

NATURAL DISASTER AND CRISES RESPONSE BY THE TANZANIA SOCIAL ACTION FUND¹

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1. Introduction and Country Overview

Tanzania is a low-income country with a population of 43 million people, three quarters of which live in rural areas (World Bank, 2008). Per capita income is about US\$ 440 (World Bank 2008) and the country ranked 151st out of 182 countries in the 2009 Human Development Index. Poverty is widespread, with 33% of the population living below the basic needs poverty line and 18% living below the food poverty line (World Bank, 2008). The agricultural sector is central to the country, contributing 26% to GDP and employing around 80% of the workforce. Although the country has recently experienced sustained macroeconomic stability and growth, this good economic performance has not translated into a meaningful reduction of poverty (World Bank, 2008).

In 2008, the country was affected by the global financial, food and fuel crises, while at the same time it suffered from adverse weather conditions, which led to droughts and floods. These events had a negative effect on performance of the agricultural sector, aggravating the living conditions of poor and vulnerable households.

This case study highlights the response to these crises using social protection instruments. It presents the case of the Accelerated Food Security Program, financed by the Global Food Crisis Response Program (GFRP), which served to scale up a safety nets intervention implemented by the Tanzania Social Action Fund.

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2. Tanzania Social Action Fund: Program Overview

The Tanzania Social Action Fund (TASAF) was established in 2000, as part of the Government of Tanzania's (GOT) strategy for reducing poverty and improving livelihoods by stimulating economic activity at the community level. TASAF is embedded in the country's long-term Vision 2020 for Zanzibar and 2025 for Tanzania Mainland.

TASAF is a nationwide community-driven development operation which finances small-scale economic and social infrastructure and delivers social assistance to poor and vulnerable groups, while contributing to social capital and development at the local level. TASAF also provides support to and helps build capacity of the district and the village councils, as well as community management committees.

TASAF I was completed in 2005. In May that year, a second phase of TASAF became effective. TASAF II is now under implementation and its completion date has been extended to June 30, 2012 due to additional financing from IDA in view of its satisfactory performance record.

TASAF's Objectives and Principles

TASAF II's revised project development objective is "to improve access of beneficiary households to enhanced socioeconomic services and income-generating opportunities". The TASAF II operation is based on a set of principles and concepts:

- Autonomy from other government bodies;
- Demand-driven operations whereby communities submit projects proposals;
- Act as a Safety Net by targeting vulnerable households and poor communities;
- Conforming to sector norms and standards;
- Non-partisanship and apolitical;
- Flexibility and speed of operations;
- Adequate and timely technical support;
- Transparency and accountability;
- Gender, environmental and social safeguards;
- Cost-effective processing and management; and
- Community empowerment.

Program Components

TASAF II has two major components: the National Village Fund (NVF) and Capacity Enhancement (CE). The NVF targets three types of beneficiaries:

- *Service Poor Communities who lack access to basic social and market services.* The program aims at improving their living conditions by providing access to services in health, roads, education, water and sanitation, markets, banking, and others.

- *Food-insecure households with able-bodied adults.* These households are expected to be able to increase their incomes and livelihoods from working in TASAF-financed public works programs.
- *Vulnerable individuals* (i.e., orphans, disabled, elderly, HIV/AIDS, etc.). These individuals are linked with community-based organizations (CBOs) to access resources for increasing incomes at the household level.

The Capacity Enhancement component focuses on capacity building and technical support to local levels of government and at the community.

Institutional Arrangements

TASAF is an autonomous agency that works with other government agencies, local government authorities and communities in delivering subprojects at a national scale. The locus of the NVF is the community level (including the village council and the village assembly). Sub-projects are implemented by communities through the democratically elected community management committees (CMC). Local government authorities respond to the needs of the community for funding and technical support.

Program Performance

TASAF's performance has been rated as satisfactory in country portfolio performance reviews, technical audits, beneficiary assessments and other evaluations. A technical audit (October 2007) concluded that the assets created by TASAF supported sub-projects are of good quality and delivered cost-effectively. A Beneficiary Assessment Report (January 2008) confirmed that 87 percent of sample communities were satisfied with improved access to services due to TASAF support. Findings from the baseline data collected for the ongoing TASAF II Impact Evaluation (September 2008) indicate that TASAF's approach to targeting has been appropriate and in accordance with its design and selection criteria.

TASAF's outreach capacity, its organizational infrastructure and its management and monitoring approach are recognized as one of the best in the country and have been in much demand from other government agencies. Funds from other sources, including other World Bank-financed projects and the government, have been channeled through TASAF in order to use its implementation infrastructure to support community interventions.

3. Response to Crises and Natural Disaster in Tanzania

3.1 Profile of Crises and Natural Disasters in the Country

Tanzania's main natural disaster hazards are drought, floods and epidemics. Between 1980 and 2008, Tanzania suffered around 65 natural disasters of which 26 were epidemics, 24 were floods and 6 were droughts. However, no other single natural disaster has affected more people than droughts. These, in fact, are responsible for over 90% of all people affected by natural disasters in the past twenty years (Prevention Web, 2010). In 2006, a severe and prolonged drought caused food shortages and a drop in water levels that led to power rationing. In 2008, the rain period was shorter than average and in 2009 the short rains failed to come.

In addition, the global economic crisis at the end of 2008 had a devastating effect on Tanzania's population and food security. As global food prices rose in 2008, domestic and regional problems kept those prices high into 2009, remaining higher than the 5-year average throughout the year. This situation, together with the typical rise of food prices between September and January, constrained access to food, especially by those who relied on food purchases from the markets.

The drought combined with the effects of the financial, fuel and food crises had severe consequences for poor and vulnerable households and left many people food insecure in 40 districts on the mainland and Zanzibar (Unguja and Pemba).

3.2. Immediate Response

When food prices, food insecurity and fear of droughts, combined with shortage of grains in the region, prompted concerns, the first response of the Government of Tanzania was to limit exports of food staples (World Bank, 2009b). The government also developed a strategy based on (i) protecting public investment and infrastructure, (ii) credit guarantees to support employment and (iii) supporting food security by improving a voucher subsidy scheme. The government established a task force to propose measures to deal with potential impacts of the crisis. In addition, the country requested support from the IMF for US\$300 million to help finance the balance of payments and fiscal deficit (World Bank, 2009b).

The government also worked with the World Bank to put together the Accelerated Food Security Program (AFSP), a GFRP financed intervention, with the goal of responding to the multifaceted crisis. The AFSP is a combined package to finance three existing operations: the Accelerated Food Security Project (US\$160.0 million); the Agricultural Sector Development Project (US\$30.0 million); and the Tanzania Second Social Action Fund Project (US\$30.0 million).

The AFSP's overall objective is to improve food security in Tanzania and avert a potential food crisis. The specific objectives of the three operations are:

- For the Accelerated Food Security Project, to contribute to higher food production and productivity in targeted areas by improving farmers' access to critical agricultural inputs.
- For the Agricultural Sector Development Project, to enable farmers to have better access to and use of, agricultural knowledge, technologies, marketing systems, and infrastructure, all of which contribute to higher productivity, profitability, and farm income.
- For the Additional Financing to TASAF, to improve access of beneficiary households to enhanced socioeconomic services and income-generating opportunities. Key indicators of success include the number of beneficiaries of public works by gender and other programs covered under TASAF II.

3.3. TASAF as a Vehicle for Crisis Response

The additional financing to TASAF, as part of the AFSP, is intended to complement the response to crises and droughts by increasing the availability of social protection mechanisms for food-insecure and vulnerable persons. In this way, the program helps the poor coping with high food prices and ensuring their livelihoods.

The resources provided by the additional financing are channeled through the existing TASAF structure. Specific characteristics of the additional financing vis-à-vis the original project are:

- *Scope and Coverage:* While TASAF II has nationwide coverage, the GRFP additional financing scales-up the social safety nets implemented in 40 food-insecure Local Government Authorities (LGAs) in mainland Tanzania and the two islands of Unguja and Pemba in Zanzibar. These districts were assessed to be food-insecure by the Ministry of Agriculture, Food Security and Cooperatives in October 2009.
- *Target Beneficiaries:* the GFRP additional financing focuses on interventions for the Food-Insecure and Vulnerable Groups and not the Service-Poor Communities.
- *Interventions for the Food-Insecure* consist mainly of Public Works Programs (PWP) for able-bodied individuals to participate in community sub-projects. Although the menu of eligible projects remains the same as in TASAF II, priority is given to conservation and restoration of natural resources that are indispensable for food security and livelihoods (water projects, reforestation of degraded areas, rehabilitation of community roads and small-scale irrigation schemes, etc.).
- *Vulnerable Groups* are supported through their participation in small-scale community subprojects, livelihood restoration and income-generating activities, as well as the Community-Based Conditional Cash Transfers (CB-CCT). A community-based Conditional Cash Transfer piloted by TASAF II is scaled up as part of this intervention.
- *Complementarities with AFSP programs:* Under the AFSP, a Fertilizer Voucher Scheme targets high food-producing districts in the country, while the additional financing for TASAF II targets districts that are vulnerable due to droughts and floods. While at the district level the voucher scheme and the scaled-up public works program under TASAF are able to complement each other, there are pockets of poor households in the districts targeted by the fertilizer voucher scheme that cannot effectively benefit, as they are not able to raise the contribution required to redeem the voucher. This situation creates a challenge for expanding social safety net support to all the food insecure households in the country.

3.4. TASAF's Public Works Program

Under the AFSP, TASAF is scaling up the existing public works program to reach food-insecure households. The main objectives of this intervention are (i) to provide income support to beneficiaries; (ii) to smooth consumption and prevent beneficiaries from falling deeper into poverty; and, (iii) to enhance their skills for future employment. The program also intends to contribute to the creation or rehabilitation of community assets.

Targeted areas within the 40 LGAs and two islands are identified through poverty mapping and ranking of communities based on some key criteria: (a) high levels of illiteracy and children out of school, (b) high percentage of women-headed household and lack of job opportunities, (c) high incidence of shocks such as seasonal droughts, crop failures and other natural disasters.

Sub-projects are initiated upon a community's request and appraised by the LGA and the Village Council (VC) for the case of Tanzania Mainland and Chief Minister's Office (CMO) for the case of Zanzibar. The sub-project is implemented by the community under the day-to-day

management by the Community Management Committee (CMC) with the support of a Local Service Provider. Technical supervision is provided by the VC, LGAs/CMO and TASAF.

The community identifies eligible households through wealth ranking. The program targets able-bodied individuals in poor households that meet some of the criteria, i.e. lack of job opportunities; headed by women; low literacy rates; and, have been affected by droughts, floods or crop failure. Self-targeting is also encouraged by setting the wage rate 10% below prevailing market wage for unskilled labor.

Given the food insecurity context, the menu of eligible PWP sub-projects gives priority to activities and assets that conserve and restore natural resources (water retention structures, wind breaks, reforestation, etc) and improve accessibility to markets as a base for enhanced livelihoods.

The implementation of the public works program is now under way, following TASAF's additional financing effectiveness in September 2009. There has been a technical launch followed by a series of orientation sessions for local government officials, extension workers and community level entities. By end of March 2010, TASAF has funded 172 sub-projects valued at over US\$ 2.8 million and LGAs have processed another 66 sub-projects (US\$ 1 million). The total number of beneficiaries targeted by the Public Works Program so far has been over 43,068.

Monitoring of sub-projects is carried out by TASAF and the LGAs/CMO. Although the existing TASAF M&E framework is utilized, the design for the PWP impact evaluation has been delayed due to the need for thorough consultations. In a context where every household is affected by shocks (crises and natural disasters), it has been a challenge to design an evaluation where randomized sampling does not lead to withholding support from households in need.

4. Challenges in Responding to Crisis and Natural Disaster

Some of the challenges the Government of Tanzania in general, as well as TASAF in particular, have faced when responding to the effects of the economic crises and natural disasters are:

Challenges in responding to crises at the national level:

- There were no mechanisms in place to support people's livelihoods apart from food vouchers, which had to be scaled up and improved upon through the AFSP.
- Quick response by LGAs is vital to meet community needs but LGA capacity is uneven.
- Resources are needed to strengthen social safety nets to support all the food insecure households in the country as part of the pro-poor growth agenda. The need to complement TASAF's PWP and the Fertilizer Voucher Scheme led to different elements of the safety net expanding to different geographical areas, but not reaching food insecure households in higher food-producing regions.

Challenges in program design and implementation:

- In order to ensure that the choice of sub-projects is relevant to the immediate crisis, a strong awareness-raising campaign is needed both at the LGA and community levels to focus sub-project demand on investments that will promote longer-term food security, as well as tailoring the menu of eligible interventions.

- A fast-tracking mechanism for fund procurement and disbursement is needed to address emergency needs of beneficiary communities and ensure a timely response.
- Targeting of food insecure households becomes challenging in a context where all households are affected and the budget is limited. Community-based targeting can help identify eligible households in a transparent manner.
- Design of robust impact evaluation methodologies (randomization, baselines, etc.) is problematic in an emergency situation. Other instruments, like ex-post and participatory assessments can provide quick feedback on program performance.

5. Lessons Learned

Some of the lessons that can be learned from the fast implementation of this program are:

- *Institutionalized operational procedures provide an immediate implementation platform.* Having an existing public works program running under the social fund has allowed for a fast response to crisis in a low-capacity institutional setting.
- *Leadership and sound technical capacity at LGA level is critical.* TASAF's long-standing history of capacity building at the local level has been essential for speedy delivery.
- *Skills transfer to communities facilitates smooth implementation of subprojects.* It also increases the chances for future employment of individuals involved in the public works, which ultimately contributes to improving livelihoods.
- *Operation and maintenance of assets can be improved by a greater sense of community ownership.* TASAF's experience in working with LGAs and communities to ensure operations and maintenance is important in ensuring sustainability of assets created by the program, a point often overlooked in emergency public works programs.
- *Strong sector linkages tend to enhance institutionalization of the sector norms.* TASAF's experience with following sectoral standards ensured quality of the assets created.
- *Community management committees provide important capacity at the most local levels.* The use of these local service providers augments the technical capacity of the LGAs and contributes to supporting implementation at community level.

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