to PWP have been provided to a total of 123 PAAs and community level along with the current ongoing sub-projects implementation. Facilitators encourage equal participation of male and female beneficiaries to balance the work and give opportunity for female to engage in domestic work (Reduce overburdening). Gender features are observed in execution of PWP activities as indicated in the PWP gender checklist at community where pregnant women and those breastfeeding are ensured that they are exempted from work and receive their benefits.

During the quarter, gender was mainstreamed into livelihoods activities through saving group formation and basic skill training at PAAs and communities. A total of 52 TMOs (National facilitators) were trained on how to incorporate gender during refresher training of group formation. A total of 480 PAA facilitators who were trained on gender then cascaded to 58,005 beneficiaries from 13 OPEC PAAs of Njombe

and Arusha. In addition, a total of 90 PAAFs cascaded to 14,544 from 3 new PAAs (Mtwara DC, Songea DC and Rungwe) during basic skill training.

II. GBVs and Gender Issues

Gender team is working to advance the work on Gender Action Plan and GRM especially on areas of gender mainstreaming, transformation, GBV linked with GRM, monitoring of gender issues and preparation of community materials. Following the recommendations from the last mission, GRM manual has been revised, among others, the issue of involving female Focal Point to handle GBV for beneficiaries has been reflected in GRM manual. The way forward is TASAF to strengthen and support beneficiaries through gender monitoring that will provide feedback on the way gender are mainstreamed at community level, to continue encouraging participation of men by incentives them, enhance beneficiary's awareness of gender, GBV and GRM, since the awareness is not seen well in the community, to provide gender materials to the community to enhance beneficiary's awareness and to conduct gender analytical work that will facilitate gender transformation and tackling GBV issues related to program.

3.2.9 Internal Audit

(a) Audit in PAAs implementing OPEC IV

An internal audit was conducted to 19 PAAs out of 33 PAAs implementing OPEC IV. The aim was to ascertain compliance with various directives on Subproject implementation and to ascertain value for money on the implementation of the subprojects. The implementation of the OPEC project in all 19 PAAs audited was good with few noted delays and Weakness in the Micro Planning processes in some of the PAAs.

(b) Spot check audit on CCT payment at PAAs

The spot check audit was conducted in 11 PAAs to review the payment windows to ascertain if they comply with CCT Payment procedures. The audit also, reviewed and assessed how well the payment exercise adhered to instituted internal control measures and existing payment procedures and policies. The findings were shared with relevant PAAs for implementation.

(c) Internal Audit at TMU on expenditure, human resources and IT systems

Internal audits on expenditure, Human resources and IT systems were conducted in order to assess and review the accuracy and completeness of financial records, maintenance of files, adherence to financial accounting procedures and policies. T review also aimed to find if procurement procedures are in place and sufficient to safeguard project assets. In addition the internal audit evaluated the adequacy of the internal controls in relation to well-defined approval processes, segregation of duties, regular reconciliations of accounts, compliance with applicable laws and regulations, and good as well as reliable reports. The findings from audit issues were shared with TASAF management for action and improvement.

(d) Review of audits reports conducted by PAA internal auditors and follow up on CAG recommendations

PAA's Internal Auditors are responsible for conducting audits at PAA's as per the signed Memorandum of Understanding (MoU) between TASAF and PAA's. During the Quarter, 31st March 2023, PAA Internal Auditors conducted audits mainly on Cash Transfer, OPEC, PWP, and Targeted Infrastructures. The PAA's internal audit also followed up on CAG recommendations where most of the recommendations were implemented.

(e) Audit of CCT payment Transfer Windows

Internal Audits were conducted in Conditional Cash Transfer (CCT) for November-December 2022 payment window and productive Grants in eight PAA using ACL analysis. The audit aimed to review and evaluate the correctness and authenticity of CCT and e-payment transfers to PAA's 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 encountered in e-payments. As this is pre-audit activity, issues raised were rectified before payment.

(f) Special Audit at PAA's

The special audit was conducted in 2 PAA's namely Bukombe DC and Busega DC to assess compliance with the payment procedures, review funds sent to PAA's from TMU, and assess the extent PAA's adhere to instituted internal controls. The findings from audit issues were shared with PAA's management for action and improvement.

3.2.10 Procurement

The procurement functions aim at supporting TMU, PAA and Communities in the acquisition of goods and services necessary for program implementation. Implement of procurement activities were as follows:

(a) Preparations for the PSSN II Additional Financing

Project Procurement Strategy for Development (PPSD) and Procurement Plan for Productive Social Safety Net II Project Additional Financing was prepared. The documents were reviewed internally and will be appraised during Appraisal Mission scheduled to be conducted from 3rd to 8th April, 2023.

(b) Preparations for Ex Post-Procurement Review

Preparation for ex-post-procurement review was conducted where PAA's and respective regions were identified and the cost for the exercise was done. The task will be undertaken in the fourth quarter of 2022/23.

(c) Procurement Activities conducted at TMU

The actual procurement conducted during the reporting period amounted to TZS 895,448,199.60 against the planned value for goods and works of TZS 999,564,110 (see table 9). The five contracts which were valued at TZS 863,482,499.60 included the procurement of one orthopedic chair one works contract valued at TZS 31,965,700. Summary of Planned and Actual Procurement for the third quarter of Financial Year 2022/23 is attached as **Annex II**, TMU Status of Implementation of Procurement Activities for the Third Quarter 31st March 2023 is attached as **Annex III**

Table 9: Third Quarter actual procurement activities conducted

SN	Ref. No.	Description	Contract Amount
Goods			
1.	IE.011/WB-PSSN II-P169165/2022-23/G/03 – Lot 1	Supply Software Licenses	148,694,411.45
	IE.011/WB-PSSN II-P169165/2022-23/G/03 Lot 2	Supply Software Licenses	68,608,929.28
2.	IE.011/WB-PSSN II-P169165/326544/2022-23/G/06	Supply Network Devices	485,334,007.87
3.	IE.011/WB-PSSN II-P169165/325886/2022-23/G/11 lot I	Supply Biometric Devices for Time and Attendance Solution	43,542,000.00
	IE.011/WB-PSSN II-P169165/325886/2022-23/G/11 lot 2	Supply iPad	110,330,000.00
4.	IE.011/WB-PSSN II-P169165/2022-23/G/07	Supply and Installation of Air Conditions	5,993,692.00
5.	IE.011/WB-PSSN II-P169165/2022-23/G/08	Supply Computers	48,852,000.00
	Sub Total		911,355,040.60
6.	IE.011/WB-PSSN II-P169165/324347/2022-23/G/09	Supply Furniture - Orthopedic Chair	979,459.00
	Total Goods		912,334,499.60
Works			
1.	IE.011/WB-PSSN II-P169165/2022-23/W/01 - Lot 1	Office Renovation	21,965,700.00
	IE.011/WB-PSSN II-P169165/2022-23/W/01 - Lot 2	Office Renovation	10,000,000.00
	Sub Total		31,965,700.00
	Grand Total (Goods + Works)		895,448,199.60

4.0 FINANCIAL MANAGEMENT

(a) Funds commitment and absorption status

Financiers committed a total amount equivalent to USD 678,402,654.32 for PSSN II activities out of the Program total budget of USD 883,310,000.00 leaving a financing

gap of USD 204,907,345.68. The financing gap has been reduced by USD 6,130,000.00 after receiving new commitment from British Embassy (FCDO). Out of the committed amount, USD 486,963,394.59 was absorbed by the end of the reporting period. The overall rate of absorption as of 31st March, 2023 stood at 71.78 percent. It is expected the absorption rate will go up during the coming quarters as most of these start-up activities were completed and actual implementation begun hence more funds will be requested.

Table 10: Status of commitments and financing agreements as of 31st Mar. 2023

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	16,447,302.38	Signed
	Norwegian Government	NOK	225,000,000	22,709,152	Signed
4.	Embassy of Switzerland	CHF	15,720,000	17,360,730	Signed
5.	Sida	SEK	100,000,000	12,048,482.73	Signed
	Sida	SEK	450,000,000	51,239,430.22	Signed
6.	EU through Sida	EURO	196,261,684.00	19,268,163.04	Signed
7.	Ireland	EURO	2,000,000	4,437,800.00	Signed
8.	UN Agencies	USD	7,889,197.11	7,889,197.11	Signed– PSSN I
9.	USAID	USD	785,010	785,010	Signed– PSSN I
10.	GOT	USD	14,000,000	14,000,000	Signed

(b) Funds received

In the period under review, the total amount received for PSSN II rolling out activities was equivalent to USD 31,132,223.76. The amounts were received from the Government of United Republic of Tanzania equivalent to USD 216,315.37, UN Agencies (UNICEF) USD 119,737.05, OFID USD 3,082,011.26 and the World Bank USD 27,714,160.08. 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 11**.

(c) Funds spending

A total amount of TZS 85,807,382,067.84 was spent during this period under review to finance various program activities as indicated in Table 11. The amount makes the cumulative annual program spending of TZS 361,854,966,211.22 and the cumulative program spending of TZS 1,043,444,650,061.17 up to the 31st March, 2023.

(d) Budgeting

TASAF is implementing the third 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 31st March 2023, more than 74 percent of planned activities were implemented.

(e) Implementation of MUSE

TASAF is finalizing working with MoFP to ensure that all customized reports are incorporated in MUSE modules. The system is still running parallel with EPICOR for re-assurance of its capability. MUSE demonstration to DPs was scheduled and implemented on April 2023.

(f) Shifting from cash to accrual basis of accounting

TASAF has completed migration of its reporting policies from the IPSAS Cash Basis to the new IPSAS Accrual Basis of accounting. The Financial Statements for the year ending 30th June 2022 have been prepared using IPSAS Accrual Basis of accounting. The National Audit Office has issued a clean report on the Statements.

(g) External Audit

External Auditors conducted the audit exercise between October 2022 and November 2022 whereby the Audit exercise covered TMU as well as all 186 PAAs. The auditors have issued Unqualified Audit opinion on the report. The report has already been uploaded into the World Bank's Client connection. TASAF has completed working on the Remedial Action Plan for CAG findings which awaiting TMU discussion and also shared to DPs by 31st March, 2023. In addition to Financial Audit, Value for Money Audit was conducted by National Audit (NAO) whereby audit observations were presented by the auditors during exit meeting that was conducted on 18th March, 2023. Management responses were submitted to the external auditors on 21st March, 2023.