



Program Information Document (PID)

Concept Stage | Date Prepared/Updated: 20-Feb-2025 | Report No: PIDPC00170



Project Beneficiary(ies)	Region	Operation ID	Operation Name
Angola, Angola, Angola, Angola, Angola, Botswana, Burundi, Burundi, Burundi, Comoros, Comoros, Comoros, Congo, Democratic Republic of, Congo, Democratic Republic of, Eswatini, Eswatini, Ethiopia, Ethiopia, Kenya, Kenya, Kenya, Kenya, Lesotho, Madagascar, Madagascar, Malawi, Mozambique, Mozambique, Sao Tome and Principe, Sao Tome and Principe, Somalia, South Sudan, South Sudan, Tanzania, Tanzania, Tanzania, Zambia, Zambia, Zambia	EASTERN AND SOUTHERN AFRICA	P508698	Sustainable Rural Water Supply and Sanitation Program Phase 2
Financing Instrument	Estimated Appraisal Date	Estimated Approval Date	Practice Area (Lead)
Program-for-Results Financing (PforR)	12-May-2025	15-Sep-2025	Water
Borrower(s)	Implementing Agency		
Ministry of Finance	Ministry of Water		

The program development objective is to increase and sustain access to at least basic water supply, sanitation and hygiene services in all rural districts.

Maximizing Finance for Development



Is this an MFD-Enabling Project (MFD-EP)? Yes

Is this project Private Capital Enabling (PCE)? Yes

SUMMARY

Government program Cost	6,465.49
Total Operation Cost	260.00
Total Program Cost	240.00
IPF Component	20.00
Total Financing	260.00
Financing Gap	0.00

FINANCING

Total World Bank Group Financing	200.00
World Bank Lending	200.00
Total Government Contribution	60.00

Concept Review Decision

The review did authorize the preparation to continue

B. Introduction and Context

Country Context

1. **Economy.** Tanzania's economy has shown consistent growth, with real Gross Domestic Product (GDP) increasing by 5.2 percent in 2023¹, reflecting a recovery from recent global challenges. Despite this economic momentum, poverty reduction remains slow, particularly in rural areas where approximately 65 percent of Tanzanians reside and are dependent on agriculture and natural resources. According to the recent census, the current population is now 61.7 million and is forecast to double by 2044². Tanzania's expanding population has resulted in the absolute number of people under

¹ World Bank. 2024. Tanzania Economic Update 2024.

<https://documents1.worldbank.org/curated/en/099031124044543127/pdf/P1796101f356d10fa1b47215b969e1205b2.pdf>

² Tanzania National Bureau of Statistics. 2022. Population and Housing Census. <https://www.nbs.go.tz/uploads/statistics/documents/sw-1720088450-2022%20PHC%20Initial%20Results%20-%20English.pdf>



the poverty line increasing since 2018, to reach 15 million in 2022³. Inadequate WASH access costs Tanzania an estimated 3.2 percent of its 2022 GDP⁴.

2. **Health.** Although Tanzania's under-five mortality rate has declined steeply from 141 per 1,000 live births in 1990, to 43 per 1,000 live births in 2022, chronic undernutrition and stunting remain critical health issues, with significant regional disparities⁵. Stunted children face increased susceptibility to disease and diminished cognitive and educational outcomes. Environmental factors such as drinking water quality, poor sanitation, and hygienic practices significantly contribute to poor nutritional status and stunting in children under five⁶. Tanzania regularly suffers from cholera linked to poor Water, Sanitation and Hygiene (WASH) conditions, including an ongoing outbreak since 1 January 2024 affecting 23 regions, with 6,143 cases and 100 deaths⁷.

3. **Gender** disparities persist in labor force participation and education and in rural areas, where women and girls often bear the responsibility of water collection from distant or non-functional sources. Improving sanitation facilities, particularly in schools, is crucial for enhancing female education and reducing gender-based violence. It is common for girls to miss school due to insufficient access to menstrual hygiene facilities and menstrual materials at schools⁸.

4. **Climate.** In 2022, Tanzania ranked 150th out of 191 countries on readiness to cope with climate change, and it is the 47th most vulnerable country to climate change, with a corresponding direct impact on the economy. Projections indicate that inaction on climate change could lead to a 4 percent reduction in real GDP by 2050⁹. Climate challenges include prolonged droughts, severe storms, floods, and rising temperatures. Addressing these challenges requires strengthening local and national institutions to plan and implement interventions that support resilience and sustainable resource use. Ensuring adequate water resources for competing needs requires attention, as renewable freshwater resources (per capita) have been roughly halved over the last 25 years and are increasingly variable due to climate change.

5. Increasing and sustaining access to rural water supply and improving sanitation and hygiene practices is a high priority for the GoT. The GoT is committed to achieving universal access to water and sanitation by 2025 through the Tanzania Development Vision.

Sectoral (or multi-sectoral) and Institutional Context of the Program

6. **Public expenditure on Water, Sanitation, and Hygiene (WASH) in Tanzania is low, with a heavy reliance on donor funding, unequal allocation of funds, and poor sustainability and efficiency of services.** Although the current capital expenditure (CAPEX) of approximately US\$218 million annually is theoretically sufficient to achieve universal basic access to WASH, the progress required to meet the targets by 2030 is significantly higher. The allocation of capital budgets to Local Government Authorities (LGAs) has favored those with higher access, exacerbating inequality in WASH access. Despite a more than three-fold increase in the number of sustainably managed water points under the SRWSS, sustainability is a key issue, impacting infrastructure sustainability and climate resilience.

7. **Private sector capital mobilization remains a significant challenge for scaling up WASH access in Tanzania, particularly in rural areas.** Historically, funding for water supply and sanitation services in rural areas has been insufficient, with most funds directed towards urban areas. To bridge the financing gap in the sector, there is a need to unlock private

³ World Bank. 2024. Tanzania Economic Update 2024.

<https://documents1.worldbank.org/curated/en/099031124044543127/pdf/P1796101f356d10fa1b47215b969e1205b2.pdf>

⁴ World Bank. 2024. Country Partnership Framework FY25 – 28.

<https://documents1.worldbank.org/curated/en/099061724153527007/pdf/BOSIB193d9b4f005a1a0c01407ba1414034.pdf>

⁵ Tanzania National Bureau of Statistics. 2022. Demographic and Health Survey and Malaria Indicator Survey

⁶ Springer Nature. 2017. Factors influencing stunting among children in rural Tanzania: an agro-climatic zone perspective

⁷ World Health Organization. October 2024. Weekly Bulletin on Outbreaks and other Emergencies.

⁸ World Bank Group. 2022. Tanzania Gender Assessment

⁹ World Bank Group. 2024. Tanzania Country Climate and Development Report (Draft). Washington, D.C.



financing. The government has initiated sector reforms to unlock additional funding, and to strengthen regulation and support private sector engagement, but further reform is required.

8. **The Government of Tanzania (GoT) has implemented the Water Sector Development Program (WSDP) to address these challenges.** The third phase of the program, WSDP III (2022-2026), aims to strengthen sector institutions for integrated water resources management and improve access to water supply and sanitation services. The Ministry of Water (MoW) is responsible for overall sector coordination and oversight, while the Rural Water Supply and Sanitation Agency (RUWASA) focuses on rural water supply and sanitation projects. The Ministry of Health (MoH) and the Ministry of Education, Science, and Technology (MoEST) coordinate WASH activities in health care facilities and schools, respectively. Basin Water Boards manage water sources within their basins, and LGAs lead and coordinate WASH efforts at the district level.

9. **Despite underperformance in water sector spending under WSDP II (2016-2022), positive results were achieved with the support of the Sustainable Rural Water Supply and Sanitation Program (SRWSSP).** RUWASA was established to monitor and invest in the rural water sector, leading to a significant increase in functional rural water points and improved access to water and sanitation for millions of people. The SRWSSP also improved WASH access in primary schools and health care facilities and encouraged private sector involvement. However, limited private sector investment has been observed despite a conducive legislative framework and government commitment. Progress under WSDP III continues, with enhanced access to clean water and more reliable water distribution, although challenges remain in water quality and resource management. The proposed program aims to take a holistic approach to improving WASH services, strengthening governance, and engaging the private sector for sustainable solutions.

Relationship to CAS/CPF

10. **The operation is aligned with the World Bank's Country Partnership Framework (CPF) for Tanzania FY25 – 29.** The operation supports meeting the CPF's goal "to help Tanzania achieve more inclusive, private sector-led, and resilient growth during FY25–29 and beyond". Specifically, the Program will support the achievement of:

- a) Higher Level Objective 1 (HLO1) People: enhanced human capital to boost labor productivity, through increasing access to education, by tackling poor attendance due to lack of safe and clean WASH facilities at schools under Objective 1, through improving access to good-quality health care services by better WASH services improving infection prevention control and attendance, and through expanding access to at least basic WASH services under Objective 3;
- b) HL02 Prosperity/Infrastructure/Digital: catalyzing private sector-led growth, through improving access to and mobilizing private finance for the WASH sector under Objective 5; and
- c) HL03 Planet: enhancing resilience to shocks and climate impacts, through promoting climate-resilient and low-carbon WASH infrastructure and systems under Objective 9.

Rationale for Bank Engagement and Choice of Financing Instrument

11. **Achieving SDGs 6.1 and 6.2 for universal water and sanitation access in the Africa East (AFE) region requires a long-term vision and a coordinated approach to mobilize finance and leverage implementation capacity.** The proposed Multiphase Programmatic Approach (MPA) aims to accelerate investment in climate-resilient water and sanitation infrastructure, mobilize development partners around a long-term vision considering climate change resilience, and enable access to private sector expertise and finance. Through regional phases and partnerships, the MPA will facilitate knowledge transfer and regional benchmarking among AFE countries.



12. **The WASH MPA will shift from a project-by-project approach to a systems change approach, promoting flexibility, streamlined processes, and phased implementation.** This regional instrument will allow for agile implementation and reduce transaction costs in WASH interventions. By engaging with other Global Practices (GPs) within respective Country Partnership Frameworks (CPFs), the MPA will focus on key areas such as climate change, urban management, health, education, renewable energy, and governance, ensuring strong synergies between different interventions.

13. **The SRWSSP 2 Program aligns with the World Bank's mission to end extreme poverty and boost shared prosperity by promoting sustainability, inclusion, and resilience.** Additionally, the Program is aligned to the World Bank's Africa East Regional commitment to accelerate universal access to safely managed WSS in the region by investments in improved WSS. The Program for Results (PforR) instrument, used in Tanzania, has proven effective in creating new incentive frameworks for local institutions and service providers. Investment Project Financing (IPF) is identified as the best instrument for providing technical capacity strengthening and PforR delivery support. Global and national PforR experience shows that the results-based approach is more effective when complemented by substantial technical assistance to address system, capability, and procedural weaknesses.

C. Program Development Objective(s) (b) and PDO Level Results Indicators

Program Development Objective(s)

The program development objective is to increase and sustain access to at least basic water supply, sanitation and hygiene services in all rural districts

PDO Level Results Indicators

14. The PDO indicators are:
- People provided with at least basic access to water supply services (percentage of which at least basic, disaggregated by gender, urban-rural)¹⁰
 - People provided with at least basic access to sanitation services (percentage of which at least basic, disaggregated by gender, urban-rural)¹¹
 - People provided with at least basic access to hygiene services (disaggregated by gender, urban-rural)¹²
 - Proportion of rural water schemes sustainably functioning
 - USD (million dollars) of non-public financing mobilized to provide WASH services in rural areas

¹⁰ Definition based on standards set by the WHO/UNICEF Joint Monitoring Programme for Water Supply, Sanitation, and Hygiene (JMP). The definition for at least basic Drinking Water Services: People using improved sources of drinking water that require no more than 30 minutes per trip to collect water are classified as having at least basic drinking water services. An improved drinking-water source is constructed to be protected from outside contamination, especially fecal matter. Improved sources include piped water, public taps, boreholes, and protected dug wells or springs

¹¹ Definition based on standards set by the WHO/UNICEF Joint Monitoring Programme for Water Supply, Sanitation, and Hygiene (JMP). Basic Sanitation Services: People using an improved sanitation facility that is not shared with other households are classified as having at least basic sanitation services. Improved sanitation facilities hygienically separate excreta from human contact through the use of flushing to piped sewer systems, septic tanks, or pit latrines, along with improved pit latrines or composting toilets.

¹² Definition based on standards set by the WHO/UNICEF Joint Monitoring Programme for Water Supply, Sanitation, and Hygiene (JMP). At least basic hygiene is having an on-plot handwashing facility with water and soap available.



D. Program Description

PforR Program Boundary

15. **Program boundaries.** The Program will support WSDP III and the GoT's successor program in 137 district councils in 25 regions¹³ over a 5-year period, as shown in Table 1 below. The Program will use a hybrid design with a PforR component to support all five components of WSDP III through four results areas focusing on: 1. increasing access to and sustainability of at least basic rural WASH services; 2. ensuring climate resilient water resources management; 3. improving policy, institutions and regulation for strengthened service delivery; and 4. maximizing financing for development, including the use of private investment. An IPF component will provide TA, capacity development, and program delivery support to key implementing agencies to assist them in achieving the Program results. Excluded activities are urban water and sanitation infrastructure. Table 1 below provides a summary of the WSDP III program and the slice of WSDP III to be supported by the Program.

Table 1: WSDP III and Program Alignment

	Government program	Program supported by the PforR (PforR Program)	Reasons for non-alignment
Objective	Strengthen sector institutions for integrated water resources management and improved access to water supply and sanitation services	To increase and sustain access to at least basic water supply, sanitation and hygiene services in all villages and through strengthening the capacity of selected sector institutions.	Objectives are aligned, but more focused on basic WASH services
Duration	2022-2026	2025-2030	WSDP III ends in 2026, while the PforR program continues until 2030 (a successor program will be supported)
Geographic coverage	Nationwide (31 regions including 184 districts)	25 regions including 137 districts	Priority engagement for the Bank, focusing on rural areas
Results areas	Five components	Four results areas supporting all five WSDP III components	Aligned

¹³ 137 district councils include all LGAs in all regions in Mainland Tanzania with the exception of the following 47 LGAs, namely: Arusha CC, Babati TC, Bariadi TC, Bukoba MC, Bunda TC, Dodoma CC, Geita TC, Handeni TC, Dar es Salaam CC, Ilemela MC, Iringa MC, Kahama MC, Kasulu TC, Kibaha TC, Kigamboni MC, Kigoma/Ujiji MC, Ifakara TC, Kinondoi MC, Kondoa TC, Korogwe TC, Lindi MC, Masasi TC, Makambako TC, Mbeya CC, Mbinga TC, Mbulu TC, Tunduma TC, Morogoro MC, Moshi MC, Mpanda MC, Mtwara Mikindani MC, Mafinga TC, Musoma MC, Nanyamba TC, Newala TC, Njombe TC, Mwanza CC, Nzega TC, Singida MC, Shinyanga MC, Songea MC, Sumbawanga MC, Tabora MC, Tanga CC, Tarime TC, Temeke MC, and Ubungu MC



Financing	US\$6.5 billion	US\$ 260 million	Aligned with Bank funding priorities
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16. The PforR cost is US\$260 million, which includes a government contribution of US\$60 million and an IDA financing of US\$200 million. The IPF component consists of US\$ 20 million in IDA credit.

E. Initial Environmental and Social Screening

Legal Operational Policies

Policies	Triggered?
Projects on International Waterways OP 7.50	TBD
Projects in Disputed Area OP 7.60	No

Summary of Screening of Environmental and Social Risks and Impacts of the IPF Component

17. The potential environmental and social risks that are associated with this Program include: (i) health and safety risks to workers, particularly those related to traffic safety and the risk of being struck by moving machinery; (ii) limited air emissions and noise from drilling machinery and transportation; and (iii) challenges in managing construction waste. Additionally, some technical assistance activities, such as updating IWRM plans, may introduce downstream environmental and social risks, including; (iv) risks related to changed land use and (v) potential impacts on marine biodiversity. The moderate risk rating is deemed appropriate at this stage, as the risks and impacts are likely to be predictable, temporary, and/or reversible.

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Note to Task Team: This is the end of document. No further content should be added. *Delete this note when finalizing the document.*