Promoting Economic Inclusion at Scale Through Self and Wage Employment in Tanzania

Country: Tanzania

Name of Project:
Productive Social Safety Net Project II

Research Team:
Dahyeon (DJ) Jeong, Aidan Coville, Patrick Premand

Operational Team:
TTL: Michele Davide Zini

Government agencies involved:
Tanzania Social Action Fund
National Bureau of Statistics
Office of the Chief Government Statistician

Background

PSSN includes 4 main interventions:

1. **Cash Transfers**: $20 transfer every 2 months (basic transfer + education/health CCT + disability transfer)

2. **Basic Livelihood**: Training on savings group formation and personal finance (15 hours, 8 sessions)

3. **Public Works**: 60 days of work over 6 months during the off season (up to $80/year)

4. **Enhanced Livelihood**: $215 grant + 20 hours of business training, split in 8 sessions

History of Scale-up

- **Cash transfer** scale-up completed
  - 2012-2015: Reached 1M households in 10,000 villages in all 186 districts/PAAs of Tanzania
  - 2022: Reached 1.38M households in 17,000 villages
  - **Digital payment** are currently being scaled up
    - 2022: About 300,000 households paid electronically (out of 1.38 M)

- **Economic inclusion interventions** are being scaled up rapidly
  - **Public Works (PW)**
    - 2015: 300,000 households in 44 districts (6,000 sub-projects)
    - 2022: 550,000 households in 123 districts (9,000 sub-projects)
  - **Enhanced Livelihood (EL)**
    - 2022: 50,000 HHs in 32 districts
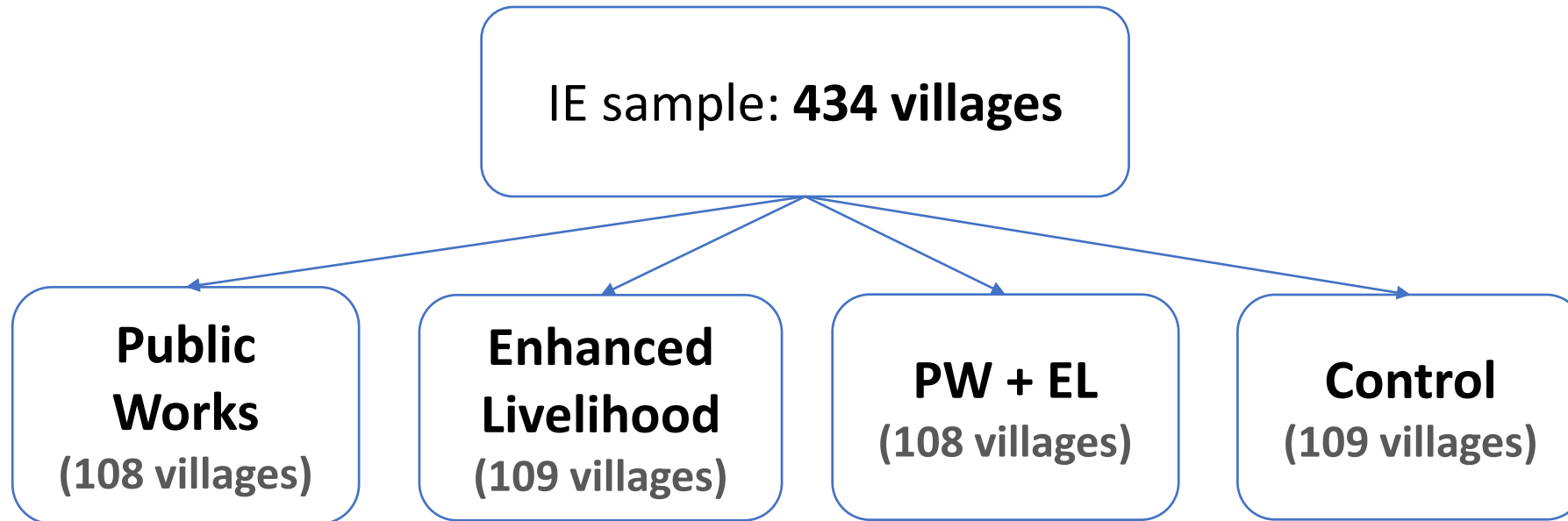   - 2023: 100,000 households in 72 districts

Main Research Question and Motivation

- **Assess the effectiveness of government-led, scaled-up economic inclusion interventions (PW and EL).**
  - Document intervention effectiveness in real-life conditions in a large number of units across which implementation quality might vary.

- **What is the cost-effectiveness of PW and EL, separately and jointly, relative to regular cash transfers only?**
  - Compares EL, 2 rounds of PW, and the two combined.
  - (the median PW participant around the world participates for 2 rounds; this also ensures similar cost of EL and PW treatments).

- **Inform the optimal mix of interventions:**
  - The interventions were designed to be integrated, with EL layered onto PW.
  - Is one intervention relatively more effective than the other?
  - Are there synergies between them? (This is key as many projects in Africa follow this layering strategy that assumes there are synergies.)
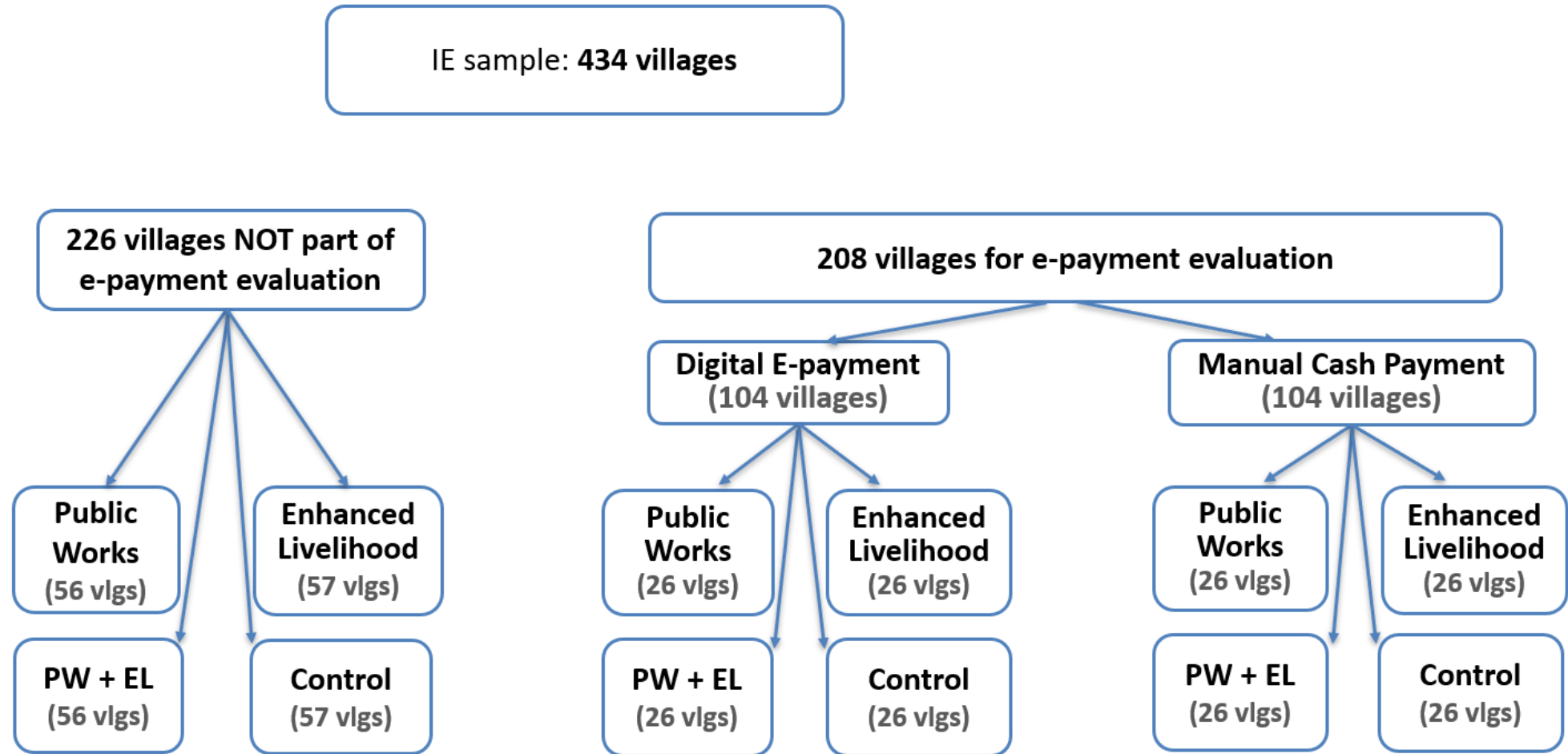
Main Policy Research Questions

- **Estimate spillover impacts on non-beneficiaries**
  - Given the scale and intensity of the intervention (24% of HHs in a village), are there positive or negative indirect effects on non-beneficiaries?

- **Measure how digital payments may affect gender-related outcomes and investments**
  - What are the impacts of e-payment themselves on GBV and women empowerment?
  - How do impacts of PW or EL vary depending on whether beneficiaries get cash through e-payment or not?

Methodology (main treatment arms)

```
                    ┌─────────────────────────────┐
                    │  IE sample: 434 villages     │
                    └─────────────────────────────┘
```

Public Works (108 villages)	**Enhanced Livelihood** (109 villages)	**PW + EL** (108 villages)	**Control** (109 villages)

7

Methodology (factoring in e-payments)

IE sample: **434 villages**

226 villages NOT part of e-payment evaluation
- **Public Works** (56 vlgs)
- **Enhanced Livelihood** (57 vlgs)
- **PW + EL** (56 vlgs)
- **Control** (57 vlgs)

208 villages for e-payment evaluation

Digital E-payment (104 villages)
- **Public Works** (26 vlgs)
- **Enhanced Livelihood** (26 vlgs)
- **PW + EL** (26 vlgs)
- **Control** (26 vlgs)

Manual Cash Payment (104 villages)
- **Public Works** (26 vlgs)
- **Enhanced Livelihood** (26 vlgs)
- **PW + EL** (26 vlgs)
- **Control** (26 vlgs)

8

Methodology and sampling within-village

⬤ : NOT nominated by the village

⬤ : Nominated by the village But failed the PMT

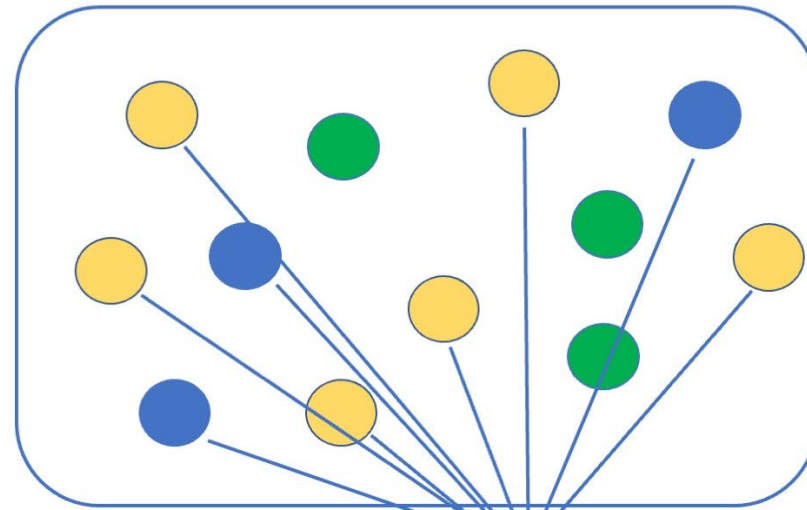Control

PW only

compare ⬤⬤⬤ VS ⬤⬤ IE: Impacts on beneficiaries
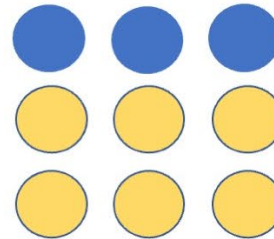
9

Methodology and sampling within-village
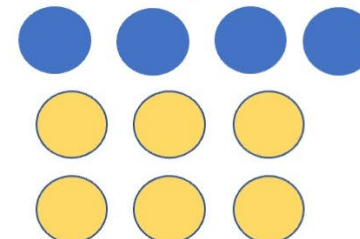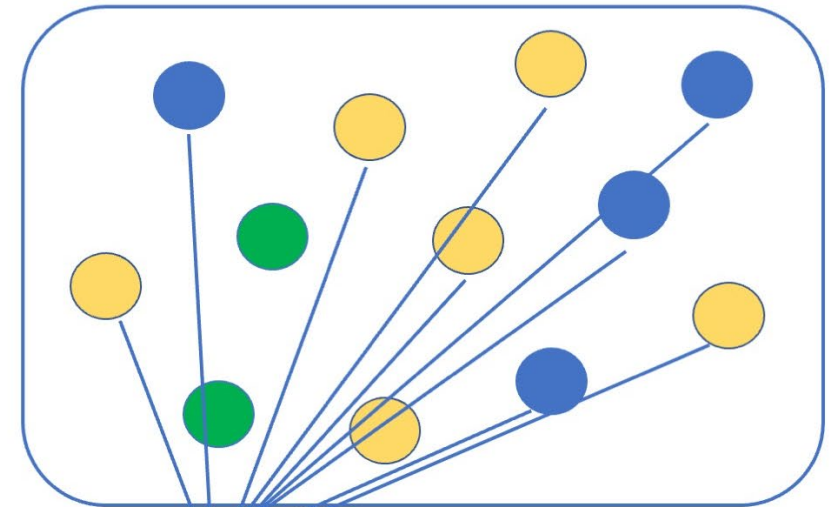

Control

PW only

: NOT nominated by the village

: Nominated by the village But failed the PMT

compare

vs

Spillover Impacts on non-beneficiaries

10

Key Outcomes

Outcome Domain	Level	Source
Consumption	Household	Baseline and Endline HHs surveys
Food Security	Household	Baseline and Endline HHs surveys
Livelihoods and Economic Activities	Household and individual	Baseline and Endline HHs surveys
Income by Economic Activities	Household and individual	Baseline and Endline HHs surveys
Credit and Savings	Household and individual	Baseline and Endline HHs surveys
Gender-based Violence	Individual	Baseline and Endline HHs surveys
Women Empowerment	Individual	Baseline and Endline HHs surveys
Psychosocial Wellbeing	Individual	Baseline and Endline HHs surveys
Education and Health	Individual	Baseline and Endline HHs surveys

Data collected by Tanzania's National Bureau of Statistics (NBS) and the Office of the Chief Government Statistician (OCGS), answered by the female lead

Timeline

	2022									**2023**												
	5	6	7	8	9	10	11	12	1	2	3	4	5	6	7	8	9	10	11	12	1	2

Baseline Survey

Group 1: PW — PW ... PW

Group 2: EL — EL training 1st $ 2nd $

Group 3: PW+EL — PW / EL training 1st $ 2nd $ PW

Group 4: Control

Midline Survey
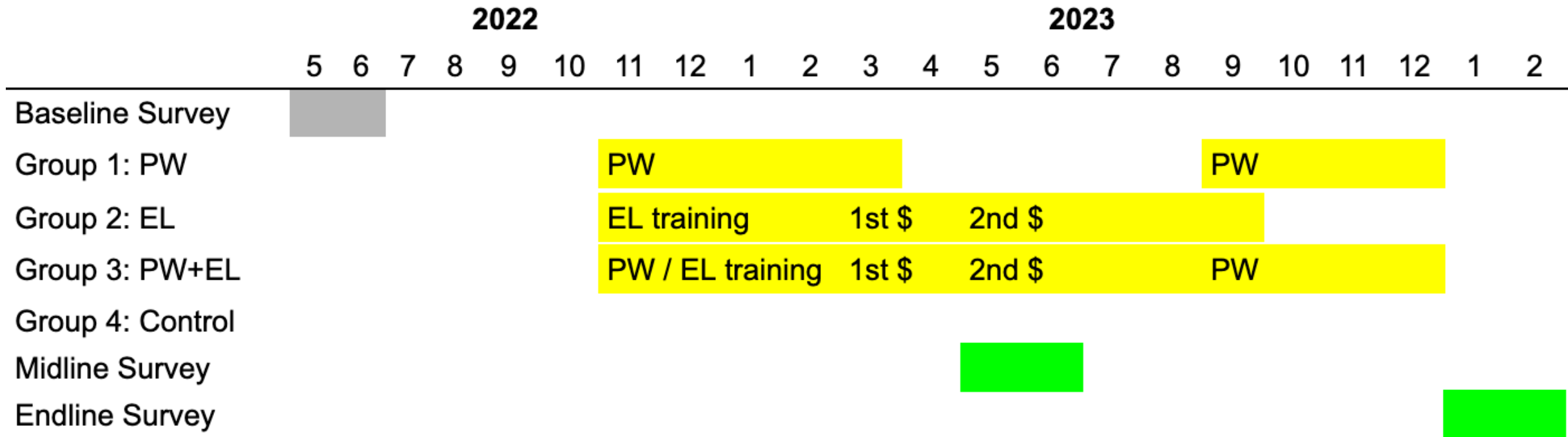
Endline Survey

Note: Midline Survey subject to funding availability

PARTNERSHIP FOR ECONOMIC INCLUSION · THE WORLD BANK · i2i DIME TRANSFORM DEVELOPMENT

Discussion

- How to align the timing of implementation of different components, and when to measure impacts?
  - Currently we do not have funding for a midline. How much shall we push for a (light) midline?
  - Which key short-term intermediary outcomes? Which subsample?

- Approach to measure spill-overs:
  - Since assessing spill-overs requires very large samples, we suggest to focus on the spill-overs of the pooled treatment
  - We could oversample non-beneficiaries at follow-up

- What information should we collect besides household data?
  - Market-level data? Data on quality of implementers?
  - Leverage Management Information System (MIS) data

Implementation challenges

- Targeted beneficiaries may not be eligible for some components (i.e. about 70% of targeted households have at least 1 member 18-65 without disability).

- Need a government partner who takes IE seriously
  - Cleared IE villages from any implementation while the baseline and the random assignment was being done
  - Effort to maintain the treatment status of IE villages according to the design

- Even with a dedicated partner, the complexity of the program makes it difficult to monitor implementation progress at a local level
  - One focal point at HQ managing too many districts is a challenge
  - Having a centralized Management Information System helps with early detection of non-compliance
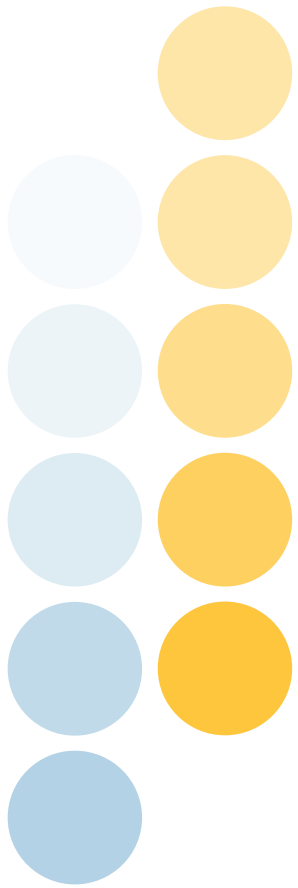
Thank you!

Dahyeon (DJ) Jeong
dahyeonjeong@worldbank.org

PEI FUNDING PARTNERS