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Report No: PAD5345

INTERNATIONAL DEVELOPMENT ASSOCIATION

PROJECT PAPER

ON A

PROPOSED ADDITIONAL CREDIT

IN THE AMOUNT OF US\$ 200 MILLION

INCLUDING US\$ 100 MILLION FROM IDA SCALE-UP WINDOW - SHORTER MATURITY LOANS

AND A GRANT

IN THE AMOUNT OF US\$7.49 MILLION

FROM THE TANZANIA SECOND PRODUCTIVE SOCIAL SAFETY NETS PROJECT SINGLE DONOR
TRUST FUND

TO THE

UNITED REPUBLIC OF TANZANIA

FOR THE

PRODUCTIVE SOCIAL SAFETY NET PROJECT II

May 26, 2023

Social Protection and Jobs Global Practice
Eastern and Southern Africa Region

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CURRENCY EQUIVALENTS

(Exchange Rate Effective April 30, 2023)

Currency Unit = Tanzania Shilling

TZS 2350 = US\$1

FISCAL YEAR

July 1 – June 30

Regional Vice President: Victoria Kwakwa

Country Director: Nathan M. Belete

Acting Regional Director: Amit Dar

Practice Manager: Robert S. Chase

Task Team Leader: Michele Davide Zini

ABBREVIATIONS AND ACRONYMS

AF	Additional Financing
CT	Cash Transfer
CCT	Conditional Cash Transfer
CMC	Community Management Committee
COMSIP	Community Savings and Investment Groups
COVID-19	Coronavirus Disease 2019
DFATD	Canadian Department of Foreign Affairs, Trade and Development
DFID	United Kingdom Department for International Development
DPs	Development Partners
ESCP	Environmental and Social Commitment Plan
ESF	Environmental and Social Framework
ESMF	Environmental and Social Management Framework
ESRS	Environmental and Social Review Summary
ESS	Environmental and Social Standards
FM	Financial Management
FY	Fiscal Year
GBV	Gender Based Violence
GCRF	Global Crisis Response Framework
GDP	Gross Domestic Product
GRM	Grievance Redress Mechanism
GRS	Grievance Redress Service
URT	United Republic of Tanzania
IBRD	International Bank for Reconstruction and Development
IDA	International Development Association
IFR	Interim Financial Report
IRI	Intermediate Results Indicator
LE	Livelihood Enhancement
LMP	Labor Management Plan
MIS	Management Information System
NSPP	National Social Protection Policy
PAA	Project Area Authority
PDO	Project Development Objective
PPSD	Project Procurement Strategy for Development
PSSN	Productive Social Safety Net
PW	Public Works
RA	Regional Administration
RPF	Resettlement Policy Framework
SEP	Stakeholder Engagement Plan
TASAF	Tanzania Social Action Fund
TMT	TASAF Management Team
TZS	Tanzania Shilling
URT	United Republic of Tanzania

Tanzania

Productive Social Safety Net Project II - Additional Financing

TABLE OF CONTENTS

I. BACKGROUND AND RATIONALE FOR ADDITIONAL FINANCING	9
II. DESCRIPTION OF ADDITIONAL FINANCING	19
III. KEY RISKS	23
IV. APPRAISAL SUMMARY	24
V. WORLD BANK GRIEVANCE REDRESS.....	32
VI SUMMARY TABLE OF CHANGES.....	33
VII DETAILED CHANGE(S).....	33
VIII. RESULTS FRAMEWORK AND MONITORING.....	37



BASIC INFORMATION – PARENT (Tanzania Productive Social Safety Net Project II - P169165)

Country	Product Line	Team Leader(s)		
Tanzania	IBRD/IDA	Michele Davide Zini		
Project ID	Financing Instrument	Resp CC	Req CC	Practice Area (Lead)
P169165	Investment Project Financing	HAES1 (9340)	AECE1 (6541)	Social Protection & Jobs

Implementing Agency: Tanzania Social Action Fund

Is this a regionally tagged project?	
No	

Bank/IFC Collaboration
No

Approval Date	Closing Date	Expected Guarantee Expiration Date	Environmental and Social Risk Classification
12-Sep-2019	30-Sep-2023		Moderate

Financing & Implementation Modalities

<input type="checkbox"/> Multiphase Programmatic Approach [MPA]	<input type="checkbox"/> Contingent Emergency Response Component (CERC)
<input type="checkbox"/> Series of Projects (SOP)	<input type="checkbox"/> Fragile State(s)
<input type="checkbox"/> Performance-Based Conditions (PBCs)	<input type="checkbox"/> Small State(s)
<input type="checkbox"/> Financial Intermediaries (FI)	<input type="checkbox"/> Fragile within a Non-fragile Country
<input type="checkbox"/> Project-Based Guarantee	<input type="checkbox"/> Conflict
<input type="checkbox"/> Deferred Drawdown	<input type="checkbox"/> Responding to Natural or Man-made disaster
<input type="checkbox"/> Alternate Procurement Arrangements (APA)	<input type="checkbox"/> Hands-on Expanded Implementation Support (HEIS)

Development Objective(s)



To improve access to income-earning opportunities and socio-economic services for targeted poor households while enhancing and protecting the human capital of their children.

Ratings (from Parent ISR)

	Implementation					Latest ISR
	27-Jul-2020	08-Feb-2021	03-Aug-2021	16-Feb-2022	11-Aug-2022	03-Feb-2023
Progress towards achievement of PDO	MS	MS	MS	MS	MS	MS
Overall Implementation Progress (IP)	MS	MS	MS	MS	MS	MS
Overall ESS Performance	HS	MS	MS	MS	MS	MS
Overall Risk	M	M	M	M	M	M
Financial Management	MS	MS	MS	S	S	S
Project Management	S	S	MS	S	S	S
Procurement	S	S	MS	MS	S	S
Monitoring and Evaluation	S	S	S	S	S	S

BASIC INFORMATION – ADDITIONAL FINANCING (Productive Social Safety Net Project II - Additional Financing - P179701)

Project ID	Project Name	Additional Financing Type	Urgent Need or Capacity Constraints
P179701	Productive Social Safety Net Project II - Additional Financing	Cost Overrun/Financing Gap, Restructuring, Scale Up	No
Financing instrument	Product line	Approval Date	



Investment Project Financing	IBRD/IDA	20-Jun-2023	
Projected Date of Full Disbursement	Bank/IFC Collaboration		
30-Jan-2026	No		
Is this a regionally tagged project?			
No			

Financing & Implementation Modalities

<input type="checkbox"/> Series of Projects (SOP)	<input type="checkbox"/> Fragile State(s)
<input type="checkbox"/> Performance-Based Conditions (PBCs)	<input type="checkbox"/> Small State(s)
<input type="checkbox"/> Financial Intermediaries (FI)	<input type="checkbox"/> Fragile within a Non-fragile Country
<input type="checkbox"/> Project-Based Guarantee	<input type="checkbox"/> Conflict
<input type="checkbox"/> Deferred Drawdown	<input type="checkbox"/> Responding to Natural or Man-made disaster
<input type="checkbox"/> Alternate Procurement Arrangements (APA)	<input type="checkbox"/> Hands-on Expanded Implementation Support (HEIS)
<input type="checkbox"/> Contingent Emergency Response Component (CERC)	

Disbursement Summary (from Parent ISR)

Source of Funds	Net Commitments	Total Disbursed	Remaining Balance	Disbursed	
IBRD				<div style="width: 0%; height: 10px; background-color: #ccc;"></div>	%
IDA	450.00	370.12	70.61	<div style="width: 84%; height: 10px; background-color: #28a745;"></div>	84 %
Grants				<div style="width: 0%; height: 10px; background-color: #ccc;"></div>	%

PROJECT FINANCING DATA – ADDITIONAL FINANCING (Productive Social Safety Net Project II - Additional Financing - P179701)

FINANCING DATA (US\$, Millions)

SUMMARY (Total Financing)



	Current Financing	Proposed Additional Financing	Total Proposed Financing
Total Project Cost	883.31	0.00	883.31
Total Financing	633.80	256.51	890.31
of which IBRD/IDA	450.00	200.00	650.00
Financing Gap	249.51	-256.51	-7.00

DETAILS - Additional Financing

World Bank Group Financing

International Development Association (IDA)	200.00
IDA Credit	100.00
IDA Shorter Maturity Loan (SML)	100.00

Non-World Bank Group Financing

Counterpart Funding	5.02
Borrower/Recipient	5.02
Trust Funds	7.49
Trust Funds	7.49
Other Sources	44.00
UK: British Department for International Development (DFID)	6.00
EC: European Commission	19.50
SWITZERLAND: Swiss Agency for Dev. & Coop. (SDC)	18.50

IDA Resources (in US\$, Millions)

	Credit Amount	Grant Amount	SML Amount	Guarantee Amount	Total Amount
Tanzania	100.00	0.00	100.00	0.00	200.00
National Performance-Based Allocations (PBA)	100.00	0.00	0.00	0.00	100.00
Scale-Up Window (SUW)	0.00	0.00	100.00	0.00	100.00



Total	100.00	0.00	100.00	0.00	200.00
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COMPLIANCE

Policy

Does the project depart from the CPF in content or in other significant respects?

Yes No

Does the project require any other Policy waiver(s)?

Yes No



Environmental and Social Standards Relevance Given its Context at the Time of Appraisal

E & S Standards	Relevance
Assessment and Management of Environmental and Social Risks and Impacts	Relevant
Stakeholder Engagement and Information Disclosure	Relevant
Labor and Working Conditions	Relevant
Resource Efficiency and Pollution Prevention and Management	Relevant
Community Health and Safety	Relevant
Land Acquisition, Restrictions on Land Use and Involuntary Resettlement	Relevant
Biodiversity Conservation and Sustainable Management of Living Natural Resources	Relevant
Indigenous Peoples/Sub-Saharan African Historically Underserved Traditional Local Communities	Relevant
Cultural Heritage	Relevant
Financial Intermediaries	Not Currently Relevant

NOTE: For further information regarding the World Bank’s due diligence assessment of the Project’s potential environmental and social risks and impacts, please refer to the Project’s Appraisal Environmental and Social Review Summary (ESRS).

INSTITUTIONAL DATA

Practice Area (Lead)

Social Protection & Jobs

Contributing Practice Areas

Climate Change and Disaster Screening

This operation has been screened for short and long-term climate change and disaster risks

**PROJECT TEAM****Bank Staff**

Name	Role	Specialization	Unit
Michele Davide Zini	Team Leader (ADM Responsible)	Sr Economist and TTL	HAES1
Raymond Joseph Mbishi	Procurement Specialist (ADM Responsible)	Procurement	EAERU
Gisbert Joseph Kinyero	Procurement Specialist	Procurement	EAERU
Khalid Bin Anjum	Procurement Specialist	Procurement	EAERU
Vida Ndilanha Nkya	Financial Management Specialist (ADM Responsible)	Financial Management	EAEG1
Edina Kokusima Kashangaki	Environmental Specialist (ADM Responsible)	Environmental Safeguards	SAEE2
Roselyn Wilbard Kaihula	Social Specialist (ADM Responsible)	Social Development	SAES2
Caroline Emma Phillips	Social Specialist	Social Development	SAES2
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Edith Ruguru Mwenda	Counsel	Legal Counsel	LEGAM
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Grace Anselmo Mayala	Procurement Team	Team Member	AECE1
Jane A. N. Kibbassa	Environmental Specialist	Environmental Safeguards	SAEE2
Maiada Mahmoud Abdel Fattah Kassem	Team Member	Finance	WFACS
Nathalie S. Munzberg	Safeguards Advisor/ESSA	Safeguards	AFWDE
Ndiga Akech Odindo	Counsel	Legal Counsel	LEGAM
Owusu Mensah Agyei	Team Member	Finance	WFACS
Peter Ivanov Pojarski	Team Member	Social Protection and Operations	HAES1
Victor Bundi Mosoti	Team Member	Chief Counsel	LEGEN
Violette Mwikali Wambua	Social Specialist	Social Specialist	SAES2
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Wolter Soer	Team Member	Social Protection	HAES1



Extended Team

Name	Title	Organization	Location
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I. BACKGROUND AND RATIONALE FOR ADDITIONAL FINANCING

1. **This Project Paper seeks the approval of the Executive Directors for an Additional Financing (AF) of a US\$200 million IDA credit for the Tanzania Productive Social Safety Net Project II (PSSN II - P169165).** The overall size of the proposed AF is estimated at US\$207.49 million and will be financed through a combination of an IDA credit (US\$200 million) and a co-financing grant from the Tanzania Second Productive Social Safety Nets Project Single Donor Trust Fund administered by the World Bank (US\$7.49 million¹). These resources, in addition to additional counterpart financing of US\$5.02 million and contributions from Development Partners (DPs) will fill the current financing gap.² The proposed AF will include a PSSN II³ restructuring to accommodate the revised scope and changes to the implementation arrangements that would require updates to the project's costs and results framework, and a reallocation of funds among components. The AF will also extend the closing date by two years from September 30, 2023, to September 30, 2025, bringing the overall lifespan of the operation to five years.

A. Country Context

2. **Tanzania graduated to a Lower Middle-Income Country status in July 2020 following a long stretch of high growth and macroeconomic stability.** In the last two decades, Gross Domestic Product (GDP) growth averaged 6.5 percent annually and was accompanied by strong macroeconomic fundamentals. Encouraged by this strong historical performance, the 2025 Tanzania Development Vision aspires to transform Tanzania as a middle-income country with well-developed human capital, ample supply of high-quality livelihood opportunities, and broad-based gains in living standards.
3. **With relatively strong pre-COVID-19 buffers, Tanzania's macroeconomic fundamentals have remained largely stable despite the shocks.** The pandemic and global contraction exacerbated the country's structural bottlenecks and caused devastating impacts on the tourism sector and related services. GDP growth slowed from 5.8 percent in 2019 to 2.0 percent in 2020, indicating a moderate impact of the COVID-19 pandemic due to relatively strong buffers. In 2021, growth increased to 4.3 percent. However, the recovery from the COVID-19 pandemic has been accompanied by an uptick in inflation from 3.3 percent in 2020 to 3.7 percent in 2021, and it is expected to average 5.2 percent in 2022.⁴
4. **Global and regional conflicts affected Tanzania's economy through multiple channels.** A deterioration in the terms of trade (due to higher oil, food, and fertilizer prices), and disrupted tourist flows are expected to reduce growth in 2022 by 0.6 percentage points relative to the pre-invasion scenario.
5. **Even though the pandemic had only a modest impact on growth, its social consequences were deeply**

¹ The exact amount is US\$7,490,789 but will be referred to as US\$7.49 million for simplicity in this document.

² With the proposed Additional Financing, there will be no financing gap. The Project Paper datasheet reports a surplus (i.e., a negative financing gap) of about US\$7 million because of a system issue.

³ Throughout the paper, PSSN Project (I or II) refers to the series of World Bank-supported operations in support of the PSSN program, which refers to the overall government social assistance program implemented and to the systems being built under the program. The World Bank financing provided through the PSSN project series in addition to other donors' joint financing (which is funneled through separate bilateral agreements but supports the exact same activities as those financed by World Bank resources) was supposed to cover only part (albeit a substantial one) of the PSSN program costs. However, in practice, the PSSN Program is almost entirely financed by World Bank and other donors. As such, the PSSN Program currently does not go beyond the PSSN projects series.

⁴ This and the following paragraphs based on:

The World Bank. November 2022. Program Document for Tanzania First Inclusive and Resilient Growth Development Policy Financing (P178156). Report PGD339.



negative, halting the country's progress toward eradicating poverty. The pandemic caused the poverty rate to rise from 26.2 percent in 2019 to 27 percent in 2021, and only a minor reduction in the overall poverty rate (measured by the national basic-needs poverty line) is anticipated in 2022. At the same time, rapid population growth and the economic shock of the pandemic have greatly increased the number of Tanzanians living in poverty and inequality, which could worsen the country's already-low productivity, growth rates, and social indicators for years to come.

6. **At the same time, rising temperatures, longer dry spells, more intense heavy rainfall, and sea level rise make Tanzania the world's 26th most vulnerable country to climate risks.**⁵ According to some of the possible scenarios, temperature in Tanzania is projected to rise by between 1.4 and 3.6 degrees Celsius by 2080, compared to pre-industrial levels, with higher temperatures and more temperature extremes projected for the east of the country. Precipitation trends are highly uncertain and project little change to an annual precipitation decrease of up to 42 millimeters by 2080. Future dry and wet periods are likely to become more extreme. Under the Representative Concentration Pathway 6.0, the sea level is expected to rise by 41 centimeters until 2080. This threatens Tanzania's coastal communities and may cause saline intrusion in coastal waterways and groundwater reservoirs. Climate change is likely to cause severe damage to the infrastructure sector in Tanzania. Transport infrastructure is particularly vulnerable to extreme weather events, yet essential for trading agricultural goods. Investments on climate-resilient infrastructure is needed. The population affected by at least one heatwave per year is projected to rise from 2 percent in 2000 to 19 percent in 2080, which could imply 22 more very hot days per year over this period. As such, heat-related mortality is estimated to increase by a factor of more than three by 2080. This points to the continued need for a strong social protection system and for social assistance programs to be in place to shield especially poor and vulnerable households not only from economic but also from climate-related shocks.

B. Sector Context

7. **The Government of the United Republic of Tanzania (URT) started implementing community-level social programs through the Tanzania Social Action Fund (TASAF I – P065372) in 2000.** During the first decade of the 2000's, a series of two World Bank-supported projects (TASAF I and TASAF II – P085786)⁶, supported traditional social fund interventions. These gradually gave way to the creation of a more comprehensive and integrated social safety net program for the extreme poor, the Productive Social Safety Net Program, PSSN, which also supported the country's decentralization agenda.
8. **The first Productive Social Safety Net Project (PSSN I – P124045) became effective in August 2012.** This World Bank supported-operation was the main financing behind the design, piloting, and mass scale-up of a national social assistance program (the PSSN program) targeting the extreme poor in Tanzania. The PSSN I project, implemented again by the TASAF Management Team (TMT)⁷ between 2012 and 2019, aimed to create a comprehensive, efficient, well-targeted productive social safety net system for the poor and vulnerable, whilst establishing the building blocks of a broader social protection system in the country. The key elements of the PSSN program are: (i) a Cash Transfer (CT) program, providing support to poor

⁵ Climate context based on: 2021. *Climate Risk Profile: Tanzania*. https://www.adaptationcommunity.net/wp-content/uploads/2021/02/GIZ_Climate-Risk-Profile-Tanzania_EN_final.pdf

⁶ TASAF was both the name of the project and its implementing agency.

⁷ Through the rest of the document, TASAF I and TASAF II are used as the names of the projects, and TASAF Management Team (TMT) and "TASAF" are used interchangeably to refer to the implementing agency. The implementing agency is widely known in Tanzania as "TASAF".



and vulnerable households in Tanzania varying on household size – either conditional on their use of health and education services for households with children or unconditional for households with no labor capacity; (ii) public works for households with labor capacity; and (iii) livelihood enhancement (LE) activities. The follow-on project, PSSN II, which continues to support the same types of activities, became effective on December 13, 2019.

9. **Since the launch of the PSSN Program, the Government of URT has reiterated its commitment to further strengthen PSSN and to gradually assume a greater share of its financing.** Overall, the fiscal requirement of the PSSN program is low by international standards, especially given its importance as the primary safety net in the country. As currently designed, the cost of the PSSN program is equivalent to approximately 1.5 percent of the country’s GDP over a four-year period, or about 0.375 percent of GDP per year, which is aligned with similar programs around the world. Combined with other government-financed social assistance spending, and if these costs were to be fully absorbed by government, this would yield a total expenditure on social assistance of about 0.60 percent of the Gross Domestic Product (GDP) per year.
10. **While the Government of URT has a longstanding commitment to the objectives of PSSN and social policy more broadly, PSSN remains still almost exclusively financed by the World Bank and other DPs,⁸ with the World Bank being the largest and longest-standing contributor to TASAF I and TASAF II, as well as to the PSSN Program.** The well-documented success of PSSN I in delivering results and achieving poverty reduction, and TASAF’s track record as an effective implementing agency, are inextricably linked to the significant support received from the World Bank and other DPs over the years. In other words, the fact that the main source of financing for the program come from donors raises questions around the overall sustainability of the program and of the social assistance sector in the country.

C. Rationale for the Additional Financing and Project Restructuring

11. **The rationale behind the requested AF, which will allow for the achievement of the Project Development Objective (PDO) within the revised timeframe of the project, is fivefold.**
 - a. **The PSSN program is as relevant and as needed as ever given recent events and macroeconomic developments.** The global turmoil caused by the COVID-19 pandemic and global and regional conflicts are contributing to slow progress in poverty reduction, rising inflation and food prices, and increasing inequality. Against a background of rapidly increasing population growth, the role of PSSN as the country’s well-functioning flagship social assistance program and main poverty reduction tool has never been more vital to Tanzania’s goal of inclusive growth. The proposed AF would allow the program to continue operating at a time of urgent need.
 - b. **The Government of URT continues to view PSSN program as an indispensable policy tool, critical for addressing poverty and promoting investments in children’s human capital and enjoying significant DP support.** During the implementation of PSSN II, the Government of URT has slowly and gradually increased its co-financing share of PSSN, and supports the TASAF Management Team (through, for instance, the provision of rent-free premises and covering staff costs of local government staff

⁸ Including but not limited to: Sweden, the European Union, Norway, Switzerland, Irish Aid, the United Kingdom’s Foreign, Commonwealth and Development Office (the United States Agency for International Development (USAID), the United Nations Development Program (UNDP), the United Nations Children’s Fund (UNICEF), the World Food Program (WFP), the International Labor Organization (ILO), the United Nations Population Fund (UNFPA), UN Women, and the Bill & Melinda Gates Foundation.



working on PSSN-related activities).⁹ At the same time, the Government of URT continues to reiterate its intention to further increase its co-financing share of the program in the medium term. However, in the current context it faces significant fiscal constraints. As a result, the Government of URT is seeking additional resources for the implementation of PSSN II from DPs. In addition, it requests the extension of the parent project until September 30, 2025, to compensate for initial delays (see below) and to ensure the program achieves its intended results. Discussions on a medium-term financing framework for the PSSN program have not yet taken place, and the approval of the draft National Social Protection Policy (NSPP - which would provide the policy framework around PSSN) is pending since 2015. Nevertheless, recent developments toward the approval of the NSPP show some positive momentum around the development of a more comprehensive social protection system in the country.

- c. **Additional resources would allow the Government of URT to capitalize on the achievements of the last four years and, as said above, to meet the development objectives of the project and of the overall program, which PSSN II is on track to meet.** Since 2019, despite significant headwinds, PSSN II has contributed to changing the lives of millions across Tanzania. The PSSN Program has been expanded to cover all villages in the country, with slightly over 400,000 additional households added to the program during the COVID-19 pandemic. Public works were scaled up, providing temporary employment to over 600,000 beneficiaries. By June 2023, 50,000 beneficiaries will receive productive grants and are expected to graduate from the program on a sustainable path toward self-resilience. The proposed AF would be key toward meeting the PDO.
- d. **PSSN II was designed, appraised, and approved with a financing gap of US\$249.1 million with the expectation to mobilize additional funds at a later stage.**¹⁰ At the time of appraisal, the Government of URT costed the second phase of the PSSN program at approximately US\$883.3 million, for which the World Bank provided an initial allocation of US\$450 million through the PSSN II project. It was expected that about US\$250 million of additional funds would be mobilized from DPs and from the Government of URT. At the same time, to close the financing gap established at appraisal and to ensure the long-term sustainability of the program, the Government of URT was expected to devise a medium-term financing strategy for the program. This would not only mobilize more funds during implementation (including a request for additional funds from the World Bank and other DPs) but would also set the stage for the gradual institutionalization of PSSN in the national budget. Taking into account additional commitments on behalf of existing and new PSSN donors, as of May 2023, total confirmed commitments toward the PSSN program stood at about US\$660 million, leaving a financing gap at the program level of about US\$220 million. The proposed AF – in the amount of US\$207.49 million (IDA credits and IDA-administered grant) – once added to the Government of URT’s co-financing share of US\$5.5 million and to existing and new commitments from other DPs (see the above financing table), will entirely fill the program’s financing gap and allow PSSN to meet its targets, which were set at the design stage, assuming a fully financed program.
- e. **This AF would also serve as an instrument to continue the ongoing dialogue about devising a longer-term plan for the program and the social protection sector, and toward increasing the Government**

⁹ Government’s contributions are estimated at about US\$25 million per year.

¹⁰ The AF falls into the classification category that covers [both] "Cost overrun/Financing gap", but in the case of this AF, there is no cost overrun, only a financing gap.



of URT's co-financing share¹¹ of PSSN over time. As mentioned above, despite the achievements of PSSN and of TASAF, the progress toward the "institutionalization" of TASAF and PSSN, and toward defining a medium- and long-term vision for the program and the social protection sector has been limited. The PSSN program continues to heavily rely on DPs' contributions, with World Bank resources being the largest portion of the resources available to TASAF, which continues to be – in legal terms – a donor-financed project implementation unit, with most operating costs funded by donors. At the same time, and even though the design of PSSN II was aligned with the draft NSPP, the policy has been awaiting Government of URT's approval since 2015. The NSPP would provide an institutional, legal, and administrative framework around social protection in Tanzania and would formally anchor TASAF and PSSN in the country's government structures. Finally, a sustainable financing strategy to support the implementation of the policy has yet to materialize. Such a financing strategy would need to address the issue of PSSN's medium- and long-term financing, identifying a feasible transition plan to gradually transition PSSN from an almost entirely donor-funded program to a recurrent budget item financed, for a sizeable portion, by public resources.

12. **The rationale for the restructuring is mostly related to initial start-up delays and several unforeseen shocks and events.** Several shocks and events, from early on, led to the Conditional Cash Transfer (CCT) sub-component of PSSN II absorbing more resources than expected at design stage and leading, in turn, to a budget shortfall in some areas and in a modified implementation timeline. A restructuring is therefore needed to extend the closing date of the project to allow for a longer implementation timeline, reallocate resources across categories, and adjust some intermediate results indicators. The rationale is as follows:
 - a. The long delay in getting PSSN II approved, which was due to the temporary halt in new lending from the World Bank to the Government of URT throughout part of 2018 and most of 2019, resulted in TASAF being unable to finance its day-to-day operations, and having to release much of its staff. Upon PSSN II's approval, TASAF had to rehire most of its officers and managers, and restart operations, which took the better part of 2020;
 - b. The breakout of the COVID-19 pandemic in early 2020 (just three months after the effectiveness of PSSN II), and the ensuing mobility restrictions and disruptions, led to significant delays in the implementation of project activities; and
 - c. The unforeseen request by the Government of URT to urgently carry out a validation of all PSSN households prior to the implementation of PSSN II (including the enrolment into the program of new households in villages not covered by PSSN I) led to further delays, particularly in the implementation of the public works and the livelihood enhancement sub-components.
13. **These unforeseen events and delays not only slowed down the implementation of PSSN II relative to the pace envisioned at design but also had significant budget implications.** In the first instance, project management costs incurred an early overrun since project resources had to cover TASAF's operating costs despite activities being delayed. This partially explains why, even though the proposed AF will fill most of the PSSN II's financing gap, a downward revision of some intermediate targets of specific sub-components will still be needed.

¹¹ Includes financial and in-kind support and financing the administrative costs, staff costs, office space and other administrative expenses. For example, the initial expected formal Government of URT co-financing for PSSN I was US\$4 million, and while the cash contributions for the program were around US\$5 million at PSSN I closing, the total additional indirect Government of URT contributions to PSSN I assessed by the Borrower for the PSSN I ICR were over US\$90 million.



14. **In parallel, and in response to the ongoing pandemic, the program focused first and foremost on resuming payments to PSSN beneficiaries through its Cash Transfer (CT)¹² sub-component.** The CT sub-component resumed these payments and extended support to an additional 498,091 households in 7,217 new villages by late 2021. Because of the extraordinary economic circumstances imposed by the pandemic, the expansion of the program was larger than anticipated¹³ and, at the same time, the envisioned exit of beneficiaries enrolled in the program since 2015 did not materialize as quickly nor at the scale expected at design. The above led to a situation in which the CT sub-component, which has proven poverty-reduction impacts, has become the costliest activity. This is the result of its large overall coverage, absorbing significantly more resources than anticipated and is expected to continue to do so for the remaining duration of PSSN II. It is important to note that the overspending on the CT sub-component was a managed risk and a conscious decision on the part of both TASAF and donors, due to the urgent need to support poor households during a time of crisis, and for a longer period than originally anticipated.
15. **With the AF, the extended duration of the project will also see the beginning of the implementation of an exit strategy for some beneficiaries,** starting with those households in villages that have been in the program for the longest, and which have benefitted from both cash transfers and public works. Around 400,000 out of close to 1.4 million households will be phased out of the program over the next two years of the AF through a poverty recertification exercise. This exit was foreseen at program design and will not affect the achievement of the overall targets for the CT subcomponent over the project cycle (which have already been exceeded).
16. **The proposed AF is consistent with the World Bank Group’s Global Crisis Response Framework (GCRF) and aligns with its four thematic areas (pillars).** The GCRF highlights the need to: (a) respond to food insecurity; (b) protect people and preserve jobs; (c) strengthen resilience; and (d) strengthen policies, institutions, and investments for rebuilding better. The interventions under this AF will contribute to these overall goals – and in particular to points (a), (b), and (c) above - by directly supporting the most vulnerable to cope with immediate shocks and build their longer-term resilience. Related to (d), systems strengthening and better sector coordination will also enable a more adaptive response to future shocks. Section II and Table 1 highlight how each component relates to the four abovementioned pillars.

D. Original Project Design and Implementation Performance

17. **PSSN II was designed to achieve its objectives through the implementation of a sequence of integrated interventions.** Activities are structured around two components, with respective subcomponents:
 - Component 1: Productive Household Support (Benefits and Services)
 - Subcomponent 1.1. Cash Transfers
 - Subcomponent 1.2. Public Works (PW)
 - Subcomponent 1.3. Livelihoods Support (Productive Inclusion) (LS)
 - Component 2: Strengthening Institutional Capacity and Integrated Delivery System
 - Subcomponent 2.1. Institutional Capacity Enhancement
 - Subcomponent 2.2. Integrated delivery system development

¹² Further in this document, “CT” is used when referred to the general cash transfer benefit and PSSN II’s sub-component, including both CCT and UCT.

¹³ The CT expansion envisioned at design was approximately 250,000 households.



18. **Component 1 - Productive Household Support (Benefits and Services) (Total US\$731.90 million, of which IDA US\$373.70 million equivalent)** provides beneficiary households with an integrated package of support, including a foundational package and livelihoods support. The foundational package has been designed to provide transfers in the form of CTs and PWs. Within Component 1, CTs use a system of interrelated benefits that include: (i) a fixed transfer offered to all PSSN households; (ii) a fixed transfer for vulnerable groups provided to all households that include a child aged 0-18 years old (Child Grant) and to those that include a person with a disability (Disability Grant); and (iii) a variable Human Capital Transfer (HCT) offered to households with children, subject to compliance with health or education conditionalities.
19. **Public works are a significant part of the Component 1 package.** Participation in PW is open to PSSN-eligible households with working age members and willing to participate. The PW subprojects are selected through a participatory community-based planning approach. PW sub-projects with the potential to adapt to and mitigate climate change risks and those that promote livelihood activities of beneficiary households, and the community at large, are encouraged. The participatory approach is gender-sensitive to ensure that projects respond to the priorities of women as well as men in the community.
20. **To enhance the productive impacts of the foundational packages, livelihoods support activities complement the above measures.** They consist of: (i) basic livelihood support for all PSSN beneficiary households (community sessions focused on nutrition and early childhood development, and financial literacy, and promotion of community savings and investment groups – COMSIPs), and (ii) an enhanced livelihoods support package for 200,000 households¹⁴ (including support in the preparation of a simple business plan and a one-off productive grant to set up a small business). As in the case of PW, enhanced livelihoods support is targeted to households with labor capacity (at least one member aged 18-65 years).
21. **Component 2 – Strengthening Institutional Capacity and Integrated Delivery Systems (Total US\$151.40 million, of which IDA US\$76.30 million equivalent)** underpins the effective delivery of the benefits and services. Institutional Capacity Enhancement includes capacity building of program implementers, strengthening of inter-sectoral coordination and program management support. In addition, integrated delivery system development also ensures administrative and implementation efficiencies. Systems development includes investments in: (i) strategies for targeting, recertification, and exit; (ii) the National Social Registry (NSR) and information and communication technology/MIS tools; (iii) citizen engagement; (iv) Monitoring and Evaluation; (v) payments; (vi) an improved development communication strategy; and (vii) gender mainstreaming.

(a) Implementation and PDO achievement progress

22. **Despite the delays described above, which will be absorbed through the proposed extension, the project is on track to achieve its PDO.** As of February 2023,¹⁵ the progress toward the achievement of Project Development Indicators (PDIs) and overall implementation are assessed as moderately satisfactory, and the project has disbursed 84 percent of the original IDA financing (US\$370.12 million out of US\$450 million). The project has made the following achievements: (i) during the last PSSN II payment, a total of 1.364 million households were reached translating to approximately 5.2 million individuals

¹⁴The revised target is 100,000 beneficiaries which will benefit from productive grants over the extended duration of the project, once the AF and restructuring are processed.

¹⁵ The rating is based on the latest publicly disclosed Implementation Status and Results Report (ISR) for the project dated February 3, 2023.



(against a target of 4.85 million), of which 52 percent are women; (ii) during the current fiscal year (FY2023, from July 2022 – June 2023, which is the same for the World Bank and the Government of URT) 662,374¹⁶ beneficiary households implemented 14,236 sub-projects in 123 Project Area Authorities (PAAs¹⁷); (iii) about 98 percent of children aged 0 to 2 in households enrolled in the program attend health facilities regularly, and 98 percent of those aged 5 to 18 attend school regularly; and (iv) after a verification exercise, almost 112,000 individuals were classified as having a severe disability and cleared for payment during the January 2023 payment window.

23. **In addition, PSSN II was able to support the expansion of the PSSN program.** Thanks to the financing made available through the PSSN II projects and by other donors, the expansion of the PSSN program to all villages not covered between 2012 and 2019 was completed in late 2021, leading to over 400,000 additional poor households being enrolled in the program and now benefitting from its support. A nation-wide targeting and enrollment exercise in close to 7,217 villages during the first semester of 2021 allowed TASAF to assess the socio-economic conditions of just under 600,000 households, following the program-sanctioned targeting process (which includes community targeting followed by the administration of a proxy-means test). Of these, 402,000 households were deemed as poor, enrolled in the program, and received their first CT payment during the first half of January 2022. This milestone also entails the achievement of at least two PDIs.
24. **Once implementation commenced, it became clear that the original design of PSSN II was ambitious, and that the overly optimistic implementation schedule of the program was unlikely to be achieved.** Furthermore, and as discussed above, a series of unforeseen events and shocks resulted in delays in the implementation of all activities since project effectiveness, in particular the PW and the LE activities. Nevertheless, thanks to TASAF's efforts, both sub-components are now being implemented and are scheduled for a very productive FY2023. The delays, combined with a larger than expected cost of delivering productive grants and public works at scale, will make it necessary to revise downward the intermediate targets of these sub-components of the program. The AF package will therefore include measures in the restructuring of PSSN II to make it financially affordable and operationally feasible. The World Bank will work with the implementing agency during implementation to ensure that the issues keeping the project from reaching a fully Satisfactory rating (e.g., implementation of the livelihoods enhancement component, occasional payment delays, etc.) are addressed.

Component 1: Productive Household Support (Benefits and Services)

Subcomponent 1.1. Cash Transfers (CTs)

25. **Since the launch of PSSN II, thirteen rounds of CTs to beneficiary households have been carried out.**¹⁸ The monitoring of conditionalities continues to progress well. After two rounds of payments with

¹⁶ This is very much in line with the original target for the second year of implementation (discounting for the delays) of the PW, which was 625,156 households and 16,000 sub-projects.

¹⁷ PAA is a generic term for local Government authorities/Zanzibar Administrative Authority or District, Town, Municipal and City Councils used by TASAF. PAAs broadly correspond to districts. For the purposes of PSSN, the United Republic of Tanzania is divided in 186 PAAs.

¹⁸ The first PSSN II payment to beneficiaries was carried out during the second half September 2020; a total of 783,203 households which had passed validation by early September 2020 were paid and households received a double payment as a one-off measure related to the COVID-19 emergency. As such, the September 2020 payment window accounted for two PSSN II payments. An extraordinary double payment, for the July/August and September/October 2021 periods, was carried out between December 27, 2021, and January 21, 2022. This payment was also the first payment for households in the villages not covered by PSSN I, and covered almost 1.29 million households, for over 4.8 million people in the country.



conditionalities suspended due to the pandemic and resulting school closures, health and education conditionalities - which households must comply with to receive support from the program - were reinstated and TASAF has been monitoring and enforcing them. As was the case during PSSN I, administrative data shows that compliance with co-responsibilities remains close to 100 percent.

Subcomponent 1.2. Public Works (PW)

26. **After initial delays, the implementation of PWs is now progressing well.** During FY22, a total of 196,000 beneficiaries completed 3,185 sub-projects in 51 PAAs throughout the country (out of a total of 186 PAAs). During the current fiscal year (FY23), a total of 14,236 subprojects in 10,379 villages are being executed, with close to 662,374 beneficiary households set to work. A post-implementation review of PW subprojects was completed in FY2022 by sectoral expert teams in a sample of PAAs in both Mainland Tanzania as well as in the semi-autonomous islands of Unguja and Pemba to evaluate how sub-projects were selected and carried out and provide recommendations to PAA implementation teams.

Subcomponent 1.3. Livelihoods Support (Productive Inclusion)

27. **Basic livelihood measures (such as savings and investment promotion, basic economic literacy trainings, etc.) are being implemented and targets have been exceeded.** As of February 2023, the implementation of basic livelihood support had begun in 133 PAAs. A total of 12,054 Community Savings and Investment Promotion Groups (COMSIP) have been formed with 165,608 members, (28,157 males and 137,451 females) in 55 PAAs out of 72 PAAs targeted for saving groups' formation this FY. In the remaining 17 PAAs, saving groups will be formed by June 2023. In 40 PAAs, the villages which were enrolled in the program in 2022 (following PSSN's expansion in 2021), saving groups formation began. To ensure the security of COMSIP groups' savings and documents, funds were disbursed to 55 PAAs to procure 12,054 security boxes for 12,054 savings groups. In addition, stationaries (secretary's books, members passbook, receipt books, cash books, admission registers and payment/loans receipts) for 55 PAAs have been procured and distributed. Finally, the use of behavioral nudges to gradually push beneficiaries toward financial services and to educate them on the importance of savings and household budgeting is being scaled up after these nudges were piloted and evaluated during PSSN I. The LE activities are also helping beneficiaries diversify livelihoods, build resilience to climate change and shift away from climate-vulnerable livelihood options.
28. **The implementation of the enhanced livelihood sub-component has picked up the pace significantly during 2022.** As of February 2023, a total of 27,099 households in 9 PAAs had received at least one instalment of their productive grant, and TASAF is now on track to deliver productive grants to a total of 50,000 beneficiaries by the end of the current fiscal year. Despite this good progress, the sub-component is delayed by approximately 24 months relative to its initial plans and is therefore unlikely to achieve its intended results, which foresaw about 200,000 households receiving productive grants by project closing. While part of the delays is linked to issues beyond TASAF's control as previously explained, it is now clear that the targets for the enhanced livelihood component were set at overly ambitious levels at the design stage. The administrative requirements for delivering such a large number of productive grants, which include frequent training and mentorship at the household level, and the costs and time associated with doing so, make the current targets unattainable.

Component 2: Strengthening Institutional Capacity and Integrated Delivery System

29. **The activities under the Institutional Capacity and Integrated Delivery Systems component have progressed well.** The rollout of the e-payments system continues. After piloting the use of digital



payments during PSSN I, TASAF has been gradually rolling out e-payments to PAAs since the first payment of PSSN II. This process will ultimately result – by the project’s revised closing date (September 30, 2025) - in 75 percent of PSSN beneficiaries nationwide being paid electronically through either bank accounts, mobile money wallets, or an over-the-counter solution.¹⁹ As of December 2022, all 186 PAAs are enrolled in the e-payment program, with a total of 376,917 households (28 percent of total beneficiary households) being paid electronically. The program’s MIS also continues to be improved, with 31,524 saving groups captured in the MIS, and with the Livelihood Enhancement module of the MIS being expanded to capture all information related to the preparation, assessment, and selection of business plans and for the disbursement and monitoring of productive grants. The Grievance Redressal Mechanism (GRM) system continues to be operational in all PAAs. The targeting of PW is developed through the Project Operational Manual to not only reflect high labor content, but to also provide wide communal benefits, including benefits for women, and maximizing environmental benefits and increasing resilience to climate change.

(b) Environmental and Social (E&S), and Fiduciary Performance

30. **E&S.** The application of the Environmental and Social Framework (ESF) continues and is broadly complying with the environmental and social standards. E&S Management Performance is rated Moderately Satisfactory since project effectiveness.
- The World Bank conducted reviews of PW subprojects and broadly confirmed PWs’ adherence to sector norms and standards and their compliance with the relevant environmental and social management tools developed for the implementation of PWs.
 - Over 300 facilitators have been trained on E&S procedures, including screening of subprojects.
 - Day-to-day follow up on implementation of mitigating measures at subproject level is done through the Local Service Providers.
 - In addition to the regular reporting of Local Service Providers and monitoring reports from the backstopping and monitoring missions, E&S issues are also captured through the GRM system, especially the possible occurrence of health and safety incidents.
 - The project has reported no Occupational Health and Safety (OHS) incident since its inception.
31. **Financial Management.** The TMU has established adequate financial management structure and the capacity to produce financial reports on time. Financial management has been rated Satisfactory since February 2022 (following the project’s midterm review), an upgrade since the previous Moderately Satisfactory rating which the project maintained since effectiveness.
32. **Procurement.** The project continues to be supported by procurement staff with adequate capacity. As per the Procurement Plan in the Systematic Tracking of Exchanges in Procurement (STEP) system, for FY2023, 31 activities are signed, 26 are completed, five are under implementation and two are pending implementation. Out of the 31 signed activities, seven contracts will be completed soon. Procurement is rated Satisfactory since August 2022, after a period of one year at Moderately Satisfactory due to delays in finalizing the hiring process of key managerial positions within TASAF.

¹⁹ The over-the-counter solution deploys biometric authentication of beneficiaries using national identification numbers through payment service providers’ agents (known as “wakalas”) to allow them to cash out benefits. This solution is envisioned to cater to beneficiaries who don’t own / cannot operate a mobile phone and/or do not own a bank/mobile account etc.



II. DESCRIPTION OF ADDITIONAL FINANCING

(a) Summary of Proposed Changes

33. **The proposed AF will serve to fill a pre-identified financing gap.** The bulk of the financing will be added to Component 1: Productive Household Support (currently totaling US\$731.90 million - of which IDA US\$372.85 million equivalent²⁰). One of the key changes will be a redistribution of resources across disbursement categories to account for the fact that cash transfers had to be extended to beneficiary households for longer than expected and reached almost 400,000 additional beneficiaries during the economically challenging pandemic years. The AF would also aim to maintain an open dialogue about the sustainability of the safety nets, and the sources of financing. The proposed AF would also extend the project's duration, adjust the Results Framework (RF), and recalibrate project costs by component in line with the revised targets of the program. To ensure proper implementation, account for the delays, and fully meet its PDO, the project closing date will be extended from September 30, 2023 to September 30, 2025.

(b) Changes to Components and Activities

34. **Over the two years of additional implementation, it is expected that up to 400,000 households will exit the program.** According to the project appraisal document (PAD) of the parent project, the program was to witness an exit of beneficiaries over the second half of the implementation period; the original design envisioned CT beneficiaries to peak at 1,219,347²¹ households during the third year of implementation, to then decline to around 1 million households by project closing (or the fourth year of implementation). According to the revised rollout plan, CT beneficiaries peaked at 1,375,107 in March 2023; through an exit strategy, this number will be brought down to 969,309 households by the revised closing date. In other words, even though the exit process was foreseen at program design, the households exiting the program will be more than expected. This is because the expansion of the program in 2021 was larger than planned. The exit of households will be carried out gradually and over a period of two years, focusing on villages which have been receiving PSSN support since 2015. Beneficiaries to exit the program will be selected following the program-sanctioned targeting methodology, which combines community-level targeting followed by the uniform and objective application of the proxy-means testing formula, which is currently used by TASAF to assess households' socio-economic conditions. This will guarantee that families will have the chance to remain in the program if the assessment shows that their economic situation had not improved enough to allow them to sustain themselves without TASAF support.
35. **As mentioned above, the implementation schedule for public works and for enhanced livelihood measures, which are the most expensive in per-capita terms and the most complex to administer, will be revised.** The public works component, which currently covers about 660,000 households, will still cumulatively reach about 837,000 beneficiary households by project closing, thereby achieving its targets over the project cycle.²² In parallel, a total of 100,000 of the CT and PW beneficiaries will transition into livelihoods support, with a view to graduating from the program when ready to provide for their families

²⁰ Including the additional financing resources, the IDA contribution to Component 1 of PSSN II is set to increase to a total of US\$548.35 million.

²¹ Table 2.1: PSSN II Roll-out Plan: Estimated Households Benefiting by Type of Support and Year

²² According to the PAD of the parent project, public works were supposed to peak during the third year of implementation with 969,309 households benefitting from the intervention, followed by a reduction in beneficiaries during the last year of implementation to 837,573. As such, the revised implementation schedule will entail a reduction in IRIs but an unchanged overall cumulative target at closing.



sustainably and independently.

36. **The changes above will be carried out in a transparent, objective, and clearly communicated manner.** A comprehensive communication effort will be initiated starting from the next payment window to ensure a high level of understanding among the population and local implementers of the next steps, and to minimize discontent and politicization of the process.
37. **The AF will also add under Component 2 technical assistance activities in support of the finalization of a national social protection policy and the institutionalization of PSSN as a government-led institutional safety net.** With support from the project, the client will draft a work plan / roadmap for the institutionalization of PSSN and of TASAF, and toward the adoption of the NSPP by the government. Up to US\$450,000 under Component 2 will be set aside for activities in support of finalizing NSPP and establishing the social protection institutions. A work plan for these activities will be developed by the Government of URT during the first months of implementation of the AF, in coordination with the World Bank.
38. **Table 1 provides the details of the cost allocations from the proposed AF to each component and project activity.** All activities under Component 1 directly contribute to responding to food insecurity by scaling up social protection support to the most vulnerable and is thus fully aligned with Pillar 1 of the GCRF. All core programs under Component 1, including the CT, PW and Livelihoods activities address income diversification for the poor and strengthen the adaptive nature of the social protection system, which will directly contribute to Pillar 3, *strengthening resilience*, of the GCRF. Specifically, livelihoods activities under Component 1 will also contribute to Pillar 3 of the GCRF through its strong focus on gender equality through specific targeting of beneficiaries as well as capacity building, trainings, and livelihoods development support for beneficiaries. The activities under Component 2 support Pillar 4 of the GCRF as it enhances and harmonizes the institutional framework, facilitates sectoral dialogue, and promotes coordination across relevant sectors. The activities under this component will also contribute to a transition to a more sustainable approach to social protection.

Table 1. Additional Financing Distribution of Costs across Core Activities by Source of Financing

Component	Sub-component/ Activity	IDA original (US\$, millions)	AF (US\$, millions)	DFATD ²³ RETF (US\$, millions)	Total Financing (US\$, millions)	Coverage (households) (thousands)	GCRF Thematic Area
Component 1: Productive Household Support (Benefits and Services) (Total US\$731.90 million, of which IDA is US\$372.85 ²⁴ million equivalent)	CTs	171.50	100	7.50	279.00	1,375	Pillar 1
	PWs	144.00	50.00	-	194.00	837*	Pillar 2
	Livelihoods Support	57.35	18.00	-	75.35	1,119*	Pillar 3
Total Component 1		372.85	175.50	-	548.35		

²³ Canadian Department of Foreign Affairs, Trade and Development

²⁴ The total number in US\$ in the PAD is US\$373.70 million as it was calculated using a different SDR/US\$ exchange rate. Similar small differences exist for other US\$ numbers in this table, which uses the same exchange rate from the Financing Agreement.



Component	Sub-component/ Activity	IDA original (US\$, millions)	AF (US\$, millions)	DFATD ²³ RETF (US\$, millions)	Total Financing (US\$, millions)	Coverage (households) (thousands)	GCRF Thematic Area
Component 2 - Strengthening Institutional Capacity and Integrated Delivery Systems (Total US\$151.40 million, of which IDA US\$77.15 million equivalent)	Institutional Capacity Enhancement and Integrated Delivery Systems Enhancement	77.15	32.00	-	109.15	--	Pillar 4
Total component 2		77.15	32.00	-	109.15		
TOTAL		450.00	207.5	-	657.50		

* Households receiving public works or livelihood support are a sub-set of those receiving CTs

(c) Revised Rollout Plan

39. **From the design stage, the project was envisaged to reach certain coverage of beneficiaries, and to then gradually level off and phase out.** This trajectory was especially valid for CTs and PWs. Table 2 below shows the revised Rollout Plan.

Table 2. Revised Rollout Plan

	2019/20**	2020/21**	2021/22**	2022/23***	2023/24	2024/25	2025/26~
CTs*	0	882,129	1,286,785	1,375,107	1,160,000	960,000	960,000
PWs	0	0	199,987	660,000	500,000	300,000	0
Enhanced Livelihoods	0	0	0	50,000	50,000	0	0
Basic Livelihoods ~~	0	35,775	169,650	205,050	700,000	870,000	0

*CTs include Households with labor capacity until they enroll in PWs + Households with no labor capacity + Households with children. This indicator translates directly into the PDO indicator “Direct project beneficiaries”, by multiplying its value by the updated average number of household members for Tanzania. Households receiving public works or livelihood support are a sub-set of those receiving CTs.

**Actual numbers achieved for past periods

***Actual. The maximum yearly target was 1,219,347 for CTs; 969,309 for public works, and 100,000 for enhanced livelihoods.

~ PSSN II will close in September 2025. Therefore, during FY25/26 there will be no public works or livelihood enhancement activities. It is envisioned that in FY25/26 only one round of CT payments will be carried out. The original end target of CTs was 1,010,785 at program design stage.

~~ Corresponds to the intermediate results indicator “Beneficiaries receiving information on livelihood enhancement services”.

(d) Results Framework

40. **The PDO remains unchanged.** The RF will be re-arranged to reflect more clearly the wording of the PDO as the sum of two discernable parts. The results indicators are grouped according to the two parts of the PDO: (i) to improve access to income-earning opportunities and socio-economic services for targeted poor households; and (ii) to enhance and protect the human capital of their children. The respective PDIs for each part of the PDO are the following:



- (i) **Part 1 of the PDO:** to improve access to income-earning opportunities and socio-economic services for targeted poor households
 - PDI 1: Direct project beneficiaries (number), of which female (percentage)
 - PDI 2: Livelihoods beneficiary households representatives involved in functional income generating investments upon exit from the program (percentage) of which female beneficiaries (percentage).
 - PDI 3: PSSN beneficiary households reporting benefits from community assets created through Public Works (percentage)
- (ii) **Part 2 of the PDO:** to enhance and protect the human capital of the children of targeted poor households
 - PDI 4: Primary school completion rate for children from beneficiary households (percentage)
 - PDI 5: Beneficiary households with food consumption score above “poor level” (percentage)
 - PDI 6: Proportion of benefits reaching the poorest 20 percent of the population (percentage)

41. **Other than rearranging the PDIs to match the different parts of the PDO that they measure, PDIs are not being revised, and only one PDI target is adjusted upward to reflect the increased number of total beneficiaries (see Table 3).** The baseline for this indicator is also adjusted. It was set at project approval as the end value of the project beneficiaries’ number for the predecessor project – PSSN I (5,267,031). The baseline for PSSN II itself is and should have been 0 (zero). The revised target is based on actual administrative data held by the program.

Table 3. Revisions to PDIs

PDI	Baseline	Current Target	Revised Target
PDI 1: Direct project beneficiaries (Number)	0	4,851,768	5,195,605
- Of which female (Percentage)	0	52	52

42. **To accommodate for the rollout shifts and the pandemic years, the intermediate implementation targets for the public works and the livelihood enhancement sub-components – which were set at ambitious levels - will be revised downward.** However, with the AF resources, the sub-component will still sustain much of the scale-up achieved during the 2020-2023 calendar year period and will reach its intended beneficiary targets by the new project end date. The intermediate-level target for the enhanced livelihood subcomponent will be reduced from 200,000 to 100,000 beneficiaries receiving grants over the extended project cycle. This is because the original target was overly ambitious given the cost and the operational challenges involved in delivering productive grants at scale.²⁵ In addition, some other Intermediate Results Indicators (IRIs) are being refined or adjusted. As the original RF is overly complex at the IRI level and included IRIs that are either duplicating PDIs or other IRIs, or bring no additional information on impact, nine IRIs are being removed (see Section VIII for details on revised IRIs in the comments section under each indicator).

²⁵ It should be noted, however, that this intermediate indicator treats a sub-set of beneficiaries who are already beneficiaries of the program through CTs or PWs. Therefore, the downward revision of the enhanced livelihoods target does not represent a cut in the overall number of beneficiaries.



(e) Extension of the Closing Date

43. **To compensate for the delays described above and the changes to the initial roll-out schedule, the project closing date will be extended.** The extension would allow for the proper implementation of the PW and LE activities. The extension of the closing date would ensure completing implementation of PSSN II activities and fully meeting the PDO. The proposed extension is two years, and the revised closing date is September 30, 2025.

III. KEY RISKS

44. **The overall risk for the PSSN II is rated Moderate.** The major anticipated risks of specific relevance to the project and the proposed mitigation measures are described below.
45. **Risks related to the technical design of the project will continue to be rated as Substantial.** PSSN has been under implementation since 2013 and its core design elements and components remain unchanged. The approach taken in the design of the program - which includes a layering of CT, PW, and livelihood enhancement interventions - is expected to continue strengthening the impacts of the program on the livelihoods of beneficiaries and speed up the vision of the government to graduate poor people out of poverty. However, such integrated design and the scale-up of PW and LE subcomponents continue to be challenging from administrative, financial, and institutional perspectives, requiring strengthened implementation capacity. The innovative nature of the program, alongside the above-mentioned capacity limitations are key project risks, and the substantial focus on capacity building, awareness raising, phased roll-out and strong monitoring and evaluation reflect efforts to mitigate these risks. A critical mass of mitigation measures has already taken place during the implementation of the parent project so far. The teams will continue to closely monitor the project, ready to adjust the rollout plans for the various activities to ensure exact match of timelines among the different activities. Regular and detailed monitoring at the level of each activity will ensure that any issues would be spotted early and acted upon.
46. **Fiduciary risks continue to be rated as Substantial.** The implementation of the PSSN over the last three years has shown satisfactory fiduciary performance. The financial management and procurement systems in place provide reasonable assurance that World Bank proceeds are being used for the intended purposes, and that reports produced by the system can be relied upon to monitor the project. However, given the nature of the project in terms of decentralized delivery down to the village level and associated capacity gaps, there are still substantial fiduciary risks relating to cash transfers reaching the intended beneficiaries. Mitigation measures include continued building of the fiduciary capacity at all levels and strengthening of the regular monitoring and supervision by the World Bank and the TMT. In addition, mitigation measures include the plan to fully roll out e-payments, which increase accountability and minimize the risk related to fraud.
47. **Environmental and social risks are rated as Substantial.** The current project has been complying with the relevant E&S standards. There is strong capacity at the national level with three safeguards staff hired to monitor safeguard compliance and provide capacity support to PAAs implementing the program. Since the start of the PW sub-projects, Environmental and Social Management Framework (ESMF) screening procedures were satisfactorily applied and, where necessary, mitigation measures identified. However, there may be the need to strengthen the capacity to monitor compliance of environmental and social risks; as the PW and livelihood enhancement components further expand, the demand for more capacity to effectively implement E&S measures may increase. To mitigate this potential risk, specific capacity



building plans have been developed as part of the design and adequate resources are earmarked for the implementation and monitoring of E&S compliance requirements under Component 2.

IV. APPRAISAL SUMMARY

A. Economic Analysis

48. **To understand the potential impacts of the PSSN program introduced through PSSN II, ex-ante microsimulations were conducted using the latest available nationally representative household data.** The ex-ante microsimulations demonstrated that the expansion of the program envisioned under PSSN II could have had significant impacts on extreme poverty and could have improved school enrollment among the beneficiary households. The additional financing, by extending the support of the program by an additional two years and supporting the scale up of PSNN, could lead to even higher impacts on poverty levels, income inequality level, and school enrollment among the children in the beneficiary households. Beyond the benefits on poverty reduction, the model estimated that the CT component of the program would shift more than 243,600 children back to school, increasing the primary and secondary school enrollment rates to more than 95 percent and 80 percent respectively.
49. **Over a decade into the implementation of PSSN, the overwhelmingly positive impacts of PSSN on poverty and on poor households are well documented.** During PSSN I, based on the midline evaluation of the program, jointly carried out by the World Bank and the Government of URT,²⁶ households getting cash transfers experienced an extra 10 percent reduction in poverty relative to those that did not, accompanied by a 20 percent boost in monthly consumption. The 2020 NBS / World Bank Poverty Assessment found that in the absence of the program, the poverty rate would be at least 2 percentage points higher. To put it differently, Tanzania would have one million more poor individuals if it were not for TASAF's program. The program is contributing to the development of human capital among poor families. Improvements have been observed on children's school enrollment and literacy, attendance of regular maternal and child health services by mothers, health insurance registration, food security, and assets accumulation.²⁷

B. Technical

(a) Social Safety Nets in Tanzania

50. **According to the original PAD, there is a large body of evidence on positive impacts of similar safety net programs.** Cash transfers can have significant positive impacts on the livelihoods of beneficiary households, as well as on the communities in which they live. The evidence supports the theory that cash transfers, by providing a guaranteed and predictable source of income, can lift households' liquidity, savings, and credit constraints, thereby enabling investment. Most cash transfer programs reviewed have significant positive impacts on four dimensions of production: risk management and savings, livestock

²⁶ <https://documents1.worldbank.org/curated/en/150071582090321211/pdf/Evaluating-Tanzania-s-Productive-Social-Safety-Net-Findings-from-the-Midline-Survey.pdf>

²⁷ The program increased the likelihood of ever being enrolled in school and of being currently enrolled by approximately 10%. Households in the program were also 10 percent more likely to visit a health provider when sick, with an even higher increase (20 percent) for under-fives, a demographic for whom behavioral change is explicitly targeted through conditionalities. The program also enabled poor households to protect against future risks: the likelihood of having any savings grew by 30 percent among treated households, they accumulated 7 percent more assets, and experienced a threefold increase in health insurance registration.



accumulation, agricultural inputs, and labor.²⁸ Moreover, cash transfers support families to invest in the human capital of their members from the very early years and throughout the entire life cycle. Cash transfers have demonstrated impacts on child nutrition, health and development in the early years, schooling, child labor, sexual and reproductive health, mental health, and criminal behavior, among others. The assets created through public works are contributing to increased productivity, while promoting natural resource management and mitigation of the effects of climate change.

51. **As discussed above, PSSN has demonstrated positive impacts on poverty reduction. However, there has been no progress toward “institutionalizing” TASAF or defining a medium- and long-term vision for the program and the social protection sector.** Of the roughly US\$1.5 billion needed to implement both PSSN I and PSSN II combined, virtually all the resources will come from donors (with IDA alone estimated to contribute about US\$1.1 billion between 2012 and 2025). This leads to a situation in which both TASAF and PSSN are permanently fund-raising and unable to make long-term implementation plans, which are even more needed in the current volatile global environment. The government does contribute indirectly to the agency (through, for instance, rent-free buildings, local government staff working in part on TASAF operations, etc.). The government estimates these indirect contributions to amount to approximately US\$25 million per year.
52. **Even though the design of PSSN II was aligned with the draft NSPP, the policy is still awaiting Cabinet’s approval.** As PSSN was designed to be the flagship social protection program in the country, the preparation of PSSN II ensured that the program’s medium and long-term objectives, main building blocks, and delivery mechanisms were consistent with the policy’s objectives, main pillars, and envisioned institutional framework supporting its implementation.²⁹ However, the approval of the NSPP has been awaiting Cabinet approval since 2015—and although there has been some progress recently in revising the current draft, discussions on the budget needed to support the implementation of the future policy have yet to begin.
53. **At the same time, while operating since 1999, TASAF continues to be a project implementation unit relying significantly on donor support.** TASAF has not been established as a government entity and, while the agency is under the President’s Office, this is a de facto arrangement as opposed to a de jure one. As a result, both TASAF and PSSN operate in a policy vacuum. Consequently, the draft National Social Protection Policy should include provisions to formalize TASAF’s role and its institutional mapping withing the Government of URT.
54. **The delay of the approval of NSPP creates uncertainty for the long-term sustainability of PSSN.** The NSPP would provide an institutional, legal, and administrative framework around social protection in Tanzania and would formally anchor TASAF and PSSN in the country’s government structures. At the same time, and even more importantly, the NSPP would inevitably need to be followed by a sustainable financing

²⁸ These conclusions are supported by two meta-reviews of the findings of rigorous impact evaluations of government unconditional cash transfer programs in seven countries in sub-Saharan Africa – Ethiopia, Ghana, Kenya, Lesotho, Malawi, Zambia and Zimbabwe (Daidone et al, 2017. “Myth-busting? Confronting Six Common Perceptions about Unconditional Cash Transfers as a Poverty Reduction Strategy in Africa”); and Thome et al, 2016. “Local Economy-Wide Impact Evaluation of Social Cash Transfer Programmes”); and by a systematic review of the global evidence on productive impacts of cash transfers (Bastagli et al, 2016. “Cash Transfers; What Does the Evidence Say? A Rigorous Review of Programme Impact and of the Role Of Design and Implementation Features.”)

²⁹ The new NSPP is expected to be framed around four areas that will henceforth underpin all social protection programs in Tanzania. These are: (i) contributory social protection, including pensions; (ii) non-contributory social protection, including safety nets and cash transfers; (iii) demand side linkages with social services; and (iv) productive inclusion and livelihoods interventions



strategy to support the implementation of the policy. Such financing strategy would need to address the issue of PSSN's medium- and long-term financing, identifying a feasible transition plan to gradually transition PSSN from an almost entirely donor funded program to a recurrent budget item financed, for a sizeable portion, by public resources.

55. **Recent macroeconomic developments as well as the country's increasing vulnerability to climate-related shocks will pose additional challenges in the coming years, making the above changes even more important.** Tanzania's large population growth, increasing inequality and limited progress in reducing poverty will likely exacerbate the impacts of the recent food and fuel price increases, rising inflation, and extreme climate-related events. In view of a possible third phase of the program, and to protect the achievements through the implementation of PSSN, a solid institutional foundation (built around a clear set of objectives and a sustainable financing strategy) for the program and for the social protection sector become paramount.

(b) Cash Transfers

56. **The targeting methodology of PSSN is successful in reaching the poorest of the poor in Tanzania.** Based on the above-mentioned evaluation of PSSN I, over 60 percent of beneficiaries belong to the bottom 20 percent of the population in terms of consumption; and over 80 percent of beneficiaries belong to the bottom 40 percent. According to this evidence, the program is among the best targeted interventions in the world. The initial findings of the baseline evaluation of PSSN II, jointly carried out by the World Bank and the Government of URT, confirm that the program is indeed identifying beneficiaries among the neediest in the country.

(c) Climate Change Adaptation and Mitigation and Contribution to Climate Change Commitments

57. **As described in section I, Tanzania is affected by climate change through rising temperatures, sea levels, increased heat and dry spells, and other factors.** The poor are disproportionately affected by changes in climate, as they rely predominantly on subsistence agriculture with dropping yields, are not able to diversify income easily, and are less mobile. PSSN II aims to mitigate such risks and vulnerabilities by strengthening activities are expected to improve adaptation by building resilience to climate change, through: (i) providing conditional and unconditional cash transfers to the most vulnerable helping them cope with periods of reduced crop yields or natural disasters; (ii) a focus on community-based planning, development and application of climate-smart, integrated watershed development, incorporating adaptive measures such as appropriate soils and water conservation activities, followed by further resilience-building subprojects such as micro- and small-scale irrigation; (iii) PW activities for reforestation, land management and soil improvements which will strengthen adaptation and in the long-run will also help to mitigate climate change; and (iv) the capacity to scale up in response to climate-induced shocks, guided by village/district-level risk management plans. Special attention is given to areas subject to different disaster risks such as drought and floods, exacerbated by climate change. PWs focus particularly on climate-smart activities. The categories of subprojects implemented include water, afforestation and tree planting, rural access roads, agriculture and irrigation, environmental conservation, as well as soil and water conservation. According to the final evaluation of PSSN I,³⁰ these subprojects had significant positive impacts (Alpha and Omega Consulting Group 2019) on natural resource conservation and mitigation of climate change effects (afforestation, soil and water conservation activities, and

³⁰ World Bank. 2020. *Implementation Completion and results Report for the Tanzania Productive Social Safety Net Project (P124045)*. Report No: ICR00005010.



protective structures to prevent sea water expansion to farms). This project and its AF also include an indicator that measures the proportion of PW sub-projects with direct positive contribution for climate change adaptation/risk mitigation.

58. **PSSN is already implementing interventions with relevant links to climate-smart activities and may have had significant effects in improving climate resilience of the poorest in Tanzania.** CT, PW, and LE subcomponents of PSSN have significant potential for contributing to resilience building and supporting activities which will enhance the climate change adaptation at the household, local and national levels. According to the United Kingdom Department for International Development (DFID) PSSN I Final Report from 2018,³¹ the PSSN activities work in concert to create a range of opportunities to build climate resilience. Unconditional cash transfers, livelihoods, and PW help heads of household, often single women, create stability in the home and a level of economic independence and ability to manage periods of drought. They serve as the foundation from which their children can be made healthy and attend school. They are also the basis from which dependent ill, disabled, and orphans can be better cared for. These opportunities equally support heads of households who are elderly, the grandparents, who are caring for orphaned grandchildren. The program also seems to lead to behavioral changes, health seeking behavior, and increased value of the education. The PSSN budget is balanced and weighted toward the investments offering maximum climate resilience potential. It is simultaneously a public investment in economic growth and welfare for the country's most vulnerable populations. Specifically, under PW, the positive environmental impacts included greening of the environment, managed natural resources, improved water sources, and maintained ecosystems. The implemented subprojects invested in controlling soil erosion and improving soil fertility, protecting housing and human settlements from natural disasters, and protecting water sources and enhancing water management. In a survey conducted for the Impact Assessment of Public Works under PSSN Program (Alpha and Omega Consulting Group 2019), communities confirmed that forestation (86.1 percent of the respondents), soil erosion (79.6 percent), natural resources protection (67.3 percent), improved accessibility through road construction (59.5 percent), and flood control (56 percent) were highly appreciated as benefits from PW.
59. **The CTs are provided in a way that help people overcome immediate challenges as well as providing longer term improvements to livelihoods and human development needs.** Labor-intensive PW have a strong focus on interventions aimed at environmental rehabilitation and natural resource management (i.e., irrigation systems, reforestation, soil and water conservation measures, watersheds, etc.). To showcase and disseminate best practices in terms of public works sub-projects mitigating climate impacts and improving resilience at the community level, five "centers of excellence" have been selected and will serve as demonstration points for other districts to hopefully replicate the experiences nationwide. The LE subcomponent enhances skills of the beneficiaries and supports them in improving and diversifying their sources of income. Overall, the program puts a strong focus on achieving sustainable resilience, enabling people to withstand and respond to shocks and move toward more sustainable livelihoods. Substantial impact has already been observed on the ground.

³¹ McDowell, Stephen, R. Goodman, C. Fitzgibbon, and C. Wallis. 2018. Strengthening Resilience and Response to Crises: Final Report for DFID and TASAF.



(d) Gender Aspects

60. **The recently concluded Tanzania Gender Assessment³² and the Gender Based Violence Assessment,³³ show that gender gaps remain wide in the country.** For instance, although the gender gap in wage employment has decreased, women wage workers are more likely than men to make less money or not be paid for their work. The conditional gender gap in agricultural productivity – which estimates the difference in production per hectare between plots managed by men and women– is at 20 to 30 percent, and female entrepreneurs’ sales are 46 percent less than those of male entrepreneurs. Women have significantly less decision-making power than their male counterparts. At the same time, women and girls in Tanzania continue to experience high levels of violence.³⁴
61. **The CT and livelihood enhancing interventions were designed, among others, to narrow gender gaps related to the economic and social inclusion of women in the community.** Currently, and by design, over 80 percent of PSSN’s direct beneficiaries are women, and about 56 percent of all direct and indirect beneficiaries are women. Over 90 percent of beneficiaries of basic livelihood enhancement activities are women, as are about 95 percent of those receiving productive grants. Given that women are far more likely to exercise control over the use of their own cash, this is an empowering feature of the program design and likely to contribute to reducing gaps in poverty and resilience. In fact, the midline evaluation PSSN I found that cash transfers granted through the program led to women’s empowerment by increasing the share of women having a say in the use of their own earnings, primary decision-making regarding children’s health and education, and household purchases.
62. **The parent project is ‘gender tagged’,³⁵ and the proposed AF will continue strengthening its gender focus.** The implementation of PSSN II’s Gender Action Plan – which aims to build a competent and functional gender team within TASAF’s management unit, to train at least 80 percent of the program’s local implementers, to increase monitoring efforts to focus on women’s economic empowerment, and to strengthen the program’s GRM to address women’s needs - is progressing. The program is growing more sensitive to the needs of women and to gender inequality among beneficiaries. Since the start of the project, several activities related to gender have taken place, including activities to reduce gender gaps (trainings, engagement initiatives, special gender-sensitive design improvements), as well as activities to improve the available information on gender issues (for example, a GBV assessment) and disparities.

³² The World Bank. 2022. *Tanzania Gender Assessment*. Report AUS0002736.

³³ The World Bank. 2022. *Tanzania Gender-Based Violence Assessment: Scope, Programming, Gaps and Entry Points*. Report AUS0002786.

³⁴ According to the above-mentioned documents (footnotes 29 and 30), 17 percent of women have experienced sexual violence and 44 percent of women have experienced either physical or sexual violence by an intimate partner. Around 22 percent of women ages 15 to19 have experienced physical violence, 32 percent have experienced emotional violence, and 9 percent of women in this age group experienced violence during pregnancy. Worryingly, the acceptance of the use of violence by husbands/partners is high in Tanzania and very few survivors seek help. Moreover, the elevated levels of child-marriage, and the fact that fewer women than men enroll in upper-secondary and higher-learning institutions, affects the capacity of women to be absorbed into the labor market and their income opportunities.

³⁵ Gender tagging applies to Bank operations that close gender gaps in line with the World Bank Group’s gender strategy through (i) analysis – identify gender gaps in outcomes between men and women in a given project or sector; (ii) design – devise interventions to address gaps between women and men, and; (iii) indicators in the results framework that measure closure of a gender gap.



(e) Disability Inclusiveness

63. **The parent project marks an important milestone toward greater disability-inclusiveness in Tanzania, and the AF will seek to strengthen prior achievements.** The design of PSSN II included a new feature in the CT subcomponent of the program by envisioning an additional CT benefit – a fixed monthly payment for beneficiary households living with persons with disabilities to compensate for the extra costs associated with having a disability. Between 2020 and 2022, data on beneficiary household members living with disabilities were collected by TASAF and validated by the President's Office - Regional Administration and Local Government (PO-RALG) staff (which has the legal mandate on matters concerning disability in the country). By end of January 2023, the verification of PSSN beneficiaries living with disabilities was completed in all PAAs, with close to 200,000 individuals being classified as having a disability.³⁶ Of these, about 112,000 were classified having a severe disability and are currently receiving the newly introduced disability benefit. This marks the first type of safety net benefit for persons living with disability available at the national level. The project is also tracking its support for people with disabilities through an IRI, "Proportion of beneficiary households with at least one person living with disability who receive disability benefits".
64. **With the AF and the added project duration, the project will continue to actively improve disability inclusiveness.** Stakeholders' consultations with persons with disabilities and with organizations of persons living with disabilities were carried out on April 13, 2023, and their results have been taken into consideration when adjusting operational procedures. PSSN II will also support the strengthening of oversight as well as monitoring and evaluation mechanisms to enhance data quality around disability so better information on persons living with disabilities, their needs and constraints are included in the program's database. Through capturing such information in the program's Unified Registry of Beneficiaries (URB – which is being constantly improved), the Government of URT will gradually be able to assess how the main socio-economic indicators (poverty, employment, education levels, etc.) vary between those living with a disability and those who do not, allowing more informed policy decisions. To the extent possible, during the additional financing period, TASAF will work with local government staff to refer persons with disability to the appropriate health services available in relevant areas.

C. Financial Management

65. **The Financial Management (FM) arrangements will remain the same as for the parent project.** The regular supervision of the project continues to reveal that financial management arrangements for PSSN II are adequate. These have been established over time during the implementation of PSSN I. The project has an adequate internal control environment including reporting structures, policies and procedures, information management systems that facilitate financial reporting, and experienced accounting staff. Accounting and reporting systems were recently upgraded, with TASAF adopting the government's integrated financial management system software (MUSE – *Mfumo wa Ulipaji Serikalini*) which allows for the development of a financial reporting module that better suits the project needs. During FY22/23, TASAF completed the transition from the International Public Sector Accounting Standards Board's (IPSASB) Cash Basis to the new IPSAS Accrual Basis. The migration ensures that the organization's

³⁶ The definition of disability, as per Tanzanian law, follows a categorical approach whereby different types of disabilities are listed and categorized as low, moderate, or severe/high. PSSN beneficiaries living with a disability self-reported their disability status during a data collection effort led by TASAF, and such information was later verified by PO-RALG's social workers, who certified whether a person was indeed living with a disability, and the severity of such disability. Those verified as living with a high/sever disability were cleared for payment of disability benefits.



accounting policy complies with IPSAS requirements and that financial statements are more elaborative, detailed, and transparent.

66. **The TMT will continue to take full fiduciary responsibility for the project and a fiduciary team is in place with adequate skills.** At PAA level, PAA Treasurers will continue to be in overall charge of financial management aspects of the project, including records keeping and reporting to TMT. Currently, the TMT has established an adequate internal controls system to track and monitor cash transfers to beneficiaries. The e-payment system (with the use of payment agents who will be responsible for transferring funds directly to beneficiaries) will continue to be expanded. The internal audit department has been strengthened through the hiring of an IT Internal Auditor to address risks associated with advancements in the use of technology in project delivery.
67. **Disbursement Arrangements: PSSN II will continue to use advances, reimbursement, direct payments, and special commitments as disbursement methods.** Withdrawal requests will be made according to project needs, based on the cash forecast of two quarters submitted in unaudited interim financial reports. Cash flow projections will have to be supported by annual work plans and procurement plans. In addition to the advance method of payment, reimbursements can be requested for eligible costs incurred; payments can be made directly to contractors or service providers upon notification of their satisfactory performance by the project authorized officials; and payments may also be made for special commitments basing on the agreed terms and conditions. The use of advances will be reported on a quarterly basis using unaudited interim financial reports (IFRs).
68. **Implementation Support Arrangements.** World Bank FM implementation support missions will continue to be conducted at least twice every year based on the current risk assessment of the project. In addition, project performance will continue to be monitored through regular desk reviews of unaudited IFRs and reviews of annual audit reports.
69. **The parent operation does not have any overdue audits.**

D. Procurement

70. **Procurement Procedures.** Procurement activities under the proposed AF will be carried out in accordance with: (a) the World Bank Procurement Regulations for IPF Borrowers, Fourth Edition, November 2020; (b) Guidelines on Preventing and Combating Fraud and Corruption in Projects Financed by IBRD Loans and IDA Credits and Grants, dated October 15, 2006, and revised in January 2011 and July 1, 2016; and (c) other provisions stipulated in the Financing Agreements.
71. **A Project Procurement Strategy for Development (PPSD) and a Procurement Plan (PP) have been prepared.** The Borrower has prepared a PPSD identifying optimum procurement strategies for meeting the development objectives of the project, based on which the PP for 24 months has been prepared, setting the selection methods to be used by the Borrower in the procurement of goods, works, non-consulting services, and consulting services under the AF. The PP will be updated at least every 12 months, or as required, to reflect the actual project implementation needs. Each update shall require World Bank approval and will be publicly disclosed in accordance with the World Bank Access to Information policy.
72. **Systematic Tracking of Exchanges in Procurement (STEP) and Tanzania National e-Procurement System (TANePS).** The World Bank's STEP system will continue to be used to prepare, clear, and update PPs, as well as to conduct all procurement transactions of the project. TANePS will continue to be used for the AF procurement activities which follows National Procurement Procedures.



- 73. **Procurement Implementation Arrangements.** Procurement activities under the project will continue to be undertaken at four levels – National/TMT, Regional Administrations (RASs), PAAs, and Communities. Procurement activities to be carried out at the National/TMT level will be for those packages to be processed as per the Procurement Regulations and transacted in STEP. Procurement activities at RASs, PAAs and community levels will continue to be carried out in accordance with the Procurement and Stores Manual that has been prepared under PSSNII. The TMT will continue have overall responsibility in providing technical support and monitoring of procurement activities including random field visits and reviews of procurement processes and documentation to ensure that the procedures described in the manual/handbook are adhered to and proper records are kept. The TMT will continue to be responsible for conducting ex-post procurement reviews on the compliance of procurement procedures stipulated in the manual at the RASs/PAAs and community levels and share reports with the World Bank on a regular basis.
- 74. **The TMT has continued to maintain procurement specialists with adequate experience of managing procurements in accordance with World Bank procurement regulations.** However, continue assessment and ex-post procurement reviews done by the TMT revealed following residual risks: PMUs’ at PAAs and RAS offices have inadequate procurement staff; PAA, RAS offices and community levels procurement capacity is still low - non-compliance with procurement manuals; inadequate planning and not publishing procurement activities in the TANePS, use of TANePS is low in the PAAs and RASs offices and inadequate records filing and management systems. Proposed mitigation measures: (i) TMT to continue to build capacity of RAS offices; PAAs and Community Levels; (ii) Regions and PAAs should ensure that the Annual Procurement Plans (APPs) for TASAF activities are prepared, uploaded in TANePS and processed in the system; (iii) Regions and PAAs to use procurement methods specified in the Manual; and (iv) Regions’ and PAAs’ PMU staff should attend refresher training on TANePS and Public Procurement Act and its Regulations.

E. Legal Operational Policies

	Triggered?
Projects on International Waterways OP 7.50	No
Projects in Disputed Areas OP 7.60	No

F. Environmental and Social

- 75. **The PSSN II environmental and social risk rating is classified as Substantial under the World Bank ESF, based on the type of project and nature of its activities.** The Environmental and Social Review Summary (ESRS) rates the overall risk as Substantial, the Environmental risk rating as Moderate, and the Social Risk as Substantial. The Sexual Exploitation and Abuse/Sexual Harassment risk rating is Substantial. The PW program activities include soil and water conservation, e.g., soil bunds, community access roads, multi-purpose tree nurseries and woodlots, water supply points e.g., hand-dug well, spring protection, small-scale irrigation, environmental cleaning, gully control, sediment traps, and community ponds. As per the implementation of the parent project, impacts such as erosion, noise, health and safety issues, solid waste management have been observed especially during the construction stage of the project. The nature of most of the subprojects have positively contributed into enhancement of environmental and social risks and impacts management as well as social protection since they have offered opportunities for work and earnings at the same time. The project implementing agency, TASAF has experience in impacts



identification and implementation of mitigation measures from previous projects and the current phase of PSSN II. There is a need as part of E&S implementation of this AF to explore further environmental risks and impacts during project implementation, issues related to water and energy use efficiency, conservation and use of natural resources and cultural heritage. The potential social risks and impacts that would need to be explored further relate to the capacity of subnational agencies. Other potential risks may be related to child labor, elite capture and exclusion of disadvantaged individuals and communities. This project does not pose any indirect or long-term impacts.

76. **The project has nine Environmental and Social Standards (ESSs)** - namely ESS 1, 2, 3, 4, 5, 6, 7, 8 and 10 - have found to be relevant for the project. The Environmental and Social Management Framework (ESMF) was prepared as part of the parent project (PSSN II) and has been updated for this AF to address Environmental, Social and Health and Safety risks and impacts in accordance with ESS1 and the requirements of the ESSs. The following documents were updated and disclosed prior to finalizing appraisal in country and on the World Bank's website: (i) Environment and Social Management Framework (ESMF) on May 20, 2023; (ii) Labor Management Procedures (LMP) on April 12, 2023; (iii) Environment and Social Commitment Plan (ESCP) to be disclosed after negotiations; and (iv) Stakeholder Engagement Plan (SEP) on April 12, 2023. Where necessary, Environment and Social Management Plans and Vulnerable Group³⁷ Plans (VGPs) will be prepared, consulted upon, and disclosed during project implementation.

V. WORLD BANK GRIEVANCE REDRESS

77. **Grievance Redress.** Communities and individuals who believe that they are adversely affected by a project supported by the World Bank may submit complaints to existing project-level grievance mechanisms or the Bank's Grievance Redress Service (GRS). The GRS ensures that complaints received are promptly reviewed to address project-related concerns. Project affected communities and individuals may submit their complaint to the Bank's independent Accountability Mechanism (AM). The AM houses the Inspection Panel, which determines whether harm occurred, or could occur, as a result of Bank non-compliance with its policies and procedures, and the Dispute Resolution Service, which provides communities and borrowers with the opportunity to address complaints through dispute resolution. Complaints may be submitted to the AM at any time after concerns have been brought directly to the attention of Bank Management and after Management has been given an opportunity to respond. For information on how to submit complaints to the Bank's Grievance Redress Service (GRS), please visit <http://www.worldbank.org/GRS>. For information on how to submit complaints to the Bank's Accountability Mechanism, please visit <https://accountability.worldbank.org>.

³⁷ In Tanzania's context, indigenous people are referred to as vulnerable groups, and define communities that are described in ESS 7 and meet the criteria set out in paragraphs 8 and 9 of the Standard.



c

VI SUMMARY TABLE OF CHANGES

	Changed	Not Changed
Results Framework	✓	
Components and Cost	✓	
Loan Closing Date(s)	✓	
Reallocation between Disbursement Categories	✓	
Implementing Agency		✓
Project's Development Objectives		✓
Cancellations Proposed		✓
Disbursements Arrangements		✓
Legal Covenants		✓
Institutional Arrangements		✓
Financial Management		✓
Procurement		✓
Other Change(s)		✓

VII DETAILED CHANGE(S)

COMPONENTS

Current Component Name	Current Cost (US\$, millions)	Action	Proposed Component Name	Proposed Cost (US\$, millions)
Productive Household Support (Benefits and Services)	731.90	Revised	Productive Household Support (Benefits and Services)	731.90
Strengthening Institutional Capacity and Integrated Delivery Systems	151.40	Revised	Strengthening Institutional Capacity and Integrated Delivery Systems	151.40
TOTAL	883.30			883.30

**LOAN CLOSING DATE(S)**

Ln/Cr/Tf	Status	Original Closing	Current Closing(s)	Proposed Closing	Proposed Deadline for Withdrawal Applications
IDA-64890	Effective	30-Sep-2023	30-Sep-2023	30-Sep-2025	30-Jan-2026

REALLOCATION BETWEEN DISBURSEMENT CATEGORIES

Current Allocation	Actuals + Committed	Proposed Allocation	Financing % (Type Total)	
			Current	Proposed
IDA-64890-001 Currency: XDR				
iLap Category Sequence No: 1		Current Expenditure Category: Csh Trsfrs Prog prt1.1(a-c)		
123,400,970.00	139,944,385.34	160,000,000.00	100.00	100.00
iLap Category Sequence No: 2A		Current Expenditure Category: Lbr pymnts sub-proj prt 1.2		
77,692,690.00	8,161,763.82	41,093,660.00	100.00	100.00
iLap Category Sequence No: 2B		Current Expenditure Category: Gds,wrks,Ncs,Cs,Oc subproj pt1.2		
25,897,560.00	6,780,938.71	25,897,560.00	100.00	100.00
iLap Category Sequence No: 3A		Current Expenditure Category: Grnts for LE prog prt 1.3		
16,490,730.00	1,987,631.72	16,490,730.00	100.00	100.00
iLap Category Sequence No: 3B		Current Expenditure Category: Gds,wrks,Ncs,Cs,Tr,Oc prt 1.3		
24,715,600.00	3,226,735.11	24,715,600.00	100.00	100.00
iLap Category Sequence No: 4		Current Expenditure Category: Gds,Ncs,Cs,Audits,Tr,Oc prt 2		
55,502,450.00	38,226,767.42	55,502,450.00	100.00	100.00
Total	323,700,000.00	198,328,222.12	323,700,000.00	



Expected Disbursements (in US\$)

Fiscal Year	Annual	Cumulative
2019	0.00	0.00
2020	47,524,260.76	47,524,260.76
2021	82,476,323.19	130,000,583.95
2022	125,866,127.75	255,866,711.70
2023	124,792,442.20	380,659,153.90
2024	146,604,817.16	527,263,971.06
2025	118,926,609.77	646,190,580.83
2026	11,309,419.17	657,500,000.00

SYSTEMATIC OPERATIONS RISK-RATING TOOL (SORT)

Risk Category	Latest ISR Rating	Current Rating
Political and Governance	● Moderate	● Moderate
Macroeconomic	● Moderate	● Moderate
Sector Strategies and Policies	● Moderate	● Moderate
Technical Design of Project or Program	● Substantial	● Substantial
Institutional Capacity for Implementation and Sustainability	● Moderate	● Moderate
Fiduciary	● Substantial	● Substantial
Environment and Social	● Moderate	● Substantial
Stakeholders	● Moderate	● Moderate
Other		
Overall	● Moderate	● Moderate

LEGAL COVENANTS – Productive Social Safety Net Project II - Additional Financing (P179701)

Sections and Description



No information available

Conditions

Type

Effectiveness

Financing source

Trust Funds,
IBRD/IDA

Description

The DFATD Grant Agreement and the Amendment Letter have been executed and delivered and all conditions precedent to their effectiveness or to the right of the Recipient to make withdrawals under the DFATD Grant Agreement (other than the effectiveness of this Agreement) have been fulfilled.

Type

Effectiveness

Financing source

Trust Funds,
IBRD/IDA

Description

The Recipient has updated the Project Implementation Manual in a manner and substance satisfactory to the Association.



VIII. RESULTS FRAMEWORK AND MONITORING

Results Framework

COUNTRY: Tanzania

Productive Social Safety Net Project II - Additional Financing

Project Development Objective(s)

To improve access to income-earning opportunities and socio-economic services for targeted poor households while enhancing and protecting the human capital of their children.

Project Development Objective Indicators by Objectives/ Outcomes

Indicator Name	PBC	Baseline	Intermediate Targets				End Target
			1	2	3	4	
Improve access to income-earning opportunities and socio-economic services for targeted households							
Direct project beneficiaries (Number)		0.00	3,916,015.00	4,610,344.00	5,195,605.00	5,195,605.00	5,195,605.00
<i>Action: This indicator has been Revised</i>	<p>Rationale: <i>This indicator is revised to: (i) clarify that it is cumulative and its value is showing the number of unique beneficiaries supported by the project during the project life. It should be noted also that the original targets of this indicator were calculated using an estimated 4,6-4,8 members per household, while the actual number of household members per beneficiary household is 3.8 members in actual MIS data. The intermediate targets preceding this AF and restructuring were also revised to reflect the actual achievements, as recorded in project ISRs; (ii) revise the baseline from 5,267,031 to 0 (zero). The baseline for this indicator was set at project approval as the end value of the project beneficiaries' number for the predecessor project – PSSN I. In reality, the baseline for PSSN II itself is and should have been 0 (zero).</i></p>						
Of which female beneficiaries (Percentage)		0.00	52.00	52.00	52.00	52.00	52.00



Indicator Name	PBC	Baseline	Intermediate Targets				End Target
			1	2	3	4	
Action: This indicator has been Revised							
Livelihoods beneficiary households representatives involved in functional income generating investments upon exit from the program (Percentage)		0.00	0.00	60.00	65.00	70.00	70.00
Action: This indicator has been Revised <i>Rationale:</i> <i>Revised date for the end target reflecting project extension administered with the AF restructuring.</i>							
Of which female beneficiaries (Percentage)		0.00	0.00	60.00	60.00	60.00	60.00
Action: This indicator has been Revised							
PSSN beneficiary households reporting benefits from community assets created through Public Works (Percentage)		0.00	50.00	60.00	70.00	80.00	80.00
Action: This indicator has been Revised <i>Rationale:</i> <i>Revised date for the end target reflecting project extension administered with the AF restructuring.</i>							
Enhance and protect the human capital of the children of targeted poor households (Action: This Objective is New)							
Primary school completion rate for children from beneficiary households (Percentage)		28.00	28.00	30.00	30.00	30.00	30.00
Action: This indicator has been Revised <i>Rationale:</i> <i>Revised date for the end target reflecting project extension administered with the AF restructuring.</i>							



Indicator Name	PBC	Baseline	Intermediate Targets				End Target
			1	2	3	4	
Beneficiary households with food consumption score above "poor level" (Percentage)		50.00	50.00	52.00	52.00	54.00	54.00
Action: This indicator has been Revised	Rationale: Revised date for the end target reflecting project extension administered with the AF restructuring.						
Proportion of benefits reaching the poorest 20 percent of population (Percentage)		60.00	60.00	60.00	60.00	60.00	60.00
Action: This indicator has been Revised	Rationale: Revised date for the end target reflecting project extension administered with the AF restructuring.						

Intermediate Results Indicators by Components

Indicator Name	PBC	Baseline	Intermediate Targets				End Target
			1	2	3	4	
Component 1 (Cash Transfer and Public Work)							
Beneficiaries of safety net programs (Number)		0.00	882,129.00	1,286,785.00	1,375,107.00	1,160,000.00	960,000.00
Action: This indicator has been Revised	Rationale: This indicator originally measured exactly the same as PDI 1 - that is, the number of individuals that are members of the beneficiary households. The indicator is being revised to measure the non-cumulative number of unique households (e.g. the number of beneficiary households at several points in time), instead of number of individuals. Baseline is also revised to 0 (zero), as the original baseline reflected the actual number of households at the time of closing of the predecessor PSSN I project. Intermediate targets were also revised to reflect the actual achievements preceding this AF, as recorded in ISRs. The						



Indicator Name	PBC	Baseline	Intermediate Targets				End Target
			1	2	3	4	
			<i>revised intermediate targets are dated as follows:</i> <i>Intermediate Target 1 date: June 2021</i> <i>Intermediate Target 2 date: June 2022</i> <i>Intermediate Target 3 date: June 2023</i> <i>Intermediate Target 4 date: June 2024</i>				
Of which household where women are the main recipient (Percentage)		0.00					81.00
Action: This indicator has been Revised		Rationale: <i>Revised sub-indicator, to measure the proportion of households in which women are the main designated recipient of the program.</i>					
Beneficiary households receiving Cash Transfer (both conditional + Unconditional) (Number)		1,052,154.00	1,167,243.00	1,219,347.00	1,086,054.00	1,010,785.00	1,010,785.00
Action: This indicator has been Marked for Deletion		Rationale: <i>This indicator will be deleted as it repeats information provided in other indicators.</i>					
Beneficiary households receiving transfer through public works (Number)		0.00	0.00	199,987.00	660,000.00	960,000.00	837,000.00
Action: This indicator has been Revised		Rationale: <i>This indicator is revised to make it cumulative.</i>					
PSSN beneficiary HHs receiving their cash payments within first 10 days of the next month following the payment cycle (Percentage)		0.00	70.00	80.00	90.00	90.00	100.00



Indicator Name	PBC	Baseline	Intermediate Targets				End Target
			1	2	3	4	
Action: This indicator has been Revised	Rationale: Revised end date and increased end target, to 100 percent.						
Proportion of children in beneficiary households aged 0-24 months old attending health facilities regularly (at least once every two months) (Percentage)	95.00	95.00	95.00	95.00	95.00	95.00	95.00
Action: This indicator has been Revised	Rationale: Revised end date to reflect the extension administered through the AF restructuring.						
Proportion of children in beneficiary households aged 6-18 years enrolled in primary schools with more than 80% of attendance a month (Percentage)	95.00	95.00	95.00	95.00	95.00	95.00	95.00
Action: This indicator has been Revised	Rationale: Revised end date to reflect the extension administered through the AF restructuring.						
Proportion of eligible children in beneficiary Households linked to secondary school (Percentage)	5.00	5.00	7.00	7.00	8.00	8.00	8.00
Action: This indicator has been Marked for Deletion	Rationale: This indicator provides statistics, not impact information, so it will be removed.						
Proportion of households with a disabled person who receive	0.00	60.00					60.00



Indicator Name	PBC	Baseline	Intermediate Targets				End Target
			1	2	3	4	
disability benefits (Percentage)							
Action: This indicator has been Revised	Rationale: <i>Revised wording, from the previous "Proportion of beneficiary households receiving disability benefit". New wording makes indicator more relevant and measurable. Revised end date to reflect the extension administered through the AF restructuring.</i>						
PWP sub-projects/community assets created through project (cumulative) (Number)	0.00	0.00	3,185.00	11,574.00	16,000.00	27,000.00	
Action: This indicator has been Revised	Rationale: <i>Revised end date to reflect the extension administered through the AF restructuring.</i>						
Person days provided in PWP (cumulative) (Number (Thousand))	0.00	15,345.00	52,869.00	11,280.00	26,782.00	161,319.00	
Action: This indicator has been Revised	Rationale: <i>Revised end date.</i>						
PW subprojects with clear maintenance plan and sustainability measures (Percentage)	0.00	50.00	60.00	65.00	70.00	70.00	
Action: This indicator has been Revised	Rationale: <i>Revised end date to reflect the extension administered through the AF restructuring.</i>						
Proportion of Sub-projects for which ESMF screening is completed and necessary mitigation measures are identified for any potential	0.00	70.00	80.00	90.00	100.00	100.00	



Indicator Name	PBC	Baseline	Intermediate Targets				End Target
			1	2	3	4	
negative impacts (Percentage)							
Action: This indicator has been Marked for Deletion	Rationale: <i>This indicator is not providing impact/outcome information so it will be removed.</i>						
Proportion of PW sub-projects with direct positive contribution for climate change adaptation and/or mitigation (Percentage)	0.00	40.00	45.00	50.00	50.00	50.00	50.00
Action: This indicator has been Revised	Rationale: <i>Target end date revised to reflect extension administered through the AF restructuring.</i>						
Component 1 (Livelihood Enhancement)							
Beneficiaries HHs participating in functional saving groups (Percentage)	0.00	40.00	40.00	50.00			50.00
Action: This indicator has been Revised	Rationale: <i>Revised end target date to reflect the extension administered through the AF restructuring.</i>						
of which female beneficiary households are (Percentage)	0.00	70.00	70.00	70.00	70.00	70.00	75.00
Action: This indicator has been Revised							
Beneficiaries receiving information on livelihood enhancement services (Number)	0.00	35,775.00	169,650.00	205,050.00	700,000.00		870,000.00



Indicator Name	PBC	Baseline	Intermediate Targets				End Target
			1	2	3	4	
Action: This indicator has been Revised		Rationale: <i>The wording of the indicator was revised from "Beneficiaries receiving information on livelihood enhancement services" to "Beneficiaries receiving information on basic livelihood services". Intermediate and end targets were adjusted in accordance with the implementation (see Table 2 of the Project Paper main text).</i>					
of which female is (Percentage)		0.00	60.00	60.00	60.00	60.00	60.00
Beneficiary HHs receiving enhanced livelihood support including appropriate basic and skill training and livelihood grant (Number)		0.00	0.00	0.00	50,000.00	50,000.00	100,000.00
Action: This indicator has been Revised		Rationale: <i>Revised wording and intermediate and end target (reduced from 200,000). Cumulative indicator. Target for female participation increased to 90 percent.</i>					
of which female beneficiaries are (Percentage)		0.00	60.00	60.00	60.00	90.00	90.00
Action: This indicator has been Revised							
Training recipients reporting improved skills as a result of the training provided by the project (Percentage)		0.00	50.00	60.00	70.00	70.00	70.00
Action: This indicator has been Marked for Deletion		Rationale: <i>This indicator is not providing any additional information on intermediate results so it will be removed.</i>					
Of which female beneficiaries are (Percentage)		0.00	60.00	60.00	60.00	60.00	60.00



Indicator Name	PBC	Baseline	Intermediate Targets				End Target
			1	2	3	4	
Action: This indicator has been Marked for Deletion							
Livelihood Income Generating Activities (IGAs) with approved business plans that are set up within six months of receiving livelihood grant support (Percentage)	0.00	60.00	70.00	80.00	90.00	90.00	90.00
Action: This indicator has been Marked for Deletion							
Rationale: <i>This indicator cannot be measured appropriately and is being removed.</i>							
Component II Component II: Strengthening Institutional Capacity and Integrated Delivery Systems							
Beneficiaries reporting that project investments reflected their needs (Percentage)	0.00	50.00	60.00	70.00	80.00	80.00	80.00
Action: This indicator has been Marked for Deletion							
Rationale: <i>This information will be available through the beneficiary assessment but is not deemed necessary for the Intermediate Level of the Results Framework.</i>							
Of which female are (Percentage)	0.00	52.00	52.00	52.00	52.00	52.00	52.00
Action: This indicator has been Marked for Deletion							
Participating PAAs reporting improved capacity to deliver the PSSN as a result of program support (Percentage)	0.00	70.00	70.00	80.00	90.00	90.00	90.00
Action: This indicator has been Marked for Deletion							
Rationale: <i>This information will be available through the beneficiary assessment but is not deemed necessary for the Intermediate Level of the Results Framework.</i>							



Indicator Name	PBC	Baseline	Intermediate Targets				End Target
			1	2	3	4	
Staff reporting satisfaction with the training delivered by the project (Percentage)		0.00	70.00	80.00	80.00	90.00	90.00
Action: This indicator has been Marked for Deletion	Rationale: <i>This information will be available through the beneficiary assessment but is not deemed necessary for the Intermediate Level of the Results Framework.</i>						
PSSN beneficiaries receiving their cash payments through e-payments (Percentage)		5.00	10.00	12.00	26.00	35.00	50.00
Action: This indicator has been Revised	Rationale: <i>Target adjusted, as initial target was too ambitious, having in mind the capacity and technological infrastructure in the country.</i>						
Of which female beneficiaries are (Percentage)		60.00	60.00	60.00	60.00	60.00	60.00
PAA that prepare and submit progress reports/compliance monitoring information on timely manner (Percentage)		80.00	80.00	85.00	90.00	90.00	90.00
Action: This indicator has been Revised	Rationale: <i>Revised target end date to reflect extension administered through the AF restructuring.</i>						
Complaints and grievances addressed within 1-2 months of initial complaint being recorded (Percentage)		60.00	60.00	70.00	80.00	80.00	80.00
Action: This indicator has been Revised	Rationale: <i>Revised target end date to reflect extension administered through the AF restructuring.</i>						



Indicator Name	PBC	Baseline	Intermediate Targets				End Target
			1	2	3	4	
CMC members that have received the required annual training/refresher training (Percentage)		0.00	80.00	90.00	90.00	90.00	90.00
Action: This indicator has been Marked for Deletion	Rationale: This indicator is administrative statistics and is not considered as demonstrating intermediate results, so it will be removed.						
of which female are (Percentage)		0.00	50.00	50.00	50.00	50.00	50.00
Action: This indicator has been Marked for Deletion							

Monitoring & Evaluation Plan: PDO Indicators					
Indicator Name	Definition/Description	Frequency	Datasource	Methodology for Data Collection	Responsibility for Data Collection
Direct project beneficiaries	This indicator is cumulative, and shows the number of actual individuals supported by the project, using the MIS to establish this number by taking the actual members of the beneficiary households. It should be noted that the actual average number of members of the beneficiary	Quarterly	MIS	Regular monitoring	TMU



	households is 3.8, which is lower than the 4,6-4,7 used to make the initial project estimates and projections in the PAD. The Project's unit of measurement, however, is the household.				
Of which female beneficiaries		Quarterly	MIS	Regular monitoring	TMU
Livelihoods beneficiary households representatives involved in functional income generating investments upon exit from the program	Proportion of beneficiaries who either: (a) established or (b) expanded a business with a livelihood grant, which operational upon exit from the program.	3 rounds	Spot checks	survey	TMU/External evaluators
Of which female beneficiaries		Annual	MIS	Regular monitoring	TMU
PSSN beneficiary households reporting benefits from community assets created through Public Works	Self-reported indications by those beneficiaries directly involved in PW regarding the convenience of the timing/intensity and payment of the PW projects.	Every two years	Impact Assessment	Survey	CMU/External evaluators
Primary school completion rate for children from beneficiary households	Measures the primary school completion rate for children from beneficiary households, as per the program design and information.	Every two years	Impact Evaluation	Survey	TMU/External Evaluators
Beneficiary households with food consumption score above "poor level"	Estimated consumption for 28 days per adult	Every two years	Impact evaluation	Survey	TMU/External evaluators



	equivalent.				
Proportion of benefits reaching the poorest 20 percent of population	The proportion of the project benefits that directly goes to the poorest 20 percent of the total population.	Every two years	Impact Evaluation	Survey	TMU/External evaluators

Monitoring & Evaluation Plan: Intermediate Results Indicators

Indicator Name	Definition/Description	Frequency	Datasource	Methodology for Data Collection	Responsibility for Data Collection
Beneficiaries of safety net programs	Cumulative number of unique households that received support during the life of the project.	Quarterly	MIS	Regular monitoring	TMU
Of which household where women are the main recipient	Proportion of households in which women are the main designated recipient of the program.	Quarterly	MIS	Regular monitoring	TMU
Beneficiary households receiving Cash Transfer (both conditional + Unconditional)	Beneficiary households directly benefiting from different cash transfer elements (productive transfer, direct transfer, HD transfer, child grant, disability grant).	Quarterly	MIS	Regular monitoring	TMU
Beneficiary households receiving transfer through public works	Cumulative indicator, showing the number of unique beneficiary households supported	Quarterly	MIS	Regular monitoring	TMU



	during the life of the project.				
PSSN beneficiary HHs receiving their cash payments within first 10 days of the next month following the payment cycle	Indicator measures the timeliness with which the payments system is working. Payments are expected to occur once every two months.	Quarterly	MIS	Regular monitoring	TMU
Proportion of children in beneficiary households aged 0-24 months old attending health facilities regularly (at least once every two months)	Regular attendance of healthcare facilities means using a health service at least once every two months.	Quarterly	MIS	Regular monitoring	TMU
Proportion of children in beneficiary households aged 6-18 years enrolled in primary schools with more than 80% of attendance a month	This indicator measures the compliance related to enrollment and school attendance by children from the beneficiary households as per the design of CCT.	Quarterly	MIS	Regular monitoring	TMU
Proportion of eligible children in beneficiary Households linked to secondary school		Quarterly	MIS	Regular monitoring	TMU
Proportion of households with a disabled person who receive disability benefits	Proportion of households with a disabled person who receive disability benefits.	Quarterly	MIS	Regular monitoring	TMU
PWP sub-projects/community assets created through project (cumulative)	Cumulative number of PWP sub-projects/community assets created through PSSN II.	Quarterly	MIS	Regular monitoring	TMU
Person days provided in PWP (cumulative)	Person days provided in PWP (cumulative)	Quarterly	MIS	Regular monitoring	TMU



PW subprojects with clear maintenance plan and sustainability measures	Proportion of PW subprojects with clear maintenance plan and sustainability measures.	Annual	PW reviews	Assessment	TMU/External TA
Proportion of Sub-projects for which ESMF screening is completed and necessary mitigation measures are identified for any potential negative impacts		Annual	PW reviews	Assessment	TMU
Proportion of PW sub-projects with direct positive contribution for climate change adaptation and/or mitigation	Proportion of PW sub-projects with direct positive contribution for climate change adaptation and/or mitigation, using sub -project typology as a criterion.	Annual	PW reviews	Assessment	TMU/external TA
Beneficiaries HHs participating in functional saving groups	This indicator tracks beneficiary engagement in saving groups.	Quarterly	MIS	Regular monitoring	TMU
of which female beneficiary households are		Quarterly	MIS	Regular monitoring	TMU
Beneficiaries receiving information on livelihood enhancement services	Beneficiaries receiving information on livelihood enhancement services through any of the available information channels.	Every two years	Impact evaluation/Spot checks	Survey	TMU/External reviewers
of which female is		Quarterly	MIS	Regular monitoring	TMU
Beneficiary HHs receiving enhanced livelihood support including appropriate basic and skill training and livelihood	The detail of what enhanced livelihood support constitutes is	Quarterly	MIS	Regular monitoring	TMU



grant	presented in the component description.				
of which female beneficiaries are					
Training recipients reporting improved skills as a result of the training provided by the project		Annual	Spot checks	Survey	TMU/External reviewers
Of which female beneficiaries are					
Livelihood Income Generating Activities (IGAs) with approved business plans that are set up within six months of receiving livelihood grant support		Annual	MIS	Regular monitoring	TMU
Beneficiaries reporting that project investments reflected their needs		Every two years	Process evaluation	Survey	TMU/External evaluator
Of which female are		Every two years			
Participating PAAs reporting improved capacity to deliver the PSSN as a result of program support		Every two years	Process evaluation	survey	TMU/External valuator
Staff reporting satisfaction with the training delivered by the project		Annual	MIS	Regular monitoring	TMU
PSSN beneficiaries receiving their cash payments through e-payments	This indicator tracks the effectiveness of the roll-out of e-payment.	Quarterly	MIS	Regular monitoring	TMU
Of which female beneficiaries are		Quarterly	MIS	Regular monitoring	TMU
PAAs that prepare and submit progress reports/compliance monitoring information on timely manner	This indicator tracks the effectiveness of the preparation and	Quarterly	MIS	Regular monitoring	TMU



	submission of various project reports.				
Complaints and grievances addressed within 1-2 months of initial complaint being recorded	Proportion of complaints and grievances addressed within 1-2 months of initial complaint being recorded.	Quarterly	MIS	Regular monitoring	TMU
CMC members that have received the required annual training/refresher training		Annual	MIS	Regular Monitoring	TMU
of which female are		Annual	MIS	Regular monitoring	TMU

