

Enhancing Women's Economic Empowerment through Digital Cash Transfers: Digitize/Direct/Design (D3) Criteria

An Application to Tanzania

Date: 10 February 2019

Flora Myamba and Caroline Pulver, 2019

Contents

- Executive Summary 4
- Introduction 6
- Context: Patterns of opportunities and constraints in women’s economic empowerment 7
 - Economic opportunities and empowerment..... 8
 - Financial inclusion and exclusion..... 11
 - Groups 14
 - Unpaid work at home 15
 - Women’s control over income and decision-making at home 16
 - Intimate Partner Violence..... 18
- The D3 Criteria 21
- Core System Enablers 21
 - Network Reliability 21
 - Payment Systems Interoperability and Infrastructure 21
 - Choice and accessibility 22
 - Pro-Financial Inclusion Policy and Regulation 23
 - Security 24
 - Consumer protection..... 24
- Digitize Criteria 24
 - Reliable 26
 - Accessible 26
 - Proximity..... 26
 - Affordability..... 27
 - Flexible..... 28
 - Control 28
 - Privacy 28
 - Choice 28
 - Secure 29
 - Accountable..... 29
 - Awareness: 29
- Direct Criteria 30
- Design Criteria 31
 - Ensure appropriate coverage 31

Financing.....	31
Size of transfer.....	32
Maximize benefits through complementary services and linkages.....	33
Public Works Schemes.....	34
Cross Cutting Themes.....	36
Monitoring:.....	36
Key Results Indicators.....	36

Executive Summary

Context

In 2012 the Government of Tanzania rolled out a national social assistance program—Productive Social Safety Net (PSSN), which implements conditional cash transfers, public works and livelihoods enhancement. PSSN II will be implemented for four years (2019-2022). PSSN has been almost entirely financed by development partners, led by the World Bank.

The overall objective of PSSN II is to improve access to income earning opportunities and socio-economic services for poor households while promoting human capital of their children. It aims to provide integrated support to enable poor households to:

- Increase their productive assets
- Shift to more productive types of work and increase incomes
- Invest in the human capital of children for long term productivity
- Promote local area development through economic multiplier effects of transfers and asset creation

The two main components are: 1) benefits and services providing integrated support, which includes the roll-out and scale up of the livelihoods component, public works and cash transfers; and 2) strengthening institutional capacity and delivery systems.

Payment of cash benefits in PSSN has, until recently, been entirely through community-based bi-monthly cash deliveries. Tanzania has not yet moved far towards payments through bank or mobile transfers, with the exception of a recent E-payment pilot in sixteen districts.

Profile of poor women and PSSN recipients. Women in Tanzania face major constraints, especially poor women who experience overlapping disadvantages. Evidence suggests that among women who are poor – their education averages six years, they typically have four children, and two thirds work in agriculture, mainly in low return activities. About 70 percent of poor women think it is acceptable to be beaten by their partner.

- According to the World Bank evaluation, only 20 percent of TASAF married women participants control their income; and only half of single women.
- There are major gaps in financial inclusion – both between women and men, and affecting poor women. Only 5 percent of poor women have a bank account, compared to 30 percent of non-poor women, and 6 percent of men (NPS 2014-2015).
- Fewer than 70 percent of poor women live in households with a cell phone, compared to 90 percent of non-poor women. The share of adult women that own a cell phone is 73 percent; this is 9 percentage points below that for men (GSMA, 2018).

Summary findings on each of the D3 criteria highlight key elements needed in order to boost women's financial inclusion and realize the vision of women's economic empowerment.

Digitize. The current system is largely cash based. E-payment is being piloted – however there is a strong preference for cash and only 31% of participants opted to receive e-payments. Reasons for not transitioning include lack of technological know-how of making transactions, lack of phones, unavailability of agents and poor network coverage. Respondents generally had very low knowledge of making mobile money transactions and most beneficiaries do not know how to conduct mobile money transaction. Evidence from the e-pilot suggests that only 30% of mobile money recipients could withdraw money themselves. Close to half rely on mobile money agents while 27% rely on others (household

members/friends/neighbours). Among the 31% who opted for e-payments, the most popular means was mobile money accounts which are used by 98% of recipients while only 2% are receiving their payments through bank accounts.

There is not yet full interoperability of ATMs and POS in Tanzania. However there has been significant progress in developing the retail payment products – enabled by the introduction of agency banking in 2013, and the 2015 National Payment Systems Act. GSMA’s mobile communication index ranks Tanzania as “low-medium” and weak on networks. About 86% of adults were within 5km of a financial access point (including a mobile money agent), this figure is 78% in rural areas.

Direct. According to World Bank et al (2015), the PSSN recipient is a woman in more than 4/5 (82%) of cases, and over half of PSSN households are headed by a woman.

Design

- Benefit amounts are low, and the amount is variable (changing household composition (number and age of children) and deductions for non-compliance) and not well understood by participants. Benefits are supposed to be indexed for inflation but this has not happened since 2012.
- Targeting was done at the community level, but the eligibility lists have not been updated since 2012. This likely means that many households that have been hit by shocks or otherwise become poor are excluded. PSSN II plans to scale up from 70% thus far to 100% coverage of all extreme poor households.
- Complementary services (other than a 45-minute education session when the benefit is physically collected every two months) are not yet in place but are planned for PSSNII. “Productive Inclusion” is expected to include savings promotion, supporting income generating activities, training and coaching, behavioral change sessions and linking of participants to extension services.
- Public works activities are often done by women, but women have large domestic care burdens and many female headed households have limited “surplus” labour. This could undermine the intended positive effects on household livelihoods by over-burdening the time of women. Gender responsive aspects have not yet been included in the design of public works programs
- Establishing a savings group was a requirement of the PSSN, and a large number notionally exist. However field work done during the UNDP assessment found that many of the groups were practically dormant. While such groups are open to both women and men, women predominated, possibly due to the traditional practice of “upatu” or “merry-go-round” groups.
- Grievance and redress mechanisms are not well developed or utilized. The main avenue is the local village council.

Looking ahead

- A Gender Action Plan (GAP) has been developed which covers each of PSSN’s thematic groups including Targeting and Unified Registry of Beneficiaries; Institutional Capacity Enhancement (communications, M&E, etc); E-Payments; Conditional Cash Transfers; Public Works; Livelihood Enhancement; and Financing.
- There is commitment to introduce gender focal points and invest in PSSN staff training.
- There is also commitment to improve the gender aspects of monitoring and evaluation.

Introduction

The Tanzanian economy has grown rapidly over the past decade, driven largely by industry and services, and concentrated in urban centers. Rural areas continue to depend heavily on agriculture, where growth has been slower. National rates of poverty have fallen sharply over the decade, but rural poverty rates remain double the urban rates, income inequality is persistently high, and nearly two out of five rural children are under-nourished.¹

Around 70 percent of the population lives in rural areas, where average incomes – of both male and female headed households -- fell by 12 percent between 2008-2015.² According to the World Bank 2018, “Economic prospects for the poor—who are predominantly employed in low-productivity farming or urban informal service sectors—remain limited as growth continues to be largely concentrated in capital-intensive sectors and in large urban areas”.

In 2012 the Government of Tanzania rolled out a national social assistance program—Productive Social Safety Net (PSSN), which implements conditional cash transfers, public works and livelihoods enhancement. In 2018, the government decided to re-design the current phase of PSSN into PSSN II which will be implemented over 2019-2022. The overall objective of PSSN II is to improve access to income earning opportunities and socio-economic services for poor households while promoting human capital of their children. Payment of cash benefits in PSSN has, until recently, been entirely through community-based bi-monthly cash deliveries. Tanzania has not yet moved far towards payments through bank or mobile transfers, although as outlined below, TASAF has recently piloted an E-payment program in sixteen districts.

According to World Bank et al (2015), 82 percent of PSSN recipients are women, and over half of PSSN households are headed by a woman. However, while social protection programs can accelerate women’s economic empowerment through expanding opportunities for paid work, boosting ownership of productive assets, enhancing the control over incomes, increasing social networks, and raising awareness of their rights—such gains do not flow automatically. The design of the program, together with the country context and implementation factors, will affect the extent to which these potential gains are realized in practice.

Digital transfers of social protection payments can provide women with independent access to predictable income streams, and digital payments can give female recipients greater control over how the money will be used. At the same time, intentional and effective design and delivery are critical to maximize benefits and reduce potential risks. Experience and recent systematic reviews suggest that the potential gains of social protection for women’s economic empowerment has yet to be fully realized.

This document outlines how Tanzania’s PSSN performs on the criteria that can help realize the potential of social protection for women’s economic empowerment. It analyzes how and where the program could be designed differently to better serve poor women. We hope that this serves as a useful basis to work out – with government and relevant development partners – how best to test and/or implement the recommended changes.

¹ An estimated 38% of rural children are stunted vs. 25% urban: DHS 2016

² Similar trends seen for male headed households, although FHH income sees greater fluctuations

Context: Opportunities and constraints in women’s economic empowerment

Despite government commitments to gender equality, in Tanzania as in the rest of the world, gaps persist. A recent global ranking, the Women, Peace and Security Index that captures achievements in terms of inclusion, justice and security, placed Tanzania above the average for Sub-Saharan Africa, although ranking 85th out of 153 countries (Georgetown Institute for Women, Peace and Security, 2017).

This brief review draws on results from the Living Standards Measurement Study - Integrated Surveys on Agriculture (LSMS-ISA),³ Women’s Empowerment in Agriculture Index (WEAI),⁴ Demographic and Health Survey (DHS), World Bank, *Consultative Group to Assist the Poor* (CGAP), and Tanzanian national accounts.

Figure 1 shows the major constraints to women’s economic empowerment in Tanzania. Analysis suggests that the large gender gaps in plot size is a top contributor to women’s disempowerment, alongside large gender gaps in skills and time. It is not possible for PSSN to address all of the potentially important enablers of women’s economic empowerment – but it is important to consider how these factors might be either alleviated or exacerbated by the design and implementation of the PSSNII.

Figure 1: Key constraints on economic empowerment of poor women in Tanzania

High Illiteracy/Numeracy	High Fertility Rates	Adverse norms and stereotypes – Unpaid work Constrained Decision-Making
Limited Access to Financial Services	Limited Ownership and Control of Assets	High rates of Intimate Partner Violence

Women, like men, in Tanzania are predominantly young -- over half are under 26 years of age, 42 percent under 15 -- mainly live in rural areas, and over three-quarters live in male-headed households.

Some key aspects of women’s well-being have improved over the past decade, including educational achievements. The gender gap in literacy shrank by 5 percentage points over the period 2002-2015 (World Bank World Development Indicators, 2018), and the shares of women with no or only basic education has fallen over time.

³ For the LSMS Waves 1-4, gender disaggregation is primarily by gender of head of household.

⁴ The WEAI sample is small -- 289 rural households.

However rural areas lag and major gaps persist, especially for poor women,⁵ as shown in Table 1, so that in 2015:

- On average, poor women have about one less year of education than non-poor women – 6.2 versus 7.3 years -- a difference similar to that between poor and non-poor men.
- More than one fourth of women were illiterate—with the share in rural areas and among the poor averaging 35 and 42 percent respectively;
- Poor women have, on average, four children, compared to two for non-poor women;
- 40 percent of very poor women gave birth in the last 24 months, while that figure was 26 percent for non-poor women.

Table 1: Demographic Profile of Poor Women and Men, 2014/15

	Extreme poor		Poor		Non-poor	
	Women	Men	Women	Men	Women	Men
Age	24	23	25	25	28	28
Gave birth in last 24 months	40%		33%		26%	
Children <18 in the household	3.85	3.95	3.29	3.44	2.01	2.07
Share in female headed households	29%	21%	26%	16%	27%	14%
Years of education	6.2	6.2	6.2	6.4	7.3	7.4

Source: Tanzania NPS 2014-2015.

A field visit by TASAF in April 2018 found that women beneficiaries often rely on other family members for assistance to understand, comply or utilize PSSN benefits.

The fertility rate in Tanzania is high -- around 5 births per woman (World Bank 2016). Indeed, women in Tanzania have among the highest birth rates in the world. The adolescent fertility rate is also high—around 118 births per 1000 women ages 15-19 in 2015, and almost two in five girls marry before their 18th birthday (UNFPA 2014). Given norms around domestic work, this curtails the ability of women to engage in paid work, including public works, especially where there is no provision for child care.

Economic opportunities and empowerment

Here we review patterns and trends in labour force participation, returns to paid work and constraints thereto, with a focus on agriculture, where the vast majority of poor women work.

Women’s labor market involvement is high in Tanzania; their labor force participation rate averaged 83% between 2000 and 2017, well above the average for Sub-Saharan African (62%) and Latin America and the Caribbean (51%). Yet women lag behind men in access to productive paid opportunities, productive inputs, and financial inclusion, as outlined below (Gender Statistics, World Bank, 2018).

The most recent nationally representative data on individual economic activity (NPS 2014-2015) reveals some marked patterns (Table 2). Very few women, especially among the poor, are paid employees, and

⁵ Extreme poor defined as people having a monthly per capita expenditure below the extreme poverty line, that is 34,642 TSh. Poor people defined as those having a monthly per capita expenditure above the extreme poverty line and below the poverty line, that is, between 34,642 and 48,449 TSh. Non-poor people defined as those having a per capita monthly expenditure above the poverty line.

women are much less likely than men to work in the industrial sector. Relatively few poor women, and men, are self-employed outside of agriculture. Women account for fewer than one in five (18 percent) of owners of rural agricultural small and medium enterprises.⁶

Around half of poor women work as unpaid family helpers. Agriculture is also important – working on own farm or shamba accounts for 36 percent of work of the extremely poor, and 41 percent of the poor. This pattern of work points to very limited economic opportunities, especially for those living below the poverty line.

Table 2: Economic activity of women and men, by poverty status, percentage

	Extreme poor		Poor		Non-poor	
	Women	Men	Women	Men	Women	Men
<i>Urban</i>						
Paid employee	15%	24%	5%	34%	26%	45%
Self-employed (not in ag)	22%	19%	28%	22%	42%	33%
Unpaid family helper	37%	27%	26%	19%	18%	12%
Work on own farm or sharma	27%	30%	41%	25%	13%	11%
<i>Rural</i>						
Paid employee	5%	8%	3%	11%	6%	14%
Self-employed (not in ag)	4%	5%	4%	7%	11%	14%
Unpaid family helper	54%	37%	51%	31%	45%	24%
Work on own farm or sharma	37%	50%	41%	51%	39%	48%

Source: Tanzania NPS 2014-2015.

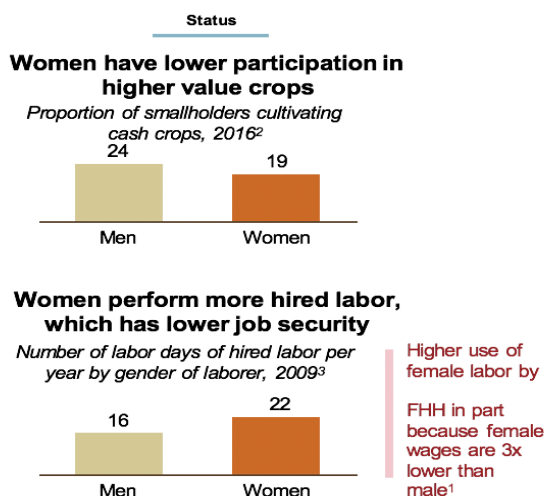
As noted above, seven out of ten Tanzanians (and 90 percent of the poor) live in rural areas. Rural household income is derived primarily from agriculture: in 2014/5, according to the LSMS, 51% of household income derived from crops and livestock, and just 7 percent from agricultural wages.

About 71% of economically active women work in agriculture. Women in Tanzania continue to have more limited access to assets, resources and services, such as education, credit, technology, and inputs. Women are less likely to grow cash crops and more likely to be hired laborers than men. While evidence suggests that gender productivity gaps are closing (14% in 2015 compared to 36% in 2008), gender gaps persist in income (37%). Studies suggest that while the land productivity of female headed households has improved, their labor productivity remains flat. As shown in Figure 3, women are less likely to grown higher value, cash crops, and do more hired labour, which is insecure and also low paid.

While women are extensively engaged in agriculture, males dominate all activities related to monetary transactions animal husbandry, and entrepreneurial activities, and female activities typically do not involve monetary issues and do not have a market dimension. Their responsibility is largely growing staple foods, household maintenance and domestic work.

⁶ Nandonde. Analysis of Women Small Scale Entrepreneurs Practices. 2013.

Figure 2:



Sources: CGAP. National Survey and Segmentation of Smallholder Households in Tanzania. 2016.

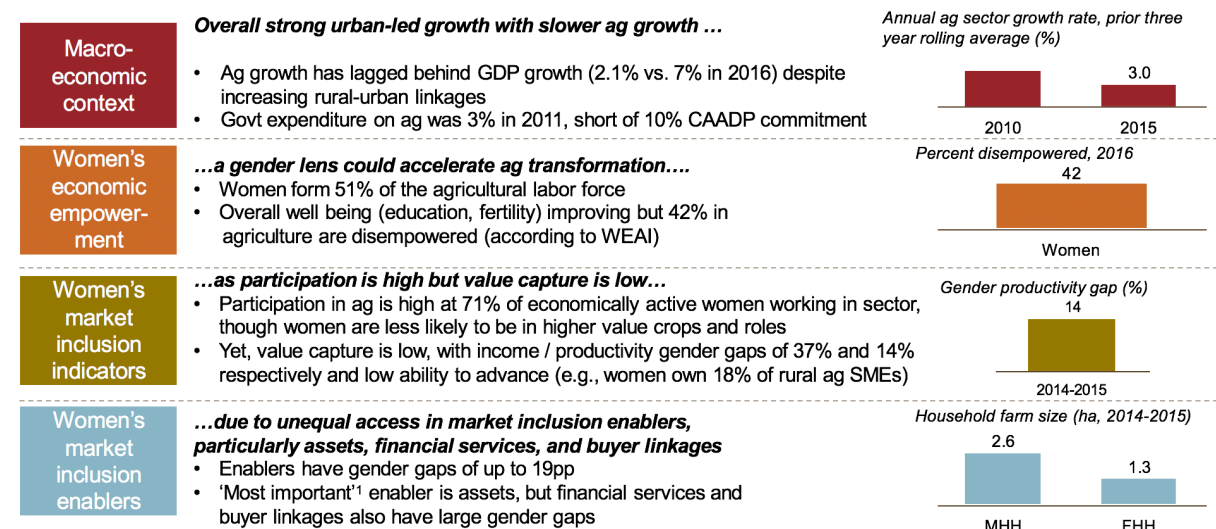
Women’s ownership and control of land is limited: in rural Tanzania, 73% of landholders are men (FAO, 2014), despite the Marriage Act of 1971 which provides protections for women, and several land reforms during the 1990s -- most notably the Lands Act and Village Lands Act in 1999, which aimed at encouraging female land ownership. Under the customary land tenure system in Tanzania, only male clan members and sons inherit clan land, and when a woman is widowed, if she does not marry one of the husband’s relatives, she is evicted and dispossessed of her land. Upon divorce, women are also expected to return home to their parents, thereby losing their land. This constraint affects a large proportion of women – in Tanzania, almost half (47%) of female- headed households are headed by widows, and 27% by separated or divorced women.⁷ This lack of control over land can in turn affect negatively the chances of a woman to start or expand a farm or a business, through the reduced probability of having access to credit.

Men own 18 times more livestock than women; women have particularly low ownership of more lucrative livestock assets. Where livestock are owned jointly, men typically retain decision-making power, while women independently made only 12% of decisions over when and what to sell (CGAP, 2017).

Figure 3 summarizes the constraints that on women’s economic opportunities in rural Tanzania.

⁷ Slavchevska, de la O Campos, Brunelli, & Doss, Beyond land ownership. 2017; Duncan, Jennifer, “Women’s Land Rights Guide to Tanzania”, Landesa, 2014.

Figure 3:



Financial inclusion and exclusion.

There are major gaps in financial inclusion – both between women and men, and affecting poor women. Only 5 percent of poor women have a bank account, compared to 30 percent of non-poor women, and 6 percent of men (NPS 2014-2015). Men and women use banks to mainly open saving accounts, with the second use having an ATM/debit card; both uses are larger among men. Bank transactions for men and women tend to be done personally at a bank branch, using ATM, or a mobile phone in that order. Men are more likely to use ATMs and mobile phones. Table 3 highlights ownership and use at the household level.

Table 3: Formal financial inclusion and mobile access at the household level

	Extreme poor		Poor		Non-poor	
	Women	Men	Women	Men	Women	Men
A bank account	2%	2%	8%	9%	30%	28%
A cellphone	63%	64%	75%	78%	89%	90%
Use digital financial services	25%	24%	46%	46%	71%	70%

Source: National Panel Survey, 2014/15

Notes: Refers to anyone in the household. Digital services include M-PESA, Z-PESA, ZAP, TIGO PESA.

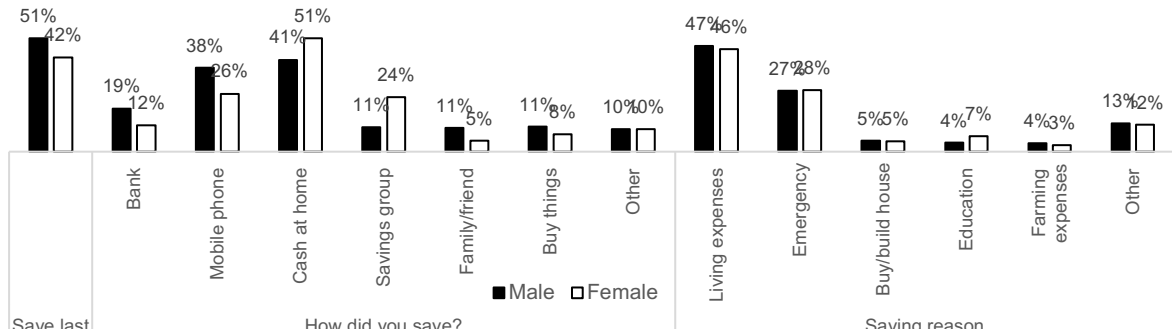
FinScope 2017 provides insights into the nature of women's financial exclusion, although it does disaggregate between the poor and non-poor. Figure 5 shows:

- Men are more likely to have saved than women in the past year – 51 versus 42 percent.
 - Among those saving, men use mobile phones, banks, and family members (38, 19 and 11 percent respectively), while women use saving groups and keep money at home (24 and 51 percent respectively).
 - There are no gender differences in reasons for saving -- both men and women tend to save for living expenses and emergencies.

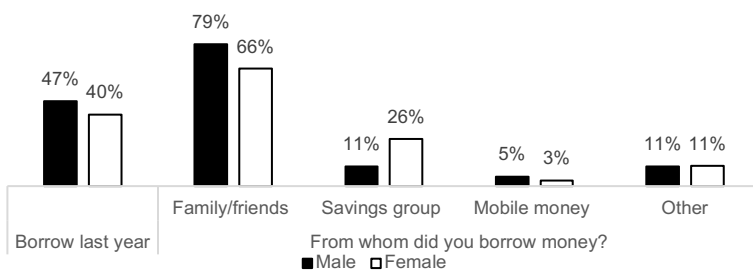
- Men are also more likely to borrow than women --47 percent of men borrowed money in the last year versus 40 percent of women.
 - Both men and women borrow money primarily from family and friends.
 - Men use mobile money more than women --63 percent of men use mobile money versus 50 percent of women.
 - Among people using mobile money, gender differences in the mobile money service used are small.

Figure 5. Indicators of financial inclusion by gender

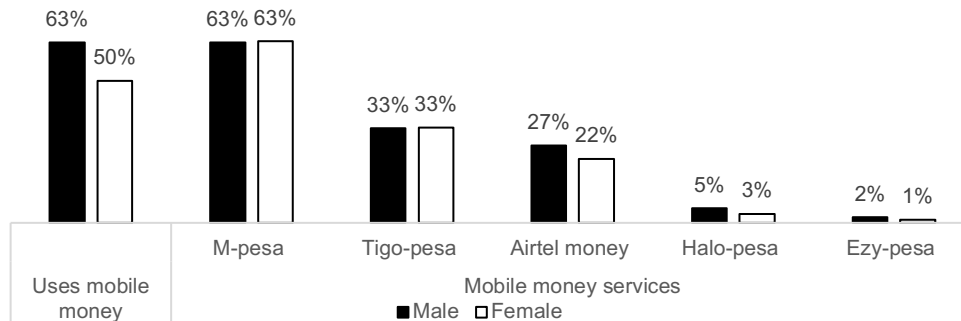
Panel A: Saving behavior



Panel B: Borrowing behavior



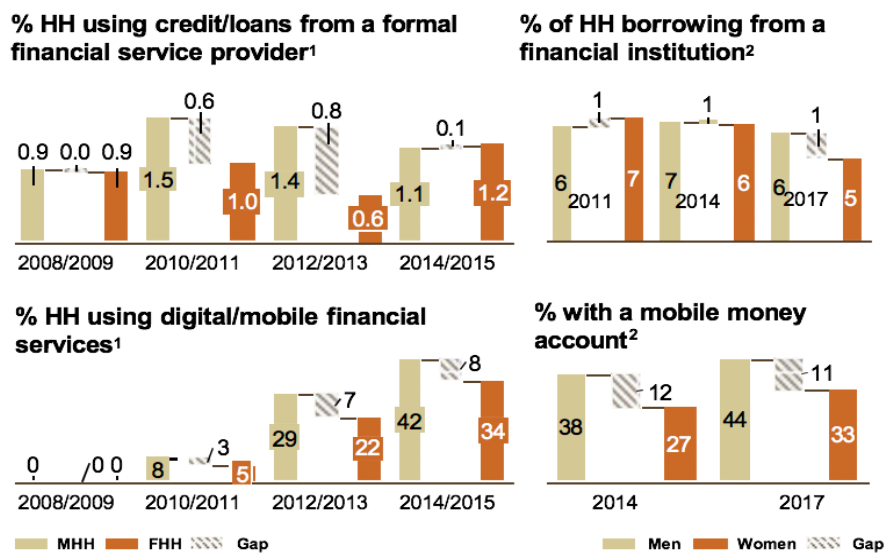
Panel C: Mobile money



Source: FinScope 2017.

Figure 6:

Summary: Smallholder access to mobile financial services has risen over time, though gender gaps remain; access to formal financial services remains low.¹



Tanzania NPS LSMS-ISA, Waves 1-4. 2. Findex, 2017.

Fewer than 70 percent of poor women live in households with a cell phone, compared to 90 percent of non-poor women. The share of adult women that own a cell phone -- which is more likely to assure privacy and control-- is 73 percent, 9 percentage points less than male ownership (GSMA, 2018). While this figure is not available for poor women, it is likely significantly lower.

The use of mobile money is more common among men than women – 63 versus 50 percent respectively⁸. For both men and women, M-pesa and Tigo-pesa are the main service providers.

Tanzania has been the site of various recent experiments testing the impacts of access to mobile technology in various contexts.

A recent large-scale field experiment in Tanzania investigated the effects of mobile technology on the uptake and use of mobile money by women. The results are summarized in Box 1. On the whole, the effect of mobile phone ownership on participants’ economic well-being was mixed, with no significant effects from phone ownership on savings. The basic phone had stronger effects on income, whereas the smartphone drives up household consumption—though this difference was largely driven by mobile phone costs. Mobile phone training improved use on acceptance of mobile money in a small grant exercise and phone retention. However, group training was less effective than individual training.

⁸ CGAP. Understanding the Demand for Financial, Agricultural, and Digital Solutions from Smallholder Households: Insights from the Financial Diaries and Household Survey in Tanzania. 2017.

Box 1 : Mobile phone ownership and the uptake and usage of digital financial services

This study involved two one-year experiments in Tanzania among non-phone owners (N= 1352) and phone owners (N =648), respectively, that leveraged the random assignment of mobile phones and compared their impact to a control and cash only condition.

Among non-phone owners, getting phones in the hands of women increased mobile money -- access, sending and receiving -- especially for those traditionally are less likely to own phones—older, rural women with low levels of literacy. Merely distributing SIM cards to non-phone owners also significantly increases mobile money access.

For savings and payments however, cash remains dominant, and phone ownership induced modest treatment effects at best. Moreover few took up the option—even when participants are offered a substantial premium to use mobile money over cash. Education is a powerful predictor of whether phone recipients will become active users of mobile money.

Mobile phone churn was high, especially for smart phones. By endline nearly 30% of those in the phone groups no longer owned a phone. This reduced mobile money use.

There is not much evidence of leapfrogging effects from smartphones, but rather that participants in the basic phone condition became significantly more active users of mobile money than those assigned to the smart group.

On the whole, the effect of mobile phone ownership on participants' economic well-being was mixed, with no significant effects from phone ownership on savings. The basic phone had stronger effects on income, whereas the smartphone drives up household consumption—though this difference was largely driven by mobile phone costs.

Mobile phone training improved use on acceptance of mobile money in a small grant exercise and phone retention. However, group training was less effective than individual training.

Among phone owners, shifting from basic handsets to smartphones had limited benefits. The control group (basic phone owners) kept pace with smartphone owners in terms of familiarity with SMS and mobile money; mobile money account ownership, frequency of use; remittances sent or received, and savings.

On most of economic measures (savings, income, consumption), cash transfers have more consistently significant positive effects than smartphones.

Source: Roessler, et.al. (forthcoming 2019) Mobile Phone Ownership and the Uptake and Usage of Digital Financial Services by Women in an Emerging Economy: Evidence from a Field Experiment in Tanzania

This points to challenges around boosting mobile phone ownership among PSSN participants, given high rate of phone “loss”, and how to address the revealed preference for cash.

Groups

Many savings groups were established with the PSSN, since this was a program requirement, although most existed only on paper. Field work for the UNDP assessment found that many of the groups were practically dormant.⁹ Although the savings groups established under TASAF are open to both women and men, the perception is that the groups are for women due to the traditional practice of women forming their own “upatu” or “merry-go-round” groups. Women constituted about 90% of the savings and

⁹ UNDP Assessment 2017; Roessler et al (forthcoming)

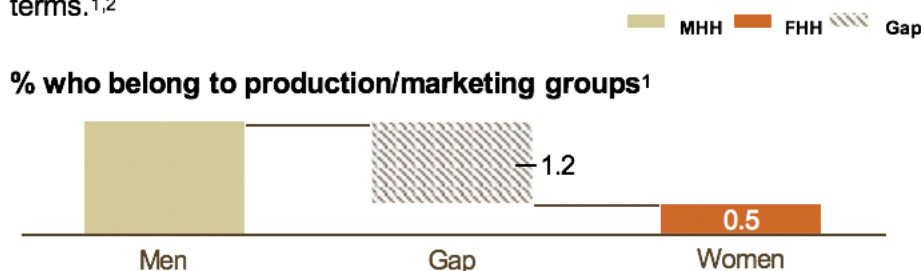
livelihoods enhancement groups in the four districts covered by the UNDP study, and were self-reported to be more active and sustainable than the ones formed by men.

In the e-payments pilot,¹⁰ all the participants belonged to at least one formal or informal social group – religious congregation, family welfare group, rotational savings and credit association or farmers’ co-operative society. Upatu¹¹ and Vikoba¹² were the most common financial groups. Contributing money motivated members to engage in paid work, while family welfare groups and religious congregations were considered the most helpful when members were in need.

More generally, very few women, and men, belong to groups related to agricultural production and marketing. It has been reported that women are often only included where there are participation quotas that require their membership; even when they are allowed to participate, they are rarely given in leadership roles.

Figure 7:

Group membership remains very low for both men and women in absolute terms.^{1,2}



Source: Dahlberg

Unpaid work at home.

As underlined by the UN Secretary General’s High Level Panel, gender differences in time use can limit women’s economic empowerment. Women continue to do the bulk of household tasks in Tanzania, although men and women disagree on the extent to which this is the case. Data on time use is available from the Integrated Labor Force Survey of Tanzania, 2014, and the recent IMAGES study. These both suggest that women do most of the unpaid domestic work, which includes cooking, fetching water/fuel,

¹⁰ Fundación Capital HCD Research on Financial Inclusion: Examining the TASAF ePayments System in Tanzania, Research Report. March 2018

¹¹ Upatu, a type of rotating savings and credit association (ROSCA) can have as few as five members. They contribute money which is given to one or two members at a time – could be weekly or monthly. There is normally a chairperson who collects the money on behalf of the group and passes it onto the beneficiary. Upatu are particularly popular among females.

¹² Vikoba are formal ways of saving money – they have rules and regulations to be followed by members. It has officials too. A member can borrow from the funds members contribute (referred to as shares) and repay with interest. Vikoba are popular among females and males.

and taking care of children and others within the household. Data suggests that they spend 3-4 times as much than men on this work, averaging about 30 hours a week.¹³

These patterns reflect norms about care and housework, and the traditional role of men taking responsibility for monetary and entrepreneurial activities. The patterns may be reinforced by women’s relatively lower returns to paid work, and potentially by the conditionalities associated with cash transfers. UNDP (2018) reported increased workload for women associated with PSNNP conditionalities.

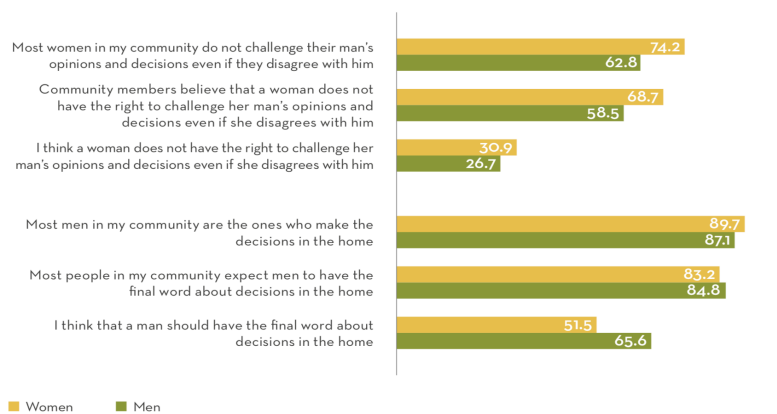
A recent Promundo report concluded that Tanzanian fathers do undertake caring responsibilities and want to care. Caring for children is the household task in which men most reported participating and which is apparently the least stigmatizing, affirming that promoting men’s equitable participation in caring for children and other household members may be a strategic point of entry for promoting gender equality.¹⁴

Women’s control over income and decision-making at home

There are various ways to measure women’s control over income, using indicators from the DHS and other sources, like the IMAGES survey. The data consistently show that men dominate decision-making. Figure 7 shows that the majority of both men (63 percent) and women (55 percent) agree that men make the final decisions on large household investments in their relationships, while about one-third of both men and women reported that they make such decisions jointly. Joint decision making was more common among urban households and the better educated. Interestingly, individual attitudes, of both women and men, tend to be more equitable than perceived community norms.

Figure 7: Attitudes and norms around decision making at home, by gender

Percentage of respondents who agreed or strongly agreed with statements related to decision-making and gender roles in the household and community (weighted data)



Source: Letvov et al 2018, IMAGES 2018

¹³ Letvov, R., Vlahovicova, K., Barker, G., Stiefvater, E., Lugano, D., and Mulokozi, A. D. (2018). Momentum Toward Equality: Results from the International Men and Gender Equality Survey (IMAGES) in Tanzania. Washington, DC:

¹⁴ Promundo-US, Uzazi na Malezi Bora Tanzania, and Tanzania Commission for AIDS. <https://s28691.pcdn.co/wp-content/uploads/2018/10/Momentum-Toward-Equality-IMAGES-Tanzania-Report-EN.pdf>

Measures of women’s autonomy – related to decisions over health care, large purchases and visits to family and relatives -- have tended to improve over the past decade, as shown in Table 4. However both the level and the extent of improvement are worst for the bottom quintile, and best for the top wealth quintile. The share of women with a say in all three domains rose 15 percentage points to 43 percent for the top quintile, but only 3 points, to 27 percent, for the bottom / poorest quintile.

This suggests that poor women are increasingly left behind in terms of empowerment at home – indeed most worrying is the data showing that the share of poor women with no control in any of these three domains has increased – that is, worsened – over the decade, even as it improved overall. More than one in four poor Tanzanian women have *no* say in either their own health care, family purchases nor visiting. And acceptance of violence in the home is also much higher among poor women.

Table 4: Decision-Making: Percentage of Women Participating in various decisions, top and bottom wealth quintile, and average

	2005	2010	2016	Overall change
Women's own health care	56	60	72	16
Lowest	53	55	64	11
Highest	61	72	80	19
Major household purchases	33	39	46	13
Lowest	32	39	36	5
Highest	36	48	57	21
Visit to her family or relatives	47	50	58	12
Lowest	44	48	49	5
Highest	49	60	67	18
None of the three decisions	21	30	18	-3
Lowest	21	35	27	5
Highest	23	18	11	-12
All three decisions	26	30	35	9
Lowest	25	32	28	3
Highest	29	38	43	15

Source: Tanzania DHS.

Note: Percentage of currently married women aged 15-49 who usually make specific decisions either alone or jointly with their husband. The overall change column is in percentage points.

The baseline results from World Bank (2015) confirm that PSSN beneficiaries lack control over key spending decisions. Women’s decision-making was shaped by their marital status: single, separated, divorced or widowed, women of reproductive age were more likely to be the sole decision-makers across all categories of decisions compared to women who were married or living with a partner. For example:

- Almost half (49%) of women without a partner determined how to use income compared to 20% of women living with partners.

- Decisions on health care on children were made by half (51%) of women who were living without a partner, compared to 13% of women living with a partner who contribute in making the decisions.
- Decisions on children’s schooling were made by 52% of un-partnered women, compared to only 10% of those living with a partner.

However, while the shares of women with decision-making power are consistently higher for women who are not currently partnered, the share is still only around half-implying that their autonomy remains constrained.

While it might be expected that access to income, including via social transfers, could boost women’s decision-making power in the home, this is not necessarily the case, as control over women’s income could be a source of conflict, and in some cases violence (UNDP, 2018). This needs further exploration and possible mitigation given that the PSSN directs payments to women.

IMAGES found that rates of men’s controlling behaviors in intimate partner relationships are high in Tanzania, as reported by both men and women. Three in four men reported using at least one controlling behavior with their current or most recent intimate partner, such as the man having more say in important decisions affecting the couple, needing to know where the woman is all the time, or expecting his partner to agree to sex when he wants it. Four in five women reported that their partner used at least one of these behaviors. Many women also reported frequently being afraid of their partner — nearly one in four (23 percent) said that they fear him often or all the time. This leads directly to the topic of violence.

Intimate Partner Violence

Rates of violence against women in Tanzania are high, and remained unchanged between 2010 and 2015 (ICF, 2015), around 30 percent. IMAGES Tanzania found high lifetime rates of intimate partner violence: two in five women reported ever experiencing physical violence, two in five reported economic violence, one in three reported sexual violence, and over 60 percent reported emotional violence. In contrast, men’s reported perpetration is much lower, which is likely underreported due to social desirability effects on interviewee responses and awareness of increasing attention to violence prevention and response.

World Bank et al (2015) found high levels of lifetime domestic violence among PSSN recipients. The baseline findings of UNICEF (2017) focused on the young beneficiaries of the PSSN aged 14-24, and psychological aspects of well-being and violence, finding that 63% exhibited depressive symptoms, and that females were more likely than men to expect their lives to be worse in the future (27% versus 17%). High levels of violence were experienced and reported acceptability of domestic violence (emotional, physical and sexual); including 70% of females agreeing that husbands were justified in beating their wives. Among victims of violence, only 27% ever told anyone about their experiences, and only 2% sought help from formal sources including social, judicial, police or health combined.

The risk factors associated with the likelihood of violence, estimated by Letvov 2018, are summarized in Box 2 below.

Summary of factors significantly associated with men's higher or lower likelihood of using different types of intimate partner violence (weighted data)

	PHYSICAL INTIMATE PARTNER VIOLENCE	SEXUAL INTIMATE PARTNER VIOLENCE	ECONOMIC INTIMATE PARTNER VIOLENCE	EMOTIONAL INTIMATE PARTNER VIOLENCE
Socio-demographic factors	Older age (higher) Urban residence (lower)	Older age (higher) Difficulty making ends meet (higher)	Being married (higher)	None found
Childhood exposure and experiences	Violence as child* (higher) More-educated father (higher)	Violence as child* (higher) More-educated father (lower)	More-educated father (lower)	None found
Relationship factors	Frequent quarreling (higher)	Frequent quarreling (higher)	Frequent quarreling (higher)	Controlling behavior (higher)
Gender-related attitudes	None found	None found	None found	Equitable attitudes (lower)

* Refers to having witnessed intimate partner violence or having experienced physical violence in the home as a child.

There is widespread tolerance of intimate partner violence –most women in all but the top quintile think is acceptable to be beaten by their partners for various trivial reasons, like burning the dinner. There is no consistent pattern of improvement over the past decade – indeed there is an apparent worsening for the poorer quintiles in 2016. This tolerance is also associated with higher rates of actual violence. The acceptability of violence is much higher in the poorer quintiles. About seven out of ten women in the poorest quintile think it is okay to be beaten by their husband, compared to 45 percent in the top quintile (Table 5).

Table 5. Acceptance of Intimate Partner Violence by Wealth Quintile

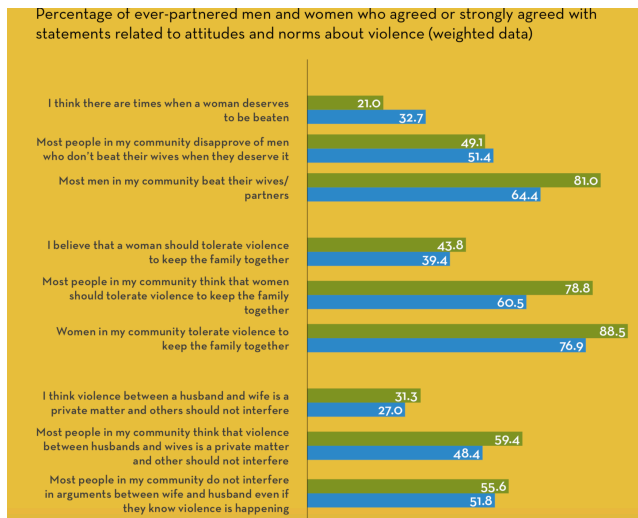
	2005	2010	2016
Total	59.6	53.5	58
Poorest quintile	65.3	60.9	69.8
Second	65.4	58.9	61.9
Third	62.6	60.1	64.9
Fourth	59.1	56.7	56.4
Richest quintile	49.3	35.7	45.1

Source: Demographic and Health Surveys

Making women the recipients of PSSN cash transfers could give rise to conflicts within the household. However, it may reduce financial stress in the household. More evidence is required on how these effects play out in practice, and effective mitigation responses/.

The IMAGES study found that individual attitudes about the use of partner violence were generally more equitable than perceptions about community norms and practices – Figure 9 – this disconnect may be addressed in programming to combat violence.

Figure 9: Attitudes toward intimate partner violence, by gender, 2017



“The discrepancy between men’s reported use of intimate partner violence and women’s rate of experiencing it is one of the largest found in any IMAGES study. This finding may suggest that men underreported their use of violence because they perceive a shift in social norms, with violence becoming socially unacceptable. While a perception that social norms are changing is positive, these shifts may be insufficient to drive changes in men’s practices and use of violence. However, social-norms-change approaches can provide a strong foundation for bystander or related interventions that educate men to act on what they know or perceive is “right.” Future campaign work targeting men can emphasize the positive: “You agree that violence is wrong. Now let’s put an end to it.” The same holds true for sexual violence — which almost no men reported using, but which one in five women reported experiencing — highlighting the need for consent education for adolescent and young men... ”

Letvov et al 2018, p 104

In sum, the picture that emerges is that women face major constraints, especially poor women who experience overlapping disadvantages. Evidence suggests that among women who are poor – their education averages six years, they typically have four children, and two thirds work in agriculture, mainly in low return activities. About 70 percent of poor women think it is acceptable to be beaten by their partner. Low rates of financial inclusion and cell phone access further underpin the disadvantages facing poor women. Strategic consideration of these constraints is needed in order to realize the vision for women’s financial inclusion and economic empowerment.

The D3 Criteria

We now proceed to address how the PSSN performs against the D3 criteria, flagging areas that may be barriers to change unless effectively addressed.

Core System Enablers

Several readiness factors affect the functioning of any social safety net program, but are particularly critical for any efforts to operationalize the D3 principles.

Network Reliability. The GSMA Mobile Connectivity Index measures the performance of 163 countries out of 100 against four key enablers of mobile internet adoption – infrastructure, affordability, consumer readiness and content and services.

Figure 10: GSMA Mobile Connectivity Index, Tanzania

	2014	2015	2016	2017
Index Score	31.1	32.1	35.9	39.4
Infrastructure	15.7	16.0	17.1	22.3
Affordability	40.6	37.5	46.3	48.1
Consumer	55.6	56.9	58.7	59.0
Content	26.6	31.2	35.6	38.1

Tanzania’s 2017 index score is 39.4]—scoring worst on infrastructure, which comprises four components –network coverage (34.6), other enabling infrastructure (25.8), spectrum (13.7), and Tanzania’s weakest area, network performance (13.3). This means that network coverage is incomplete and in places where it does exist the full range of services are not available reducing the utility of the service for potential users.¹⁵ This is particularly problematic in rural areas.

Mobile connectivity in Tanzania is rising. Tanzania’s score is slightly above the Sub Saharan Africa average of 38.6, above Uganda and Ethiopia but below Rwanda and Kenya, as shown in Figure 11.

Figure 11: GSMA Mobile Connectivity Index 2017

Global	SSA	Uganda	Ethiopia	Tanzania	Rwanda	Kenya
60	38.6	36.5	37.7	39.4	40.0	51.0

Payment Systems Interoperability and Infrastructure

Interoperability

Full interoperability of ATMs and POS is yet to be achieved in Tanzania, despite significant progress in developing retail payment products – enabled by the introduction of agency banking in 2013, and the 2015 National Payment Systems Act.

¹⁵ <https://www.mobileconnectivityindex.com>

- Mobile network operators interconnected their mobile money services in 2014 through a series of bilateral agreements between Airtel, Tigo and Zantel, followed by Vodacom's M-PESA service. Interconnection allows a customer to send money (P2P) across all mobile money schemes.
- Retail payments switches are available through Visa/MasterCard and Umoja- a local switch providing ATM interoperability for 27 member banks out of the 52 banks in Tanzania.
 - About 30 percent of the 212+ ATMs on the Umoja network are owned by Umoja switch (while the rest are owned by member banks. (Note that Umoja switch member banks are mainly the small to medium banks the largest banks have not joined). Umoja is in the process of migrating to EMV chip card technology in line BOT requirements. (EMV is the technical standard developed by a consortium of EuroPay, MasterCard and Visa for smartcards and the POS and ATMs that accept them). Successful migration to EMV creates opportunity for Tanzania to move toward interoperability.
- Payment aggregators such as Maxcom Africa (MaxMalipo) and Selcom allow customers access to a relatively large proportion of the financial access points in Tanzania. For example, MaxMalipo has links to all the mobile money schemes and the largest banks NMB and CRDB, they are a member of the Umoja switch and have POS presence in all 200 post offices and 600 post office franchises. This network allows partners with Maxcom to collect and disburse payments through the majority of financial access points with the apparent exception of MFIs and SACCOS.

The Tanzania Postal Bank (TPB) with its network of 52 branches has presence in every district of the country and plays an important role in remote areas. The TPB is a member of Umoja switch, has direct integration with MNOs for which it has engaged various types of agents including retail outlets, post offices community banks and SACCOS to conduct cash in and cash out transactions.

Choice and accessibility

Financial access points

Finscope 2017 found that nationally, 86% of adults (78 % in rural areas) were within 5km of a financial access point (mobile phone and banking service providers including mobile agents). The National Financial Inclusion Framework target for 2018-2022 is for 90% of the population to be within 5km of a financial access point, 85% in rural areas.

The closest financial access point is generally a mobile money agent. Over half of the respondents said that mobile money agents were within 5km from their households, more so in urban than rural areas. Mobile money agents are closest to households in Arusha, Kilimanjaro, Pwani and Tabora. Zanzibar households have the lowest access to mobile money, this is followed by Lindi and Tanga. ATMs are the second closest FSPs to households especially in Lindi and Zanzibar.

Table 6: FSPs within a radius of 5km from homesteads, by province, 2016

	Total	Arusha	DSM	Dodoma	Katavi	Kigoma	Kilimanjaro	Lindi	Pwani	Tanga	Ruvuma	Tabora	Zanzibar	Rural	Urban
Mobile Money Agents	55%	79%	60%	54%	65%	57%	78%	21%	74%	39%	60%	77%	19%	54%	56%
ATMS	31%	41%	36%	-	%	41%	-	69%	16%	-	3%	23%	63%	24%	41%
Commercial bank branches	30%	52%	36%	-	46%	44%	-	72%	20%	7%	7%	19%	37%	22%	42%
Bank agents	30%	31%	26%	-	%	43%	-	76%	19%	-	17%	15%	63%	26%	36%
SACCOs	23%	21%	31%	3%	8%	43%	11%	62%	23%	4%	10%	12%	17%	17%	31%
Micro Finance Institutions	20%	14%	22%	3%	%	39%	-	59%	15%	4%	-	4%	30%	15%	26%
Community bank branches	20%	7%	19%	-	-	33%	-	76%	18%	-	-	4%	32%	17%	23%
None	17%	10%	12%	46%	15%	15%	22%	3%	6%	54%	23%	23%	20%	20%	14%

Source: ISPA, 2016

There has been good progress in terms of network reliability and interoperability, however, financial access points is limited in remote rural areas where most of the extreme poor beneficiaries of PSSN reside.

Pro-Financial Inclusion Policy and Regulation

The Bank of Tanzania, the central bank, joined the global Alliance for Financial Inclusion (AFI) in 2009, and in 2011 committed on behalf of Tanzania's financial sector to reach 50% of the adult population with financial services. The first National Financial Inclusion Framework (2014-16) provides for coordination through four bodies: the National Council, Steering Committee, Technical Committee and Secretariat, the latter housed at the BOT.¹⁶

The National Council, a public private initiative, launched the second national Financial Inclusion Framework 2018-2022 with the vision that "Financial products and services meet the needs of the individuals and businesses consistent with supporting livelihoods, household resilience, and creation of jobs". There is a focus on women, as a pivotal market that deserves greater attention, to close the 10% point gender gap in usage of financial services, by at least 90% by 2022.

On the gender front, the plan for PSSN II includes (1) making explicit policies and quantitative targets (2) requiring financial services providers to submit gender-disaggregated data (3) introducing women-inclusive policy and legal and regulatory framework reforms (4) supporting financial education and financial literacy programmes for women, and (5) addressing unfavorable social norms by the community and interested stakeholders.

Digital ID. Digital IDs do not yet exist in Tanzania. The current landscape is as follows:

- TASAF has created their own simple IDs for identifying their beneficiaries, without even a photo.

¹⁶ https://www.afi-global.org/sites/default/files/publications/2018-08/AFI_MS_Tanzania_AW_digital.pdf

- According to Finscope 2017, 83% of the population hold a national voting card, while 9 % have a national ID. However only 3% of TASAF beneficiaries had National IDs.
- The Financial Inclusion Framework states that 23% of the population is in the National identification database and sets a target of 90% by 2022.

The National Identification Authority (NIDA) has been charged with issuing national ID numbers (NIN) and cards to all residents. Initial work has been carried out. A programme is underway to ensure that financial service providers are able to interface with the NIDA database to carry out authentication this may include biometrics. A completion date is not yet set.

Security. GSMA Mobile Money Certification, introduced in April 2018, is a global initiative to bring safer, more transparent, and more resilient mobile money, to build trust for customers and regulators. Six providers have been certified to date globally, including TigoPesa Tanzania and Vodacom mPesa Tanzania. Those that are certified should be serious about protecting the rights of consumers, delivering reliable and secure services, and combatting money laundering and the financing of terrorism.

Digitize Criteria

Digitization refers to a payment system whereby payments are received electronically. A digitized social protection that promotes women’s economic empowerment should be Reliable, Accessible, Flexible, Secure and Accountable.

The ISPA Assessment published in 2016 reviewed the PSSN payment delivery mechanism in terms of (1) Accessibility (which included (a) cost of access, (b) appropriateness, (c) rights and dignity), (2) Robustness (which covered (a) reliability, (b) governance (c) security and (3) Integration which included (a) financial inclusion and (b) coordination. This source is used to assess each of the areas below.

A recent baseline report of digital readiness, carried out by IPSOS Tanzania, provides important insights into the current landscape and use of mobile financial services, and results from the e-payments pilot for PSSN, that was carried out in 16 districts. Less than a third -- 31% -- of beneficiaries opted into e-payments, reasons for not transitioning are lack of technological know-how of making transactions, lack of phones, unavailability of agents, poor network coverage among other factors. These findings are consistent with the ISPA carried out in 2014/15 and Roessler et al (forthcoming); see Box 1. The headline results are outlined in Box 2:

Box 2: Key findings from IPSOS evaluation of the e-payments pilot

Among those who preferred cash payments:

Close to a third of beneficiaries attribute this to the fact that they do not own mobile phones.

About a quarter said it was because they do not know how to operate a mobile phone/ make transaction. This could be attributed to the low literacy levels observed among the beneficiaries. The majority of the beneficiaries have low literacy levels hence making on transactions using USSD platform is not a viable option for them.

The majority of beneficiaries do not know how to conduct mobile money transaction. Only 30% of mobile money recipients could withdraw money themselves. Close to half of them rely on mobile money agents while 27% rely on others (household members/friends/neighbours).

Respondents generally had very low knowledge of making mobile money transactions - sending (17%) or withdrawing money (19%) from a mobile phone – probably a factor of literacy levels and or difficulties associated with the USSD mode of making mobile money transaction

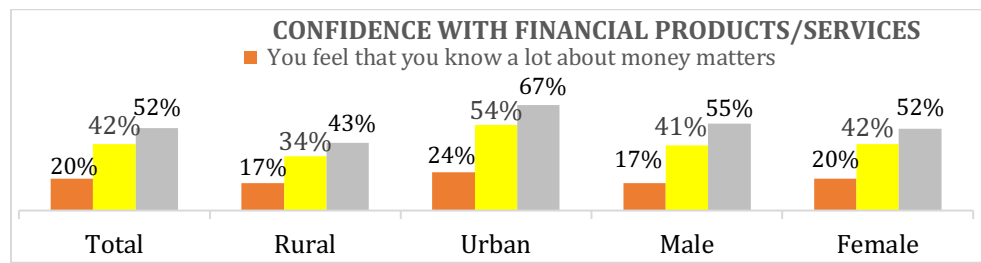
Close to a quarter of the respondents said they spend all payments received from TASAF at once.

The same survey found that 61% of respondents own a mobile phone, similar to the FINSCOPE 2017 report. Phone ownership is highest amongst urban based female respondents. By region, DSM had the highest incidence of mobile phone ownership followed by Arusha while Dodoma has the lowest incidence.

Analysis of phone ownership by channel of payment from TASAF indicates that 49% of cash recipients own mobile phones while 88% of mobile money recipients said that they own a mobile phone. This means that there is a huge opportunity to transition cash recipients to digital payments. It also appears that some mobile money recipients only own a sim card that they use to receive TASAF payments.

Six in 10 respondents with mobile phones have experienced network failure

Respondent confidence with financial products/services



Slightly more than half of the beneficiaries were not aware of any financial service providers (FSPs), this was especially the case in Tanga and Pwani

Mobile money service providers are considered most important in managing money, probably because they are the most used and have the closest proximity to the respondents' communities. Saving groups/VIKOBAs have the second highest level of importance and proximity to respondent households.

Source: IPSOS 2018

For the PSSN II phase, a single electronic solution (e-payment) will be rolled out to replace the existing manual payment process. This single solution will utilize banks and MNOs through GePG (Government e-Payments Gateway) to deliver (1) payment to (mobile or bank) accounts and (2) cash out with biometric verification. The biometric over-the-counter (OTC) approach will ensure that vulnerable households and those without phones can still receive electronic payments. This payment solution will be rolled out in 2019 following the finalization of the design, system architecture and agreements between GePG and the Payment Service Providers (PSPs). (TASAF Aide Memoire December 2018).

Low literacy levels is coupled with limited knowledge and technical know-how of operating a phone and making mobile money transaction (e.g. only 30% reported to know how to make such transactions by themselves). This raises several issues to explore under PSSN II:

- What forms of support, training or skills/capabilities is required for individuals or groups of PSSN beneficiaries will have the strongest effects on account usage?

- How do E-payments, account usage and skills/capabilities affect household dynamics?
- Does household planning and budgeting skills reduce stress/conflict and/or improve women's control of finances?
- What is the relationship between (i) account usage, (ii) skills/capabilities and (iii) economic activities?

Reliable

Digital social payments are not currently in place. Under the current system, TASAF payments are made every two months through local payment points across the country. Each village has a Community Management Committee (CMC), which is responsible for community-based targeting of beneficiaries, and for making payments to households. Each CMC has approximately seven volunteer members elected by the village. The CMCs are monitored by the local government officials of the project area authority (PAAs).

The 2016 ISPA Assessment found that delays in the disbursement of transfer caused by ICT in September 2016 – specifically migration of data from TASAF's MIS to an Oracle database. Similarly, an ICT related delay was encountered in the May/June 2018 payment window. While delays are generally minimal, further risks of delays may be addressed by the introduction of TASAF's pending ICT Policy.

TASAF has a department that focuses on **communication** with beneficiaries and funders, however the communications activities are very limited and rudimentary. Beneficiaries are informed of payments by CMC members shortly before payments start. In urban areas a loud hailer may be used to call beneficiaries to a meeting. In rural areas word of mouth is relied on alongside information provided to CMC members. Once beneficiaries gather at the payment point, community sensitization sessions are held communicating information about programme conditionality and other relevant information – like changes to payment terms -- before payments are disbursed.

The values of the conditional cash transfers vary depending on household composition and compliance with conditions including attending school and health clinics. The complexity of the conditionality can make it hard for beneficiaries to know what they should be receiving. Transfer values are broken down on the written receipt that recipients receive from the CMC, although as noted above 50% of women beneficiaries are illiterate.

There is need to explore ways to improve participant awareness of their entitlements, for example:

- Improving the information flow from schools/dispensaries (through CMCs) to TASAF for calculations, which digital communication could facilitate.

Accessible. Accessing the payment should not be burdensome in terms of time, convenience, and/or cost for program participants. Factors that affect accessibility can include:

Proximity. TASAF payments are made through 10,000 payment points across the country with a minimum of one payment point per village or one per 500 households in larger villages. A recipient is able to collect on behalf of an underage or disabled beneficiary.

The 2016 ISPA assessment scored the accessibility of payments at 2/4 largely because most locations for payments are rural, where travel times of 2-3 hours are typical. In urban locations the pay-points are more convenient requiring travel times of 5-20mins.

Box 3: Community Sessions

The payment process requires that beneficiaries gather in advance for a community sensitization session that starts at 8.30am and last for about 45 minutes. Payments start once the Community Management Committee (CMC) members have returned from the bank having collected the funds.

Typical waiting times are 2-4 hours, actual waiting time depends on an individual's place on the payroll list. Between 50 and 500 beneficiaries attend depending on the total number of beneficiaries in the village. The majority of waiting time is between the end of the community session and the beginning of the payment.

Once called the transaction time is less than 10 minutes.

There have been no studies to systematically evaluate the effectiveness of the community sessions. TASAF reports and field visits suggest that the sessions have been a useful education and information sharing to beneficiaries on various topics including on conditionality and compliance (on education and health), good child care practices, sanitation and hygiene. Meetings and activities related to livelihoods trainings and savings groups activities are set at a different time.

Affordability has several aspects related to the cost of payment usage and the opportunity (time), transport and other costs involved in accessing services.

There are currently significant opportunity costs associated with the long waiting times. There are also direct costs associated with travel to payment points, especially in rural locations. In ISPA 2016 rural beneficiaries reported having to spend up to TSH10,000 or 35% of the value of their transfer on transportation.

- Some use informal arrangements to share the cost of transport (a motorbike fare) between a group of beneficiaries by nominating on person to travel and collect a number of transfers on their behalf – although this is a behavior not condoned by the programme given that it means reduced attendance at the community sensitization sessions.

In theory another type of cost can arise because the manual payment does not provide the security of an electronic payment paid directly into a recipient's account. However, this has not been measured and hence evidence of leakage with current system is unknown.

It is difficult to assess the extent and cost of fraud and leakage for two reasons; firstly, the nature of the beneficiaries who are happy to receive this 'gift' and hence do not want to appear ungrateful by raising questions about the value of the transfer. (This is also the case for other complaints and grievance reporting mechanism—highlighted as critical issue under recourse). Secondly, the complexity of the conditionality, with the potential for changing values and legitimate deductions makes it hard for beneficiaries to know what they should be receiving, as highlighted above.

While e-payments would reduce time spent by beneficiaries collecting payments, the cost of transportation, however, is unlikely to be significantly reduced until the coverage of financial access points

expands further into rural areas. Moreover PSSN II is expected to continue the community sessions described under box 3, hence the need.

- Explore how e-payments can be implemented with community sessions without cost implications (time and transport costs) on beneficiaries.

Flexible. The payment options should provide choice and control of when and how participants receive the payment. These should allow space for trial and error, so that recipients can learn the system and their options. Core elements of flexibility include control, privacy and choice:

Control. The current manual payment system requires collection of cash on a single payment day from their allocated payment point. There is no opportunity to leave balance in an account, although it may be deposited once collected. With the e-payments recipients will have a private account that they can operate at a cash out point. Their ability to control the account, however, is limited (only 20% have control over income, WB, 218) and is linked to their financial capability which is a critical issue to be addressed in PSSN II.

Privacy. There is limited privacy in the existing manual payment system, for reasons outlined above. This could expose recipients to stigma and the risk of robbery, although evidence is limited. Physical cash is more obvious to other community and household members than electronic money.

E-payments are more private in theory but still face the high levels of illiteracy and capability on mobile phone use, which mean that women cannot operate their account autonomously.

- Since women beneficiaries often rely on other family members for assistance to understand, comply or utilize digital mobile technology, under PSSN II we could consider testing a proactive, possibly positive approach to involving other family members in PSSN programs and operations.

Choice. Beneficiaries do not have a choice of payment mechanism except for the 10% of recipients who live in the 16 PAAs where ePayments are being piloted. The pilot has been running for one year, and currently 44% of recipients in the pilot PAAs have opted to receive e-Payments. The most popular means of receiving payments is through mobile money accounts which are used by 98% of recipients choosing ePayments, while only 2% opted for payments into bank accounts.

The pilot did not include any product or service innovations to improve usability. There are no commitment products associated with ePayments although recipients are able to leave balance and therefore save.

When ePayments are rolled out nationally to all beneficiaries in 2019 they will have a number of choices including: choice of provider type – bank or MNO, choice of provider, choice of authentication – biometric or PIN based.

Value Proposition. A successful program will provide a value proposition for all stakeholders.

The rationale for E- Payment pilot is to address some challenges of physical cash payment which affected both beneficiaries and implementers at all levels including:

- High administrative cost involving massive paper work and human resources
- Transport costs on the beneficiaries traveling to and from the pay points
- Risk in carrying out physical cash in terms of security before, during, and after payments.

- Time wastage and delay in paying beneficiaries during pay days
- Limited privacy in registering and distributing cash.
- It limits and does not promote mobile money use and savings.

Secure. Data privacy, security and fraud protection are all components of security which mitigate consumer risks and ensure safe provision digital payments to women.

The existing manual payment process relies on single factor manual authentication through the presentation of a program ID card. The ePayments pilot uses the standard two factor electronic authentication provided to access mobile and bank accounts, based on PIN numbers.

Fraud monitoring is managed through TASAF TMU’s audit function. Beneficiaries may alert TASAF to fraud through the use of the grievance and redress mechanism, but in reality this is not well utilized because of social norms around making complaints (ISPA, 2016).

Accountable. The women should be aware their rights, they are respected by the program and PSPs, have the ability to access to well-functioning recourse, and have the right to be treated in dignity and respect.

Awareness: Beneficiaries have low levels of knowledge about their rights with regard to data, frequently taking the attitude of supplicants grateful to have received anything. ISPA 2016. As noted above, there is a low level of understanding about the actual amount due each payment period. Questions are frequently raised at the CMC level but there is not always the knowledge or understanding in order to resolve beneficiary queries.

Recourse: The Village Council is the main complaints receiving body at village level. Complainants can lodge their grievance either directly with the council, or through the CMC who then forward them to the Village Council. The Village Council resolves those disputes it can, depending on the nature of the complaint and where the mandate lies for the issue concerned. Unresolved disputes or issues beyond their mandate are referred to PAA or national level (Revised PSSN Operational Manual-2016).

Box 4: Community Management Committee (CMC) Interviews about e-payments

Generally, CMCs welcomed e-payments because whenever beneficiaries received less money than expected, they can no longer blame CMCs. In the past, CMCs had a hard time explaining to beneficiaries why amounts would decrease.

Other benefits CMCs associated with e-payments are that payments are made on time and less queuing (since about half of the beneficiaries opted for e-payments).

When asked about beneficiary preference for cash, CMCs said that majority are aged and illiterate hence they do not know how to use mobile phones or even read and write. Another challenge is that some beneficiaries lack the correct documentation to register sim cards in their names. Other beneficiaries simply do not see the need to opt out of cash payments because their payment generally arrives on time, they don’t see any delays in getting their money.

Source: IPSOS 2018

Beneficiaries can file their complaints to the Village Council (CV) directly or through CMCs and the CV resolves those that they can and send the rest to the district (PAA) or TASAF.

However this does not work well for various reasons including beneficiaries not reporting issues for fear of being excluded; lack of awareness of rights and entitlements, high illiteracy levels particularly for women and limited capacity of CMCs to resolve issues. Sometimes the complaints are against the CMCs themselves (ISPA, 2016). A call center is planned under PSSN II but it is unclear how effective this mechanism would be. Questions to be explored include:

- Exploring gendered needs for support to access and use the grievance mechanism system
- Sensitization of beneficiaries on their rights to the program and to seek information and responses to their issues.
- Increasing CMC awareness of beneficiaries' rights and building capacity.
- Effectiveness of call center mechanism

Direct Criteria

Most women do not have financial accounts. This creates an onboarding opportunity for the 70 percent of poor women without accounts (bank or mobile money) (FII Trucker Survey, Wave Five, 2017).

Even with e-payments in place, a key question is whether e-payments without a financial account can be a gateway to financial inclusion. This is especially challenging given the sparseness of branches, and the documentary and other requirements to set up a bank account. The pilots also suggest that beneficiaries receiving e-payments withdraw the entirety of the transfer at once, and continue to largely save at home.

The options for PSSNII to address this challenge include:

- Test and develop interventions to increase the mobile phone uptake capability of TASAF participants
- Develop and pilot an assisted onboarding program using cash-in-cash out (CICO) designs.
- Understanding how trust, reliability and liquidity of CICO agents/points affects account usage.

There is a need to better understand the factors determining what happens to money in women's accounts, and who controls use of the funds. We know from the multiple DHS surveys and the World Bank's 2015 evaluation of PSSN that women's control over income is very limited: only 20 percent of married women (and half of single women) had control over their income. The qualitative UNDP study found cases of men who had negotiated certain amounts with their spouses/partners given to men right after PSSN payment; the remainder is for the family (including him).

Design Criteria

Box 5: Vision of Interactions with the Social Protection Program

- She has knowledge of programs and products and can access them easily.
- She has made queries and complaints that have been resolved to her satisfaction.
- She has a positive outlook and aspirations for her own and for her family's future. She is optimistic.
- She has greater income earning opportunities and she and her family are moving out of poverty.
- She is able to take more risks and weather shocks and uncertainty, and experiences increased resiliency.
- She has growing social capital and social networks.
- Her assets are diversified and have increased, and she can access resources in an emergency. She is saving intentionally over time, without appropriation of her assets by others.
- She has trust in her program, the financial service provider, and her community.

Ensure appropriate coverage

At the outset, the PSSN program targeted poor households using a community targeting procedure, based on a proxy means test. Selected households receive both non-conditional and conditional cash transfer payment every two months. The conditionality is based on health and education requirements.

The eligibility lists have not been updated since PSSN was first introduced, in 2012. This likely means that many households that have been hit by shocks or otherwise become poor in the past six years are excluded from benefits. Likewise, families that have become better off may still be on the roll. All beneficiaries under the current PSSN will participate PSSN II, but there will be a recertification process so that beneficiaries can graduate. The total number of participating households is expected to decline by end of PSSN2, although estimates of magnitude are not yet available.

PSSN II plans to scale up coverage from 70 to 100 percent of the extreme poor – which will now cover a total of 1.4 million households and about 7.5 million individuals by year 2022.

While the number of participating households will increase, recertification requirements are expected to lead to the exit of some participants who have been in the program for at least three years and identified as having graduation potential.

PSSN II plans to address exclusion errors by establishing a mechanism to include households that were either wrongly excluded at the outset of PSSN I or that have fallen into extreme poverty in the interim. Close to 40% of households have been affected by increases in food prices in the last five years. About a quarter of the population suffered from severe water shortages or the death of a family member, one-fifth was negatively impacted by large falls in sale prices for crops, droughts or floods, while 15% was impacted by crop diseases, crop pests, or large rises in agricultural input price (TASAF,2018).

While the indicators and measurement for graduation may vary across communities, the criteria (like food security) have been laid out in the PSSN Revised Operational Manual, 2016. (The operational manual will be revised to reflect definitions and measurements in PSSN II.

Financing

The program is largely donor financed -- in 2015, it was agreed that the government should cover around a third of the annual PSSN I budget, but this does not yet appear to be the case.

The total estimated cost of PSSN II over the next five years is about USD 900 million, of which 645 million goes to public works, 96 million for productive inclusion and 158 million for institutional strengthening. Financing depends on continued support from development partners, with increasing government allocations over time.

According to World Bank estimates, PSSN expenditures supported by the government would amount to an estimated 0.5 percent of GDP (about 3 percent of the government budget) when the full PSSN is at full-scale; covering 15% of the national population.

Size of transfer The benefit amount is supposed to be indexed for inflation however, it does not seem to have been the case for PSSN I. The annual inflation rate in Tanzania since 2008 is 7%; rising to 20% in 2011.

The plan for PSSN II is for the size of the transfer to be reviewed regularly and adjusted in line with inflation and on the basis of program experience. (PSSN II Program Document, 2018).

The unconditional or basic transfer is about \$3.50 per month, paid every two months.

Eligible households also receive a conditional transfer, for:

- Pregnant women or children under 5 who are in compliance with pre and post-natal exams and regular child health check-ups - \$1.70.
- Children under 18 receive additional transfers: \$0.90 for households with children attending primary school; \$1.70 for children in lower secondary school; \$2.60 for children in upper secondary school; for all school children the required attendance rate is 80%.

The maximum total cash benefit per household is \$16.60 per month.¹⁷

The proposed benefits under PSSN II are summarized in table 7.

Table 7: PSSN II Benefits Structure (1USD~TZS 2290)

Transfer type	Target Group	Indicative Benefit level in TSh	Condition (if any)
Transfer for vulnerable groups	Household with child	5,000	Unconditional
	Household with PWD	5,000	
Household transfer for productive investment and consumption smoothing	PSSN household	14,000	Conditional on livelihoods activities (participation in savings groups) Except for household with no labour capacity when is unconditional
Human capital transfer for household with child	Child aged 0-5 years	5,000	Conditional on health and nutrition behaviours
	Child at primary school	3,000	Conditional on educational behaviours
	Child at lower secondary school	5,000	Conditional on educational behaviours
	Child at upper secondary school (or possibly in vocational training)	8,000	Conditional on educational behaviours

Source: PSSN II Document 2018

¹⁷ PSSN Revised Operational Manual, 2016

It is expected that the average monthly benefit under PSSN II for a family of two adults and four school aged children would be \$17.00.

Under PSSNI, the public works component provides \$1 per day worked up to an annual maximum of 60 days, during four months of lean season. Changes under PSSN II include strengthened focus on livelihoods and climate change adaptation, up to 60 days work can be delivered over up to 6 months and a higher wage rate –\$1.7 (4000 Tzs) per day.

Timing and frequency. As described above, transfers are made to households bi-monthly. The timing is not linked to any particular events – eg lean season or school enrolment – although it does have the advantage of regularity, and payments are reportedly made on time.

Maximize benefits through complementary services and linkages

The extent to which participating women are covered by, or participating in, other transfer programs is not known. A mapping of social protection programs being implemented within areas of PSSN implementation is needed to address this question.

There is some recent evidence that savings, mobile access and training can work. A recent randomized control trial carried out by the World Bank¹⁸ found that savings, mobile access and business training together can help Tanzanian women micro entrepreneurs to expand their business by financing investments. Six months post-intervention, women saved substantially more through mobile accounts, and business training bolstered this effect, as well as improving business practices. Women also obtained more microloans through their mobile accounts. However, the study found no significant evidence that these impacts translated into greater investment, sales, and profits. There was some evidence of the creation of profitable secondary businesses, as well as improved women’s economic gains and subjective well-being.

A range of options associated with complementary or bundled programming can be explored and implemented in PSSN II. The persistence of traditional norms that restrict women’s opportunities points to the need for deliberate programming to address attitudes. Some options include:

- Utilize the community sensitization sessions to promote awareness on gender equality and women’s economic empowerment.
- Complementary interventions to address the risk of higher conflict within the household. This can draw from emerging evidence about what works at the community level to change norms around gender-based violence – for example, SASA! In Uganda. In Tanzania, PSSN could partner with local district level stakeholders working on these fronts. An appropriate mapping of stakeholders is necessary to review existing programs and evidence of what is effective and what is not; and what interventions to be complemented.
- Promoting productive asset accumulation and investment. To encourage individual savings for example, different account features may be utilised; quarterly lotteries for women with positive account balances; and/ or some matching devices or bonuses.

¹⁸ Short-Term Impacts of Improved Access to Mobile Savings, with and without Business Training: Experimental Evidence from Tanzania, Gautam Bastian, Iacopo Bianchi, Markus Goldstein, Joao Montalvao, CGD 2018 Washington DC

More generally it is important to consider linkages to community level programs – including self-help groups.

Under PSSNIII, the livelihood support package aims at promoting income generation activities by supporting participation in savings groups and linkages to agricultural extension services, through awareness-raising sessions conducted by PAA staff. Coordination among relevant government agencies will be strengthened. Participating households will also be linked to vocational training and financial institutions.

Further capacity building components of PSSNII include training on different savings options and be encouraged to save through mobile money accounts. This will build on the experience of the community savings and investment promotion implemented in PSSN I (an assessment of livelihoods and savings effectiveness is being conducted through TASAF—results expected early 2019); and savings groups will be linked to financial institutions that provide loans with minimal interest or to revolving funds.

Entrepreneurial skills training will be delivered to help households develop simple household level business plans and management of their productive assets, customized to the low levels of literacy and numeracy of beneficiaries. Under PSSN I, this training and mentoring was delivered to groups via face-to-face by extension officers and coaches, trained community members who provide follow-up support to small groups of participants. This was only a pilot, with expectations for scale up in PSSN II.

Some key questions include:

- How does the training and related activities overcome the challenges faced by poor women? What are the impacts on measures of financial inclusion and empowerment?
- Does targeted content and coaching delivered via community programs can help inspire changes in household decision-making that boost overall household welfare and give women greater opportunity to increase their decision-making and control over resources.
- Does account usage indicate/predict the readiness of beneficiaries for livelihood activities?
- Test and design ongoing financial advice and educational messages for promoting usage of account features, including SMS, incentives

The costing of the implementation of Productive Inclusion activities is shown in annex 1.

Public Works Schemes

Under PSSN I only 44/ 161 PAAs implemented public works; PSSN II will cover all PAAs and will be scaled up so that 70% of PSSN households participate in public works. At the same time:

- Focus on households with labour capacity: at least one member aged 18-65 years;
- Limit participants must be aged 18-65 years and not pregnant or lactating;
- Single worker households where the worker is pregnant or breastfeeding would be granted a temporary waiver, receive benefits and linked to nutrition education and family planning sessions.

Preliminary findings of the draft Qualitative Assessment of Bottlenecks to Self-Employment and Household Enterprises (World Bank, 2017) are that, amongst PSSN beneficiaries, women engage in business activities over and above their role in carrying out unpaid domestic work. In similar vein, UNDP (2017) finds that where women participate more than men in PSSN I Public Works -- this increases

women's access to and control over cash; but may have negative effects on young child care and nutrition. About 2/5 (41%) of PSSN households with labor capacity include only one worker (often female) offering no scope for sharing the work burden with an adult partner at home. This challenge remains to be addressed in PSSN II.

The UNDP assessment found the main challenge was failure to implement “soft” public works per the program implementation manual, which was designed with considerations for women with special needs including pregnant and lactating women. PSSN II needs to address this.

Women participate in decisions about what is to be built or supported, however, the actual percentages are not documented and monitored. PSSN II will need to ensure this happens.

Under PSSN I, participation of both men and women in the community was found to be good at the problem identification and prioritization stages, but much weaker in the later stages of project design (TASAF, 2017 Public Works Review).

PSSN II is committed to strengthening active community participation in all stages of project design. PSSN II manuals will develop clear selection criteria processes and communications for Public Works participation, to ensure labor capacity requirements are known to all beneficiaries. The new phase will also strengthen the linkages between Public Works and Productive Inclusion by encouraging the sub-projects that address climate change.

The concept of community public assets extend beyond infrastructure –for example, child care; health extension work, adult literacy and HIV awareness and promotion has been proposed may be part of PSSN II through the GAP.

Agricultural labor in women’s plots part of public works is not part of PSSNI or II.

Constraints to women’s participation are not addressed by locating public work sites closer to where women live, nor by providing toilet arrangement for women (and men)

Flexible hours, mitigating child care constraints, maternity leave) and allow for life cycle needs –e.g. alternative employment or direct support (no work requirement) for women in late stages of pregnancy or lactation is defined in the PSSN implementation manual. However, the implementation has been weak.

The livelihoods enhancement part of PSSN has been piloting skills development through training including on entrepreneurship and business plans, largely in the informal sector (Fundacion Capital and ILO).

PSSN II plans to review all PW guidelines and manuals, and develop a rolling training plan for PAA and ward level implementers in new Public Works PAAs. A lesson learned from PSSN I has been the importance of building the capacities of PAA implementers in Public Works design and procurement procedures as well promotion of specific knowledge and skills on gender and WEE.

PSSN II has also committed to ensuring timely payments of wages. Under PSSN I there have sometimes been delays in the payment of Public Works wages (TASAF, Public Works Review, 2017), which reduces their value to beneficiaries.

There are no provisions in place to prevent sexual harassment in the workplace, nor safety in the community to transit to and from work sites, although this is not regarded as an issue.

Cross Cutting Themes

There are several issues that cut across all D3 areas.

Capacity Building of frontline staff on gender sensitivity. Under PSSN II there is emphasis on:

- strengthening of community sessions for beneficiaries, with stronger focus on nutrition, FP, productive issues and gender/WEE as reflected in the GAP
- further building of CMC capacity, plan to conduct gender training for staff at all program levels and finalize the training tools, which were developed by UNDP during Gender Assessment in a new gender training module and as well as embed the module within the training used for all levels of TASAF from PMU through village/shehia level.
- review of incentive structure for CMCs and extension staff.

Monitoring: Under PSSN II,

- data will be inputted into the MIS at the PAA level, complemented by regular spot checks of targeting, payments, co-responsibilities, and so on. The TASAF Management Unit (TMU) will prepare quarterly and annual reports within 45 days; and a Mid- Term Review Report.
- Collective citizen engagement processes (such as community score cards and/or citizen reports) will be used to enhance citizen monitoring of the program. Gender related indicators needs to be developed as part of the implementation of the Gender Action Plan.

Impact evaluation: A rigorous impact evaluation including gender based variables will include a baseline, midline and an end line survey. Towards the end of PSSN II, a follow up survey will be carried out, which will be linked to the PSSN I impact evaluation and enable impacts to be tracked across the two phases. Other relevant pieces of analytical work will be carried out shown in Annex 1.

Learning: To enhance ongoing learning, process reviews will also be carried out of new program elements, especially the new Productive Inclusion sub-components and the new selection process for Public Works, in order to learn lessons about implementation and progressively strengthen processes.

Key Results Indicators

Key result indicators by which the progress of the program will be measured, relate to these principles, build on indicators used under PSSN I and give increased attention to productive impacts. According to PSSN II Program document (2018), the indicators planned for PSSNII? will include the following:

- i. Direct project participants (number), of which female (percentage)
- ii. PSSN participants receiving their wages through e-payments in a timely manner (percentage) of which female (percentage)
- iii. Proportion of participating households with an improved food consumption score¹⁹
- iv. Benefits reaching the poorest 20 percent of the population (percentage)
- v. Eligible Participating households with functional income generating investments one year after receipt of the full livelihood support package (percentage) of which female (percentage).
- vi. Households in PSSN II reporting direct benefit from community assets created through Public Works (percentage)

¹⁹ http://documents.wfp.org/stellent/groups/public/documents/manual_guide_proced/wfp197216.pdf

- vii. Participating households that report making regular monthly savings (percentage) of which female (percentage)
- viii. PAAs that effectively use and maintain delivery systems developed under the project (number)

Annex Table 1: Costing of implementation of Productive Inclusion

S/N	Activity	Number of HHs	Rate (USD)	Amount (USD)
1	Training on Savings groups formation, preparation of operational guideline, savings, record keeping, loan management and conflict management	1,200,000	30	36,000,000
2	Training on entrepreneurship and preparation of Business Plan	1,200,000	25	30,000,000
3	Financial stationery (need to get details)	1,200,000	5	6,000,000
4	Coaching Mentoring	1,200,000	20	24,000,000
		Total	80	96,000,000

(PSSN II Program Document, August 2018: Table 6).