WIDER Working Paper 2024/92

Graduation from cash transfer programmes

Insights from Tanzania

Winnie C. Muangi*

December 2024

Abstract: This working paper examines the prevalence of humanitarian crises in Tanzania, their role in perpetuating poverty cycles, and how poverty graduation programmes mitigate these effects by building the resilience of ultra-poor households. We utilize a mixed-methods approach, comprising desk reviews, in-depth interviews, and a survey, to understand poverty graduation programmes as well as the efforts of the Tanzania Social Action Fund in enhancing beneficiary resilience through targeted interventions, particularly livelihood enhancement initiatives such as the Community Savings and Investment Promotion programme. Additionally, we assess the perceptions of poverty graduation among beneficiaries, local government authorities, and programme implementers, identifying key factors that influence beneficiaries' ability and desire to graduate from assistance programmes. The findings highlight the importance of implementing tailored, context-specific interventions that account for beneficiaries' demographic characteristics, social networks, and economic activities. Drawing on lessons from successful models such as BRAC's Ultra-Poor Graduation Programme, we provide recommendations for refining Tanzania's graduation strategy to ensure sustainable poverty reduction and economic resilience.

Key words: graduation, cash transfers, humanitarian crises, Tanzania

JEL classification: D91, H53, I38, Q54

Acknowledgements: We extend our sincere gratitude to the Ministry of Education, Science and Technology for its financial support, which made this study possible. We also wish to thank the Tanzania Social Action Fund (TASAF) for its invaluable logistical support throughout the research process, including facilitation at various project sites. This study relates to the UNU-WIDER project, 'From safety net to social insurance: strengthening social protection in complex humanitarian settings', under Patricia Justino and Rodrigo Oliveira. Special appreciation goes to the reviewers from UNU-WIDER for their insightful feedback and constructive comments, which greatly improved the quality of the paper and were instrumental in the successful completion of this work. The interpretations, analysis presented, and results in this publication are solely the author's responsibility.

---

* University of Reading, UK, and the University of Dar es Salaam, Tanzania, email: w.c.muangi@pgr.reading.ac.uk

This study has been prepared within the UNU-WIDER project Strengthening safety nets in post-conflict and humanitarian contexts, funded by the Ministry for Foreign Affairs of Finland. The project is part the research area From conflict to cohesion – pathways for peace and inclusive statebuilding.

Information and requests: publications@wider.unu.edu

ISSN 1798-7237 ISBN 978-92-9267-557-8

https://doi.org/10.35188/UNU-WIDER/2024/557-8

Typescript prepared by Luke Finley.

United Nations University World Institute for Development Economics Research provides economic analysis and policy advice with the aim of promoting sustainable and equitable development. The Institute began operations in 1985 in Helsinki, Finland, as the first research and training centre of the United Nations University. Today it is a unique blend of think tank, research institute, and UN agency—providing a range of services from policy advice to governments as well as freely available original research.

The Institute is funded through income from an endowment fund with additional contributions to its work programme from Finland and Sweden, as well as earmarked contributions for specific projects from a variety of donors.

Katajanokanlaituri 6 B, 00160 Helsinki, Finland

1 Introduction

Poverty has long been a persistent social challenge, with vulnerable and marginalized groups experiencing limited access to essential resources and public services in their communities. Humanitarian emergencies, including conflicts, disease outbreaks, floods, and droughts, are among the main drivers of poverty (Addae-Korankye 2014; Brady 2019; Corcoran et al. 1985). In Tanzania, climate-related crises and vulnerabilities cause extensive damage to infrastructure, farms, and properties, significantly disrupting livelihoods and aggravating the cycle of poverty (Birkmann et al. 2022; Kangalawe 2012; URT 2012). The poorest populations are frequently the ones most severely affected by these crises, which strip them of their limited resources and drive them further into poverty. Moreover, persistent poverty weakens the ability of poor communities to recover from such shocks (FAO 2018; Hope 2009; PreventionWeb 2022; USAID 2006). Many governments seek to address these challenges through social protection programmes and aid.

The government of Tanzania has made significant effort to combat poverty and ultimately achieve Sustainable Development Goal 1 through the provision of inclusive social assistance and insurance to its citizens, including health insurance, social protection programmes, and pension and compensation funds. In 2012, the Productive Social Safety Net (PSSN) programme was established through the Tanzania Social Action Fund (TASAF) as one of the key strategies to operationalize social protection and poverty reduction. The PSSN is aimed at increasing incomes and consumption and improving the ability of extremely poor people to cope with shocks, while enhancing and protecting their children's human capital. TASAF launched the second phase of the PSSN programme (PSSN II) in 2020, with a key focus on developing a graduation or exit strategy. Graduation implies that beneficiaries have gained the resilience and capacity to withstand future shocks, enabling them to sustain their livelihoods self-sufficiently.

Graduation programmes, pioneered by Bangladesh Rural Advancement Committee (BRAC) over 20 years ago, have gained recognition in recent years as one of the most rigorously tested interventions in international development (Balboni et al. 2022; Bandiera et al. 2017; Banerjee et al. 2015; Coates and Macmillan 2019) and have been successful in transitioning beneficiaries from daily wages into self-employment and small businesses (Hashemi and Umaira 2011). They involve a 'sequenced set of services tailored to the culture, context, and population of the ultra-poor, designed to give a one-time boost to break the poverty trap' (Coates and Macmillan 2019: 46). Generally, graduation interventions include a (monthly/bi-monthly) cash stipend, skills and livelihood training, productive assets, savings promotion, and loan facilitation, all facilitated through mentoring and coaching. The interventions focus on the needs of the entire household, with women typically being the primary programme participants. There are four objectives to graduation programmes: social protection, livelihood promotion, financial inclusion, and social empowerment.

The literature shows that many developing countries have adopted some elements of BRAC's graduation model (Banerjee et al. 2015; Olobo et al. 2020). However, efforts to replicate this model in Sub-Saharan African countries such as Burundi, Ethiopia, and Uganda have been less successful compared with Bangladesh (Devereux and Ulrichs 2015). In these countries, programme impacts typically lasted up to three years after completion, whereas in Bangladesh, effects were sustained for up to seven years. Contributing challenges include insufficient funding, inadequate market analysis and linkages, poor infrastructure, climate change, pressure to meet graduation quotas, limited access to loans, and limited programme staffing (Devereux et al. 2015; Roelen et al. 2018; Sengupta 2012). This highlights the significance of thoroughly understanding the local context when replicating evidence-based methodologies. Programmes must not only focus on replicating successful solutions but also place equal emphasis on understanding contextual problems, incorporating the perceptions and behaviours of those directly impacted.

Graduation under PSSN II includes comprehensive approaches to reducing extreme poverty by expanding and improving the productive, financial, human, and social access of people living in extreme poverty, as well as providing them with the tools and resources they need to manage crises and achieve self-sufficiency. The Community Savings and Investment Promotion (COMSIP) programme is one of the tools identified for the process. It trains beneficiaries in the formation and management of savings groups and ultimately expects them to form associations that serve as a platform for beneficiaries to obtain information about market opportunities and access different beneficial financial services. Overall, COMSIP groups are crucial in assisting beneficiaries to graduate from the programme and eventually escape poverty. As reported in TASAF documents, approximately 41,000 groups had been formed by 2023, collectively mobilizing around US$1.2 million, underscoring their importance in fostering financial independence and resilience among participants (TASAF Management Unit 2023).

The PSSN programme is designed to help extremely poor households improve their livelihoods over a four-year period, starting with foundational support through unconditional and conditional transfers, public works, and, finally, livelihoods packages. Beneficiaries are expected to exit the programme successfully either after receiving full support or when their socioeconomic status improves. However, some beneficiaries have been receiving assistance since 2012, prompting TASAF to implement two main routes for exiting participants. The first is the Proxy Means Test (PMT), where data on beneficiaries' status is collected, assigned weights, and used to calculate scores that are compared against a cut-off point; those scoring above the threshold are considered non-poor and exit the programme. The second route is the Livelihood Productive Grant (LPG), which offers qualifying households an asset transfer of approximately US$250 to implement approved business plans.

This paper, therefore, aims to compare graduation programmes and draw lessons to inform TASAF's development of a graduation strategy, while exploring the perceptions of beneficiaries, programme implementers, and local government authorities regarding graduation. We use a mixed-methods approach, including in-depth interviews, a survey, and desk review, to answer the following questions:

1. What lessons can be learned from both successful and less successful graduation programmes?
2. How do beneficiary households and practitioners (programme implementers and local authorities) perceive graduation from the cash transfer programme?
3. What factors are perceived to influence beneficiaries' graduation out of poverty?

The results of the study underscore the interconnectedness between humanitarian crises and poverty, demonstrating that while programmes such as the PSSN can provide critical sustenance, they must also address the broader systemic factors that exacerbate vulnerability. In the context of refugee influxes, health crises, and climate-related emergencies, the study identifies the importance of combining immediate assistance with long-term strategies for building resilience. For example, incorporating climate change mitigation into social protection programmes, through public works for instance, can help to mitigate the impacts of crises while facilitating sustainable poverty reduction. By aligning the PSSN's graduation strategy with lessons from successful models, such as BRAC's Ultra-Poor Graduation (UPG) Programme, Tanzania has the potential to significantly reduce the socioeconomic impacts of humanitarian emergencies and build a more resilient population.

This study makes a significant contribution to the existing literature by bridging the gap between poverty alleviation programmes and the broader humanitarian contexts in which they operate. While much of the current research focuses on the design and implementation of poverty graduation models, this paper uniquely integrates the impact of humanitarian crises, such as climate-related disasters, health emergencies, and refugee influxes, on poverty dynamics in Tanzania. By employing a mixed-methods approach, the study provides nuanced insights into how tailored interventions, such as those under the PSSN programme, address both immediate needs and long-term resilience. Furthermore, the study draws on lessons from global programmes such as BRAC's UPG model, offering actionable recommendations for refining Tanzania's approach and enriching the discourse on sustainable poverty reduction in humanitarian settings.

The next section provides an overview of humanitarian emergencies in Tanzania and reviews related literature on poverty graduation. Section 3 outlines TASAF's programmes and projects focused on improving beneficiaries' resilience. Section 4 explores the perceptions of practitioners and beneficiaries regarding graduation, and factors influencing beneficiaries' perceptions. Finally, Section 5 offers a concluding discussion and provides recommendations for policy-makers and programme implementers.

2 Related literature

2.1 Tanzanian humanitarian context

Humanitarian crises are common and severely affect millions of people worldwide. For example, conflicts lead to mass displacement and urgent needs for food, shelter, and medical care; natural disasters such as floods and droughts intensify food insecurity and poverty in vulnerable regions (Rutaba 2022); and health emergencies such as disease outbreaks, epidemics, and pandemics cause death and strain healthcare systems, necessitating co-ordinated national and international responses (Masoud 2022). Governments and humanitarian organizations play a critical role in responding to these emergencies. However, their efforts are often hindered by logistical, political, and resource challenges, complicating effective management in mitigating widespread suffering and ensuring global stability (Balcik et al. 2010; Bealt et al. 2016).

In Tanzania, conflict-related crises in neighbouring countries, especially Burundi and Rwanda, have caused significant influxes of refugees in the north-western regions. Refugee camps often experience resource shortages, including limited food, medicine, WASH (water, sanitation, and hygiene) facilities, and employment opportunities. However, the government, in collaboration with international humanitarian organizations such as the UN High Commissioner for Refugees (UNHCR) and the World Food Programme (WFP), is providing essential basic needs and security to both refugees and host communities. A meta-analysis by Verme and Schuettler (2019) highlights the complex impacts in host communities of forced displacement. On the positive side, the refugee influx stimulates local economies by increasing demand, attracting international aid, and boosting government spending, which leads to expansion of local businesses, establishment of new enterprises, innovations, and higher levels of foreign direct investment (FDI). However, it also poses several challenges, including pressure on labour markets, wage suppression, and higher unemployment rates for local workers. Moreover, it strains public services, particularly healthcare, education, and housing, and causes spikes in rent prices and inflation in urban areas, disproportionately affecting low-income local consumers who may already be struggling with poverty.

Climate-related disasters, such as floods and droughts, are particularly common in Tanzania's central, northern, and coastal zones, including Dodoma, Arusha, Singida, and Kilimanjaro. In rural areas, seasonal floods frequently displace people, damage infrastructure and farms, and disrupt access to food and clean water. Effective responses by government and other stakeholders are often hampered by inadequate transportation infrastructure and poor communication systems in remote areas. Droughts in Dodoma and Arusha have exacerbated food insecurity and malnutrition, necessitating safety nets and external humanitarian assistance. With logistical challenges, social protection measures such as cash transfers and public works are essential for timely aid and mitigation strategies. Public works projects, including road construction to improve access to remote areas and dam construction to provide water during droughts, play a critical role in these efforts.

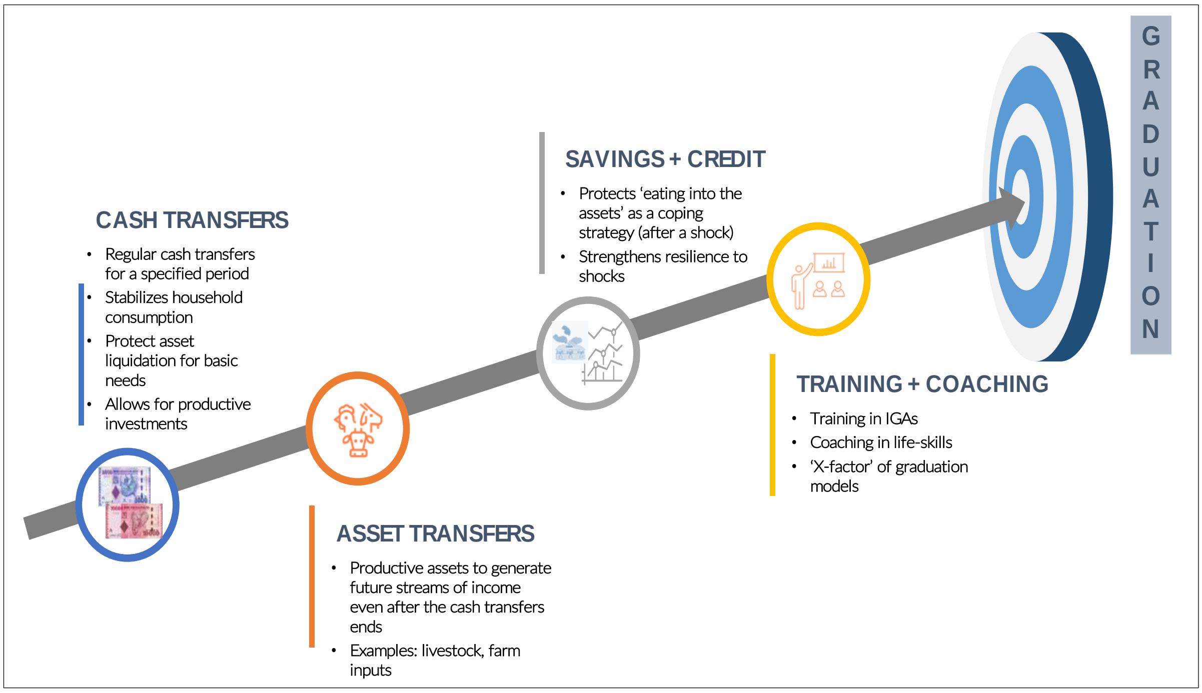
Health crises, such as infectious disease outbreaks—COVID-19, cholera, Marburg virus disease, Mpox—have posed significant challenges over the years, highlighting the country's vulnerabilities in managing health emergencies. However, through co-ordination with local and international organizations, the country has improved its response infrastructure over time, including sensitization, control, and preventative measures, hence its overall preparedness system for future outbreaks. Despite this achievement, health crises continue to strain Tanzania's healthcare system, which is already burdened by limited resources, inadequate infrastructure, and understaffed medical facilities, particularly in rural areas where much of the population resides in extreme poverty. Disease outbreaks disproportionately affect low-income communities, where access to healthcare and preventative measures is limited, therefore limiting economic productivity and exacerbating the challenges faced by poor households. In rural areas, patients face increased costs relating to healthcare and transportation, long waiting times, and inadequate access to essential services such as medication and preventative care, creating significant barriers to maintaining a productive workforce (Mshana et al. 2013). This, in turn, slows down poverty alleviation efforts, leaving vulnerable populations even more exposed to the socioeconomic impacts of future health crises.

Humanitarian crises create challenging conditions that perpetuate poverty and highlight the urgent need for comprehensive poverty alleviation programmes. Social protection measures, such as cash transfers and public works projects, are essential to mitigate the long-term impacts of these emergencies. By providing immediate support and stabilizing livelihoods, these programmes help beneficiaries to build resilience, enabling them to better withstand future shocks and emergencies. As individuals graduate from such programmes, they are better equipped to break the cycle of poverty and face future challenges with greater stability and independence.

2.2 Poverty graduation research and programmes

Graduation from poverty entails a cessation of a beneficiary's reliance on a safety net programme after achieving a minimum level of wellbeing and acquiring the resources necessary to equip them for a more financially stable future (Devereux and Sabates-Wheeler 2015). The approach, pioneered by BRAC's UPG Programme in Bangladesh, involves delivering a sequenced and comprehensive package of support, including targeting, consumption support, savings, asset transfer, skills training, and regular coaching (Hashemi and de Montesquiou 2011), which equips beneficiaries with the resources and capacities to overcome poverty sustainably (Figure 1). The key elements of the graduation model that provide the 'big push' needed to lift the poorest out of extreme poverty are asset transfers and savings, which are closely interconnected with training and coaching on how to effectively manage the transferred assets and savings as a means of generating future streams of income (Devereux and Sabates-Wheeler 2015; Hashemi and de Montesquiou 2011).

Figure 1: The sequence of support towards graduation



Source: author's construction.

The theory of change of the graduation model is structured around five core building blocks:[1] targeting, consumption support, savings, asset transfer, and skills training and regular coaching. Research by Banerjee et al. (2015) indicates that this model can deliver lasting impacts within two to three years, with some effects persisting even a year after programme completion. An important takeaway is the need to understand the logic[2] of the model and to allow flexibility in the implementation strategy to suit a given context. Accurate targeting[3] and conducting a market analysis are crucial first steps for understanding the reality of the markets at each programme site, to ensure the appropriate matching and sustainability of the income-generating activities (IGAs) chosen by beneficiaries. Appendix A1 provides further information about each building block, as well as TASAF's position on each component.

However, the persistence and magnitude of outcomes of graduation programmes vary significantly across contexts. While models such as BRAC's have achieved sustained impacts for up to seven years post-graduation (Bandiera et al. 2017; Banerjee et al. 2015), other countries face challenges such as mistargeting, limited returns on transferred assets, and external economic factors. The 'poverty flat'[4] concept suggests that without adequate follow-through support, beneficiaries may

[1] According to BRAC (2013), the building blocks of the graduation approach are proper targeting, grants for productive assets, weekly stipends, savings, intensive hands-on training, healthcare, and social integration. See Figure 1.3 of the *Ultra-Poor Graduation Handbook* for more detail (Moqueet et al. 2019: 12).

[2] An example is presented by Devereux and Sabates-Wheeler (2015).

[3] Proper targeting guarantees that the programme enrols appropriate individuals. After all, graduation and targeting are two sides of the same coin—criteria for one impact the other. Mistargeting may result in lack of conclusive evidence on the net benefits of the programme or of net impacts (Banerjee et al. 2015; Morduch et al. 2012; Sabates-Wheeler et al. 2015).

[4] This refers to a scenario in which 'small changes persist but neither unleash continued improvement, thus leading to large longer-term changes, nor dissipate rapidly' (Banerjee et al. 2015: 15). Banerjee et al. (2015) argue the possibility

shift from extreme poverty to broader poverty traps. Programmes need to define clear graduation goals,[5] whether exogenous, endogenous, or developmental, to effectively measure long-term impacts and adapt interventions to address diverse needs (Samson 2015). This includes fostering savings, supporting productive investments, and aligning strategies with market conditions and individual beneficiaries' capabilities to ensure meaningful and sustainable poverty alleviation. Thus, a concise understanding the type of graduation is crucial for effective monitoring and evaluation of programme outcomes.

Many countries have adopted BRAC's successful graduation model in their social protection programmes in their effort to lift people out of extreme poverty. However, the outcomes of graduation programmes vary significantly across contexts, with many replications in Sub-Saharan Africa achieving effects lasting only up to four years (Banerjee et al. 2015; Barker et al. 2024; Devereux and Sabates 2016), compared with seven years for Bangladesh. Table 1 gives an overview of poverty graduation programmes in seven countries: Bangladesh, Burundi, Ethiopia, Ghana, Kenya, Rwanda, and Uganda. These programmes typically span 24 to 48 months and aim to promote sustainable livelihoods and socioeconomic resilience among ultra-poor and vulnerable populations. Common interventions include cash transfers, asset transfers, skills training, financial services, and community support, all with a focus on promoting self-reliance and economic development. Each programme is tailored to meet the specific needs and vulnerabilities of its target population, addressing key issues such as food insecurity, lack of productive assets, and social exclusion, while attempting to overcome the systemic barriers that hinder long-term success. However, the programmes face several challenges, such as climate change, infrastructural and governance issues, limited access to markets, political instability, inadequate monitoring, and the need for greater collaboration among stakeholders. Some challenges are unique to individual countries, causing deviations from the BRAC model and resulting in varying levels of programme impacts and sustainability.

of a poverty flat rather than a poverty trap facing the poor: if a trap does exist, it is likely of minimal significance, such that the ultra-poor transition into the broader group of poor who are facing some other larger trap.

[5] Exogenous exit occurs where beneficiaries cease to receive support due to changes in their personal characteristics (not their poverty status), or because the programme is implemented for a fixed time period, essentially making graduation a 'one-way door'. Endogenous graduation involves reassessing beneficiaries against predefined criteria based on key indicators to determine when households are no longer in ultra-poverty and are hence ineligible to receive benefits. In developmental graduation, beneficiaries receive wide-ranging benefits and services in addition to social protection, which helps them to develop skills, accumulate productive assets, and access livelihood opportunities.

Table 1: Summary of poverty graduation models in different countries

Country	Programme name	Programme goal(s)	Duration (months)	Eligibility criteria	Interventions	Challenges
Bangladesh	UPG Programme (BRAC)	Enable sustainable livelihoods and socioeconomic resilience of ultra-poor households, in order to progress along a pathway out of extreme poverty	24	Categorized into groups, generally households: aged 16–50 and above 50; earn less than US$1.90 per day; not member of microfinance institution; depend on irregular income; female members have to work due to extreme poverty; owns 10–30 decimals* of land; has some level of productive assets, range US$65.50–125.00 maximum	Asset transfer and interest free loans Business development training via classroom sessions Hands-on coaching Matched savings Healthcare services Community mobilization	Climate change vulnerability Natural disasters—floods Infrastructural and governance-related weaknesses in the national health sector Lack of co-ordination and collaboration between government and NGOs
Burundi	Terintambwe graduation programme (Concern Worldwide)	Enhance returns on new and existing assets	36	Geographical and community-based targeting used Households have to be functionally landless (have no land except for their homestead) but are able to work	Monthly cash transfer of US$16 for a maximum of 14 months Asset transfer of US$100 Skills training and mentoring from case managers	Limited market access Lack of rain—drought Political instability Household-level dynamics—broken-up families, family disputes, unconsensual decision-making

Ethiopia	Productive Safety Net Programme (PSNP) (government)	Promote resilience to shocks Enhance livelihoods, food security, and nutrition for vulnerable rural households	36–48	Households with able-bodied adults Food insecurity Limited family support and other means of social protection and support Specific vulnerability—female-headed households	Cash stipend Asset packages Skills training Market linkages Financial services—literacy, saving, credit and micro insurance Extension services Complementary community investment (where appropriate) Business advice	Poor linkages with other programmes e.g., food security Limited role of development agents in implementing the programme Insufficient resources Delays in transfer of funds Lack of technical support Limited staff capacity to prepare contingency plans Lack of time to implement planned activities Limited capacity to assist non-agricultural enterprises Limited access to loans Premature graduation—pressure

						to meet graduation quotas
Ghana	Graduation from Ultra Poverty (GUP) programme (Innovations for Poverty Action and Presbyterian Agricultural Services)	Test the impact of a two-year comprehensive livelihoods programme on the lives of the ultra-poor in northern Ghana	24	Land ownership Female household member Fowl ownership Roof material—natural materials Mobile phone ownership No drug addicts or alcoholics in household	Productive asset transfer Technical skills training Consumption support Health Savings account Households visits	Procurement of assets—livestock Heavy rains washed out key market days Price instability Poor access to communities Disability of clients has limited implementation Inadequate monitoring Poor management of finances—beneficiaries and administration Interference of husbands—sell

						assets, marry second wives
Kenya	PROFIT Financial Graduation programme (government, BRAC, BOMA Project, and CARE International)	Enable ultra-poor women and youth to build resilience and sustainable livelihoods Promote economic development and resilience among the poor in arid and semi-arid regions	36	Youth—women aged 18–55, men aged 18–35 Evidence of skill sets Lack of productive assets Lack of access to assistance Lack of WASH practices found in the homes	Consumption support—US$15 per month Asset transfer—US$350 Mentorship and life skills coaching Savings support—US$4–5 per month Health support—subsidized enrolment in National Health Insurance Fund Social integration—linkage to government services	Competing markets among business owners Competing priorities Inaccessibility of treatments Limited skills and labour for building a high-quality latrine Difficulties in starting and maintaining businesses Low literacy has hindered financial training, loans facilitation Marketing and market linkages
Rwanda	Enhancing the Productive Capacity of Extremely Poor People (Concern Worldwide)	Enabling sustainable exit from extreme poverty, i.e. by the end of the project cycle, participants are expected to have graduated into self-reliant livelihoods	36	Extremely poor households with no productive assets Unable to meet basic needs for food, healthcare, shelter, and education	Monthly cash transfers Skills development Livelihood training Asset transfers Access to savings Intensive coaching and mentoring—twice per month	Lower profits realized from IGAs Unpredictable and overwhelming shocks—severe illness, collapse of IGAs, health shocks Bad investment decisions—failure of a livelihood activity External—campaign to upgrade grass roofs that left many

						families in the programme area homeless Livestock death, illness
Uganda	Disability Inclusive Graduation (DIG) programme (BRAC, National Union of Women with Disabilities of Uganda, and Humanity and Inclusion)	Support people living in extreme poverty, with a special focus on those with disabilities, to achieve socioeconomic empowerment and resilience and lift themselves out of extreme poverty	36	Households with: Food insecurity Poor health Minimal education Unreliable incomes Low social capital Prevalence of disability Lack of assets Lack of land ownership	Monthly stipend Emergency health fund Linkages to health and education services Life skills training Rehabilitation and mental health support Asset transfer Technical, business skills and financial literacy training Household coaching Inclusive savings groups Linkages to formal financial services	COVID-19 Climate change Limited livelihoods options for people with disabilities (PWD) Changing conditions of PWD Incentives for caregivers

Assistive devices and home/work environment adaptations for PWD

Note: * a decimal is equivalent to one hundredth of an acre.

Source: author’s construction based on BRAC (2013; 2024) for Bangladesh; Devereux et al. (2015), Sabates and Devereux (2015), and Concern Worldwide (2020) for Burundi; Abay et al. (2022), Devereux and Amdissa (2013), Devereux et al. (2014), and FDRE (2012) for Ethiopia; Banerjee et al. (2017) for Ghana; Sanders and Kimani (2019) and BRAC (2021) for Kenya; Devereux and Sabates (2016), Sabates and Devereux (2015), and Sabates-Wheeler et al. (2015) for Rwanda; BRAC (2023) for Uganda.

The review of poverty graduation programmes shows that successful graduation is influenced by multiple factors, including beneficiaries' characteristics (Daidone et al. 2015; Hashemi and de Montesquiou 2011), programme design (Banerjee 2000; Daidone et al. 2015; Gahamanyi and Kettlewell 2015; Pritchard et al. 2015), the type of productive asset transferred (Banerjee et al. 2015; Sulaiman et al. 2016), local market dynamics (Devereux and Sabates-Wheeler 2015; Devereux et al. 2014), political climate (Devereux and Ulrichs 2015), and macroeconomic shocks (Hashemi and de Montesquiou 2011). Targeting beneficiaries capable of participating in IGAs is essential for ensuring programme success. Additionally, well-designed programmes with adequate, regular transfers not only address basic needs but also promote investments that lead to sustainable livelihoods. Strong market linkages and comprehensive value chain analyses are crucial to prevent market failures due to weak infrastructure or oversupply of productive assets. Moreover, political support plays a pivotal role in mobilizing resources and fostering broader economic growth, thereby enhancing the overall effectiveness of poverty graduation initiatives.

Graduation programmes worldwide can draw valuable lessons from BRAC's model, which addresses market challenges and opportunities while creating sustainable livelihood options. BRAC's diverse enterprises, including microfinance and BRAC Services Ltd,[6] provide beneficiaries with essential market linkages to support economic growth. However, the absence of critical infrastructure, such as access to water, healthcare, and markets, along with vulnerabilities to external shocks, can limit the programme's long-term impact (Ali and Pernia 2003). BRAC's innovative approach of engaging rural leaders through Village Poverty Alleviation Committees has been particularly impactful. These committees leverage local influence to protect beneficiaries' assets, mediate social issues, and facilitate access to resources (Hashemi and de Montesquiou 2011). Similar committee-driven strategies have been successfully replicated in countries such as Haiti and Honduras, ensuring community buy-in and strengthening programme goals.

BRAC's success in Bangladesh also underscores the importance of aligning graduation programmes with broader national development agendas. Over two decades, Bangladesh's government efforts in improving agricultural productivity, facilitating international remittances, and expanding export-oriented industries, such as garments, have significantly enhanced incomes, food security, and financial inclusion in rural areas (Whisson et al. 2021). Moreover, BRAC's strategic layering of programmes, beginning with healthcare initiatives such as oral rehydration training and expanding to microfinance and other services over the years, demonstrates how integrated development approaches can optimize resources and maximize impact (Whisson et al. 2021). These insights highlight that graduation programmes should complement broader socioeconomic development strategies, serving as a crucial element within a country's holistic poverty reduction framework rather than as stand-alone solutions.

2.3 Conclusion

This section highlights the interplay of humanitarian crises and poverty, reviews poverty graduation programmes that address extreme poverty, and draws lessons from one of the most successful programmes, BRAC's UPG Programme. This programme has demonstrated significant impacts in lifting households out of poverty, although its success is influenced by contextual factors such as market conditions, infrastructure, overall economic growth, government support, and programme design. However, lessons from the graduation implemented in different countries indicate that providing a comprehensive package of support at a household level alone is insufficient if programmes do not address the institutional, societal, and cultural barriers that

[6] See https://bracservices.net.

prevent people from engaging fully in society (Concern Worldwide 2021). In Tanzania, natural disasters, refugee influxes, and health crises challenge development efforts, strain the country's infrastructure, and hinder poverty alleviation efforts. Such crises hit poor population the most, necessitating protection measures to help them cope and build resilience towards future shocks. Initiatives undertaken include the PSSN implemented by the government through TASAF. The second phase of the PSSN aims at designing a graduation strategy, borrowing from BRAC and other programmes such as that of Ethiopia, to ensure sustainable graduation for its beneficiaries and contribute to government efforts to ensure long-term poverty reduction and resilience building.

3 TASAF

3.1 Programme overview

In Tanzania, social protection is implemented by TASAF through the PSSN. This programme aims to increase access to income-earning opportunities and socioeconomic services for beneficiaries[7] while enhancing and protecting the human capital of their children. The programme provides an unconditional transfer for households without labour capacity. It offers households that have labour capacity a productive transfer which is accompanied by soft conditions (attending community sessions and savings promotion) for a limited period until the beneficiaries enrol in the Public Works Program (PWP). All households that include children between the ages of 0 and 18 or a disabled person receive a fixed transfer. In addition, households with children receive a conditional human capital transfer based on the uptake of health services and school attendance. TASAF operates in districts in both rural and urban areas, identified as Project Authority Areas (PAAs).

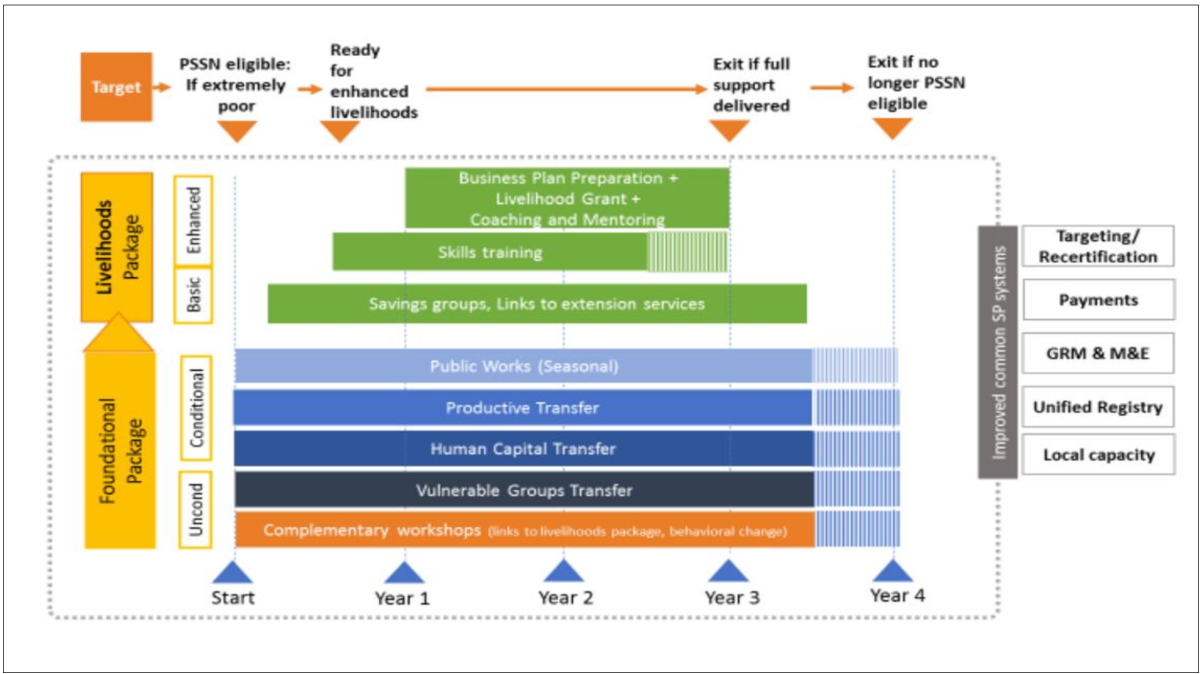
The first phase of TASAF (TASAF I), was launched in 2000 as an approach to poverty alleviation which also supported the decentralization agenda by ensuring that citizens at the grassroots level would have a voice in the planning and implementation of local development initiatives. TASAF I was a pilot project that introduced participatory processes, with communities taking part in selecting and implementing sub-projects (public works), which included household-level earnings opportunities. In 2005, TASAF II was launched, scaling up the programme to the national level while mainstreaming financial and administrative processes for decentralized governance into local government administration (Independent Evaluation Group 2016; Tanzania Cash Plus Evaluation Team 2018; World Bank 2016). The productive safety net was introduced, targeting the poorest in the community, including a voluntary group savings/investment mechanism and grants for income-earning opportunities. TASAF II's main objective was to facilitate access to improved socioeconomic services and livelihoods for beneficiary households.

TASAF III was launched in 2013, introducing PSSN I to create a comprehensive PSSN system for the poor and vulnerable. In 2020, PSSN II was launched to scale up sub-components more rapidly, increase coverage, and offer combined and integrated interventions for sustainable livelihoods in the medium to long term, as well as providing a continuing safety net for those who need it. The government has identified the PSSN as the key instrument to deliver social protection

[7] Currently, TASAF serves about 1.4 million beneficiary households. Statistical reports show that about 26 million people lived in extreme poverty in 2022, while the current population is 61.74 million (NBS 2022). Currently, and by design, over 80 per cent of the PSSN's direct beneficiaries, and around 56 per cent of all direct and indirect beneficiaries, are women.

in Tanzania. Each subsequent phase has built on the success of the previous one. See Figure 2 for an overview of the PSSN models in Tanzania, with expected exit period for beneficiary households. The figure shows that once targeted, a beneficiary household receives an integrated package of support, which includes transfers, public works, skills training, savings, coaching, and mentoring, for a three- or four-year period before exiting the programme. The improved social protection programme includes grievance redress mechanisms (GRMs) to ensure the effective reporting and handling of beneficiaries' grievances relating to the programme—for instance, overdue payments, missed payments, mismatch of names, etc. The monitoring and evaluation (M&E) unit conducts evaluations, reviews to assess various interventions or processes during implementation.

Figure 2: The Productive Social Safety Net (PSSN) model, Tanzania



Note: SP = social protection.

Source: reproduced from World Bank (2019: 15). The World Bank Group authorizes the use of this material subject to the terms and conditions on its website, Legal.

The PSSN II programme has two major components: productive household support, and institutional strengthening and integrated delivery systems. Productive household support provides beneficiary households with an integrated package of benefits and services through three major sub-components: Conditional Cash Transfer (CCT), public works projects, and Livelihoods Enhancement (LE). The other component, institutional strengthening and integrated delivery systems, is about ensuring effective delivery of the productive household support through institution capacity building, such as co-ordination and harmonization, development and implementation strategies, etc. The LE and public works components are designed to prepare beneficiaries to exit the programme after a certain period. Specifically, the LE component is designed to promote savings to all beneficiaries and a range of support (basic skills training and the LPG) aimed at improving their economic conditions and ultimately their ability to exit the programme.

CCT is provided to eligible households via direct support to households with no labour capacity; a child grant to households with children aged 18 years and below; a disability grant to households including a disabled person; and a human development transfer to households with children, conditional on healthcare and education uptake. According to TASAF (2023), the average bi-monthly cash transfer disbursed during the March 2023 payment window was 37,308.08 Tanzanian shillings (TZS, equivalent to US$16.20).[8] The transfer is delivered through two main means: electronically (e-payment through bank accounts and mobile wallets/money or over the counter/OTC[9] for those unable to secure accounts); and cash payment through local government offices.

The LE component provides support to interventions that enhance livelihoods and increase the incomes of beneficiaries through basic livelihood support, community savings and investments, and productive grants. Activities carried out under this sub-component include entrepreneurship training, basic skills training, provision of productive grants, savings promotion, training of facilitators,[10] developing business plans, mentoring, and coaching, designed based on international experience with graduation programming. Therefore, activities under this component are aimed at building the foundation for beneficiaries' graduation out of poverty as they strengthen households' ability to support themselves through strengthened and diversified livelihoods.

The PWP involves the implementation of projects which benefit the community as well as protecting the environment—for instance, building dams and roads, farming, watershed management, etc. Public works projects are designed to provide temporary employment during the lean season to beneficiaries with labour capacity. Beneficiaries who enrol in the PWP work on labour-intensive activities, accessible to adults aged 18–65 years who can work for 60 days per year, and receive wages at a rate of TZS3,000 (US$1.30) per day. The programme is primarily focused on infrastructure projects which provide beneficiaries with income support and skills as well as contributing to the creation of community assets., intended to address the supply-side constraints to the livelihood development and access to socioeconomic services of extremely poor households.

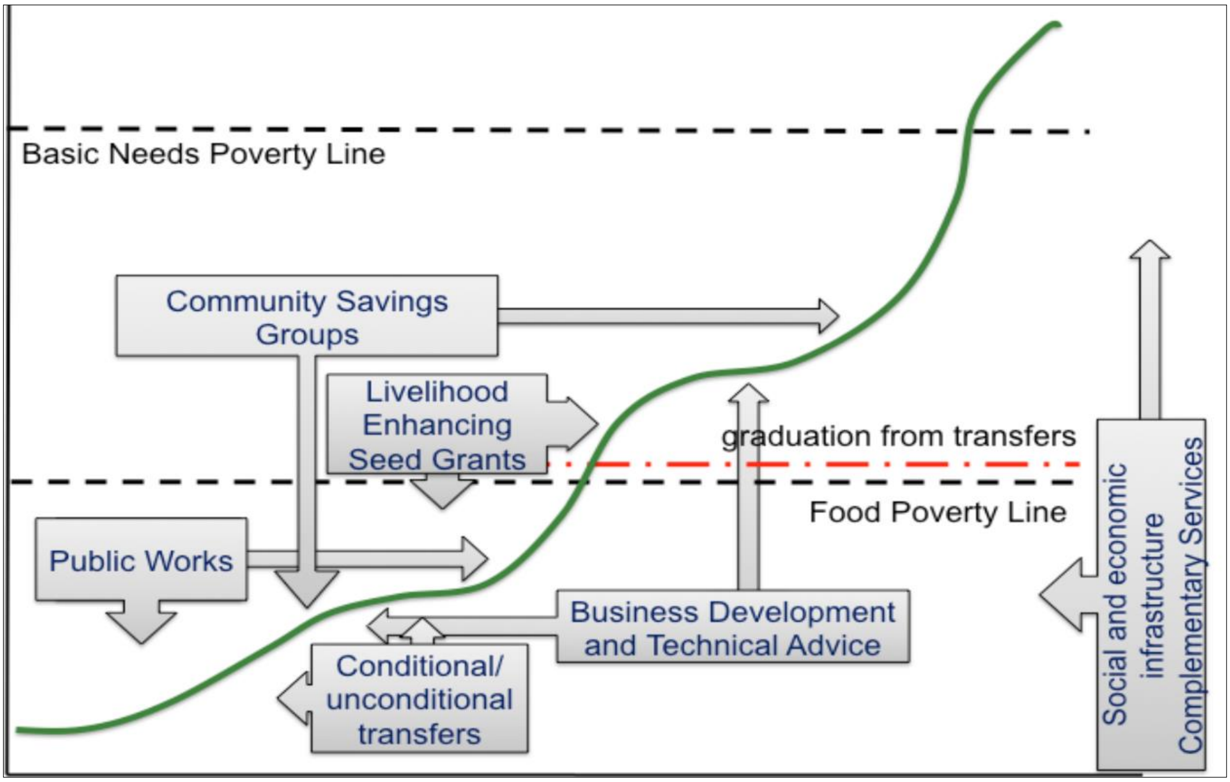
These three major sub-components are expected to provide the foundation for productive impacts and ultimately the graduation of beneficiaries from the programme. These impacts include building participating households' assets, incomes, and resilience to shocks; enabling households to invest in existing productive activities; stimulating a shift away from precarious casual labour towards more productive types of economic activity (including self-employment); and stimulating the local economy. However, since the inception of the PSSN, no beneficiaries had 'formally' exited or graduated from the programme. The launch of PSSN II therefore prioritised an intention to graduate/exit beneficiaries from the programme, and TASAF identified several ways of doing this, such as exit through recertification process whereby beneficiaries' characteristics are assessed to determine their socioeconomic status (endogenous exit); provision of the LPG; and voluntary exit. According to TASAF, a total of 90 beneficiaries have voluntarily exited the programme through recertification and 1,428 are ready to leave through the LPG. Figure 3 shows the graduation framework of PSSN II.

[8] The exchange rate used is US$1 = TZS2,310, as at March 2023.

[9] In OTC, beneficiaries are biometrically authenticated by payment services providers using National Identification Number (NIN).

[10] These are skilled extension officers overseeing implementation of TASAF activities in the PAAs.

Figure 3: Graduation framework for PSSN programme



Source: reproduced from Myamba and Kaniki (2016: 17; Figure 2), originally from *TASAF III Programme Document*, page 27. Reused with permission from TASAF as well as the Economic and Social Research Foundation (ESRF).

Figure 3 shows that households must receive a complete package of support in order to accumulate sufficient savings and successfully graduate from the programme. Beneficiaries with access to a diverse range of support, such as public works and livelihoods enhancement interventions, are better equipped to achieve financial and economic stability more quickly. In contrast, households receiving limited forms of assistance, such as cash transfers alone, will take longer to build the financial resilience necessary for sustainable graduation. Therefore, the framework highlights the critical role of comprehensive support in accelerating the path to self-sufficiency.

A number of initiatives and projects aimed at boosting and sustaining beneficiaries' incomes as a mechanism of facilitating sustainable graduation have been implemented over the past five years—including the COMSIP programme, the Black Soldier Fly (BFS) project, the Bus Rapid Transport (BRT) project, and behavioural nudges—which are discussed in Section 3.2. Just like the BRAC graduation model, if these interventions are carefully integrated into a package that is sequentially provided to beneficiaries, these beneficiaries are more likely to be able to sustain their improved welfare status at the end of the programme.

3.2 Potential graduation sub-projects

This subsection provides a concise summary of key projects and sub-programmes implemented by TASAF that hold significant potential to enable beneficiaries to graduate out of poverty. For more in-depth overviews of these initiatives, see Appendix A2.

Community Savings and Investment Promotion (COMSIP)

COMSIP, implemented under the LE sub-component, trains beneficiaries in the formation and operation of savings groups, with the ultimate expectation that they will form associations that serve as a platform for beneficiaries to get information on market opportunities. The programme operates in two stages: organizing groups with training on savings, leadership, and conflict management, followed by training on investment opportunities, business management, and financial institution linkages. Relaunched in 2021 after earlier challenges, COMSIP has already seen significant progress, with over 40,000 groups formed, TZS6.2 billion (US$2.7 million) saved, and TZS2.9 billion (US$1.2 million) loaned out. The programme fosters financial responsibility, co-operation, and community development among members. Despite challenges such as limited leadership options and uneven borrowing rates, COMSIP has the potential to grow into advanced financial associations or co-operatives, offering a sustainable pathway out of poverty for beneficiary households. With continuous support and education, it could significantly enhance livelihoods and foster resilience against economic challenges.

Livelihood Productive Grant (LPG)

The Livelihood Productive Grant (LPG) is a TASAF initiative under the LE sub-component designed to help beneficiaries transition out of the programme by supporting IGAs. Targeting households with labour capacity, the programme provides grants of up to TZS500,000 (US$225) in instalments, conditional on participation in savings groups and the development of viable business plans. Beneficiaries must complete livelihood training, accumulate savings, and demonstrate economic activity before receiving grants, which are evaluated by PAA technical staff and local government leaders (in the village/mitaa/shehia). By June 2023, grants had been distributed to 44,160 households, 95 per cent of recipients being women, with ongoing support including entrepreneurial training tailored to those with low literacy levels, mentorship, and coaching to manage productive assets. The programme emphasizes accountability, requiring signed agreements and electronic fund transfers, while fostering long-term sustainability through savings and skill development.

Black Soldier Fly (BSF) project

The BSF project, piloted in Morogoro and Kinondoni in 2021, utilizes the larvae of the black soldier fly, *Hermetia illucens*,[11] and involves the distribution of special bins[12] for the processing of biodegradable waste into protein-rich feed for animals such as chickens, offering multiple benefits to beneficiaries. By reducing the amount of waste sent to landfill, the project mitigates climate change by lowering methane and carbon dioxide emissions and improves urban living conditions by minimizing vermin and pests. Beneficiaries gain income-generating opportunities from selling larvae or increasing poultry production, alongside improved food security through creating fertilizer for urban agriculture. The project is easily adaptable for households due to its simplicity, with minimal training required to operate the waste-processing bins. An assessment by TASAF showed increased household incomes, prompting beneficiaries to request larger bins to scale up

[11] Black soldier flies are native to countries with warm climates and usually stay away from humans as their sole function is to reproduce. The larvae are known to feed on a wide range of biological waste. They are primarily used for biodegradable waste reduction; feed resources for livestock rearing; and conditioning and fertilizing soil (Dortmans et al. 2017).

[12] These bins are designed and supplied by the company BioBuu, which deals with large-scale production of black soldier fly and sells them as an insect protein substitute for soy or fishmeal, as well as organic fertilizer. More information can be found at www.biobuutz.com.

production. With its potential for economic diversification, environmental conservation, and poverty alleviation, the BSF project has been integrated into TASAF's programmes for broader implementation.

Bus Rapid Transport (BRT) project

The BRT project provides a cost-of-living subsidy programme aimed at supporting poor urban households living near the BRT Corridor by offsetting the rising rental costs caused by infrastructure development. By offering cash transfers and entrepreneurial skills training, the project helps beneficiaries to stay in proximity to the BRT system, enabling them to access economic opportunities and enhance their livelihoods. Targeted households receive subsidies to mitigate cost-of-living pressures and ensure the affordability of transport within the Corridor. Two variations, conditional and unconditional subsidies, are being tested to determine the most effective approach. This initiative not only prevents displacement but also promotes income diversification and economic stability, contributing to poverty graduation by empowering beneficiaries to capitalize on opportunities created by the BRT infrastructure.

Behavioural nudges

Behavioural nudges are designed to encourage beneficiaries to use their money more productively by focusing on having a productive goal/asset and developing saving behaviour. Piloted from 2019 to 2022 in collaboration with the World Bank and Behavioral Science Lab (ideas42),[13] the intervention addressed common challenges faced by beneficiaries in using cash transfers productively. Behavioural materials included self-affirmation activities, goal setting and planning exercises, progress tracking, and partitioning pouches to separate funds for household needs and productive goals. These light-touch interventions successfully improved beneficiaries' financial behaviours, leading to increased savings and investments in productive activities (Datta et al. 2022). Mainstreamed into the LE sub-component since August 2023, these nudges are now part of livelihoods training, empowering beneficiaries to make informed financial decisions and enhance their future livelihood outcomes, ultimately supporting their journey out of poverty.

3.3 Conclusion

To ensure the sustainable graduation of beneficiaries from the programme and from poverty, a holistic and integrated approach is essential. TASAF already implements a number of programmes and projects that can be carefully sequenced and combined to create a more comprehensive support system for beneficiaries. Programmes such as COMSIP, LPGs, and the Black Soldier Fly project can be sequenced to gradually build financial resilience, promote savings culture, and encourage investment in IGAs. Integrating entrepreneurial training, access to market opportunities, and infrastructure support through interventions such as the BRT project further strengthens the foundation for sustainable livelihoods. By ensuring that each of these interventions works synergistically, beneficiaries are more likely to maintain improved welfare status, achieve long-term economic independence post-graduation, and build up the resilience necessary to withstand humanitarian shocks.

[13] See www.ideas42.org.

4 Graduation perceptions

This section explores perceptions of poverty graduation among key stakeholders, including programme implementers and local authorities (practitioners) who work directly with beneficiaries. It also examines beneficiaries' perceptions of their ability and desire to graduate from the programme, while identifying factors that influence these perceptions. Table 2 gives details of the key stakeholders interviewed.

Table 2: Numbers of key stakeholders interviewed

Participant category	Number
A: Programme implementers	
PAA co-ordinators (PAACs)	3
PAA facilitators (PAAFs)	3
Technical Monitoring Officers (TMOs)	1
Total	7
B: Local government authorities (LGAs)	
Village/street chairpersons	17
Village/street executive officers	15
Total	32
C: Programme recipients	
Beneficiaries	508

Source: author's construction.

4.1 Perceptions of practitioners

The research was conducted in five regions of Tanzania: Dar es Salaam, Dodoma, Iringa, Mwanza, and Pwani. We interviewed individuals involved in implementing the cash transfer programme in Tanzania. These individuals play a crucial role in assisting TASAF at the district level, where they oversee villages and streets containing households benefiting from the programme. We conducted qualitative interviews with various stakeholders, including PAA co-ordinators (PAACs), PAA facilitators (PAAFs), TASAF Technical Monitoring Officers (TMOs), and local government authority (LGA) officers, specifically street or village chairpersons (VCs) and street or village executive officers (VEOs). These interviews probed into stakeholders' understanding of the programme, their respective roles, and their opinions on the graduation of programme beneficiaries.

The execution of TASAF activities follows a structured approach, which operates at different levels within the programme as follows:

- **National level**: The Technical Management Unit (TMU) is responsible for co-ordinating all activities and supervising the implementation of all aspects of the PSSN programme across the entire country. The TMU in turn receives technical and managerial guidance from the National Steering Committee (NSC) and the Sector Expert Team (SET).
- **Regional level**: The office of the Regional Administrative Secretary (RAS) oversees the implementation in PAAs.

- **District level**: Execution of activities occurs at the district or PAA level. Here, the Technical Monitoring Officer (TMO) collaborates with the office of the District Executive Director (DED), who serves as the accountable officer for all TASAF activities at the council level.
- **Community level**: The Community Management Committee (CMC), comprising members from the village or street, supports PAAFs in implementing activities. This is where the on—the-ground execution takes place.

In this hierarchical structure, PAACs and TMOs bear direct responsibility for supervising all TASAF activities within the districts or PAAs. TMOs, in particular, provide technical assistance in the execution of programme activities. Typically, TASAF employs one PAAC, one TMO, and an accountant in each PAA. PAAFs, on the other hand, are generally extension officers operating in the district, and they oversee programme beneficiaries in their respective villages and streets. Both TMOs and PAAFs play a vital role in implementing key programme components for the benefit of the community members.

As shown in Table 2, in total we interviewed 39 practitioners, 32 of them LGA leaders and 7 working in various roles within the TASAF programme (including PAACs, PAAFs, and TMOs). Among the LGA leaders, 31 per cent were female, while among the TASAF staff, 71 per cent were female. The interviews explored various aspects of the topic of graduation, such as understanding of the concept, perspectives on the factors that facilitate or hinder graduation, estimations regarding the percentage of beneficiaries who can successfully graduate, and projections for the timeline of beneficiaries' graduation. The following subsections present these perceptions, categorized according to the type of implementer.

TASAF programme implementers: PAACs, PAAFs, and TMOs

We interviewed a total of seven programme implementers, ensuring representation from each of the study regions. These implementers had diverse professional backgrounds, including expertise in accountancy, social work, agriculture, and project planning. On average, the programme officers had six years of experience working for TASAF, with individual terms ranging from three to ten years. All programme officers held university degrees and the majority, 71 per cent, were female.

All of the interviewees were well informed about the overall objective of the PSSN programme in alleviating poverty in the country. Most of them specifically emphasized the critical role of the cash transfer programme in ensuring that school-aged children from poor households attend school without experiencing a sense of isolation or discrimination within their communities. One PAAF noted:

> the aim is to prevent these children enrolled in the TASAF programme from feeling socially excluded. They should see themselves as other children and that is why they attend these normal schools, while their parents receive human capital transfers for all children in school.

The ultimate expectation is that beneficiaries will exit the programme, through the financial support provided by the government and other interventions, especially the savings group programme. In addition, it is assumed that as beneficiaries improve their welfare, they will exit the programme and thus create space for other extremely poor individuals who have not yet been enrolled. However, it was observed, particularly by a PAAF from Dodoma, that some beneficiaries who have substantially improved their welfare and have the potential to graduate are reluctant to leave the programme. This PAAF commented: 'about 10–15 per cent of beneficiaries can independently manage their livelihoods, but if you tell them about leaving the programme, they don't want to … it becomes a difficult thing for them'.

The programme implementers acknowledge that the programme will not last indefinitely and hence that beneficiaries have to graduate. Their responsibilities in ensuring that this happens include ensuring that beneficiaries receive their transfers, facilitating their engagement in public works projects through support in project proposal writing, training in entrepreneurial activities to enhance their skills, and participation in savings groups to foster savings habits. Beneficiaries are reminded that the programme's financial support is not indefinite and hence they are urged to use the funds wisely and prepare for independence once the programme ends. They are always reminded to start their own IGAs. One PAAF said:

> during payment sessions we remind beneficiaries that just like retirement from employment, there will be an endpoint to their programme participation, hence they need to prepare for it. They should make sure that their welfare status has improved compared to when they initially joined the programme. For example, we expect those who did not have toilets when they joined the programme have one now.

TASAF actively implements a range of programmes to uplift the economic conditions of beneficiaries with a particular emphasis on ousting the notion that being part of the programme equates to perpetual poverty. Programme implementers stress the potential for success if beneficiaries work towards improving their livelihoods. Their duty, therefore, involves consistently reminding, capacitating, and monitoring beneficiaries, ensuring that they become accustomed to earning their own income through their economic activities.

At the time of the study, TASAF had not explicitly communicated the graduation criteria to programme implementers. Nonetheless, implementers were familiar with the eligibility criteria for beneficiaries' enrolment and expected that improvements in relation to these criteria would lead to beneficiary graduation. These criteria include the ability to afford three meals daily, ensuring that children have access to education, affording healthcare expenses, improved housing conditions, engaging in IGAs, increasing earnings, and establishing savings. A PAAF from Dodoma mentioned that their PAA aims to find and showcase graduated beneficiaries as role models who have attained developmental status. However, in this PAA there is still a reluctance among beneficiaries with the potential to graduate to leave the programme, and the PAAF reported that some go to the extent of taking other destitute individuals into their households so that they can continue receiving transfers. This reluctance stems from the fear that improving their welfare might lead to their exit from the programme. Therefore, the only viable pathway for the beneficiaries to graduate, as per the PAAF, is through voluntary exit.

Regarding their views on the factors facilitating beneficiaries' graduation, most programme implementers referred to the importance of adhering to graduation criteria and the anticipated success of COMSIP groups. To them, graduation is enabled through meeting graduation criteria such as achieving improved housing and the ability to afford three meals per day. The linkage of COMSIP groups to financial resources, allowing access to loans, and connecting them to markets for their products were also identified as graduation enablers. On the other hand, graduation is impeded by the misuse of transfer money by beneficiaries, such as spending on luxury goods such as alcohol. Other hindrances include beneficiaries withholding information about their welfare status due to the fear of qualifying for programme exit, a dependency syndrome leading to an unwillingness to exit even when beneficiaries are capable of generating income from their own activities, because they do not want to miss out on the 'free money' provided by TASAF. Some beneficiaries worry about how their lives will be post-exit, despite their ability to generate independent incomes. However, a few beneficiaries in urban areas of Dodoma had voluntarily returned their PSSN ID cards. Their improved living conditions and confidence in sustaining their development status led them to believe that it was time for others to have the opportunity to enhance their lives.

Programme implementers said that they believe that they have reasonably prepared beneficiaries for graduation during their years of engagement. The continuous livelihood training, mentoring, and regular reminders in community sessions about the programme's ultimate end have played a significant role in instilling a psychological readiness for independent income generation. Moreover, implementers actively motivate and encourage the children of beneficiary households to prioritize education, recognizing it as a key avenue to breaking the cycle of poverty and enhancing their future prospects. They particularly emphasize the importance of COMSIP groups as a primary pathway out of poverty. Those beneficiaries who have joined these groups reportedly experience greater benefits, such as saving and borrowing money for various purposes, including paying school fees and covering agricultural expenses, resulting in increased crop yields and subsequent income generation. However, the implementers acknowledged that not all beneficiaries may be capable of graduating, especially older or disabled beneficiaries, who might face challenges in engaging in IGAs.

Local Government Authorities (LGAs): VCs and VEOs

In Tanzania, LGAs are tasked with overseeing social development, delivering public services, ensuring law and order, and promoting local development through participatory processes. These authorities comprise village councils; township authorities encompassing cities, municipalities, and town councils; and district councils. Our interviews involved 32 LGA leaders, with an average age of 44 years and an age range from 28 to 59 years. The majority, 69 per cent, were male.

In relation to TASAF activities, the responsibility of LGA leaders involves safeguarding the rights of beneficiaries. This includes the distribution of cash transfers to those receiving payments; informing beneficiaries about community and TASAF meetings; providing guidance on the optimal utilization of transfers received from TASAF; promoting registration for the Community Health Fund (CHF),[14] a community-based health insurance; offering advice and training on entrepreneurial activities; encouraging savings to ensure the wellbeing of families after the TASAF programme concludes; overseeing the implementation of any activities directed by TASAF or PAAFs; and preparing venues for TASAF to convene with beneficiaries during their activities. Acting as a crucial communication link at the grassroots level, LGA leaders facilitate the exchange of information between TASAF and beneficiaries. There is no formal arrangement regarding their compensation for facilitating TASAF activities: they instead receive (fixed) allowances for specific tasks, particularly for assisting in cash payments.

Apart from interacting with beneficiaries during the bi-monthly transfer payments, some LGA leaders make monthly visits to beneficiaries, particularly during COMSIP group meetings and the execution of public works projects within their areas. The requirement for COMSIP groups to meet weekly has made it easier for some LGA leaders to visit beneficiaries to monitor their progress, listen to their challenges, and liaise with extension officers such as agricultural officers, livestock officers etc. This has provided LGA leaders with opportunities to closely monitor

[14] The CHF in was launched in 2001 as a community-based health insurance programme targeting rural areas. A counterpart programme, Tiba kwa Kadi (TIKA), was introduced in 2009 specifically for urban populations (Kigume and Maluka 2021). Both programmes are structured to fund a basic package of curative and preventative health services available at dispensaries and health centres.

beneficiaries' progresses, understand the challenges they face, and co-ordinate with extension officers such as agricultural and livestock officers regarding specific livelihood activities. These regular visits offer a more hands-on approach to addressing the needs and challenges of the beneficiaries in the community.

The perceptions of LGA leaders of the factors facilitating the graduation of beneficiary households centred around their capacity to accumulate savings and initiate IGAs. They argued that comprehensive training in livelihood activities, such as livestock keeping, small-scale farming, and petty business, equips beneficiaries to graduate and sustain improved wellbeing. The age of beneficiaries was also considered a determinant of graduation potential, as older individuals have fewer options for income generation. As a VEO from Iringa pointed out, 'Most beneficiaries in the village are old, so we can only advise them to rear chickens. That's the only feasible option for them.' Joining COMSIP groups was identified as another facilitator, enabling beneficiaries to save money, access loans, and use them as capital for economic endeavours. The formation of investment groups by beneficiaries was also seen as an enabler, providing them with the means to secure loans for IGAs. Some suggested that increasing the transfer amounts and providing them at shorter intervals would facilitate regular saving by beneficiaries.

The LGAs highlighted numerous barriers to beneficiaries achieving graduation. Many of these challenges are associated with inadequate education on the proper utilization of transfer funds and unpredictable weather conditions, especially insufficient rainfall for crop cultivation. A significant barrier is the struggle to prioritize savings over immediate consumption needs for large families, leading to increased expenditure on essentials such as food and school-related expenses. The escalating cost of living in recent years has further exacerbated these challenges, impeding beneficiaries' progress. Moreover, some beneficiaries perceive the transfers as gifts, resulting in careless spending on non-essential items such as alcohol and ceremonial clothing—particularly noted among beneficiaries in Dodoma. The bi-monthly amount received was considered insufficient, not keeping pace with the rising cost of living, and irregular disbursements aggravate the issue. This situation undermines beneficiaries' attempts to save, often forcing them to deplete their savings and business resources to meet family needs. In addition, there are beneficiaries who are not engaged in any IGAs, while others lack proper training in their chosen IGAs, and consistency is a challenge for some without regular check-ins. LGA leaders also emphasized the difficulty in achieving graduation faced by beneficiaries who are not part of COMSIP groups, primarily because these individuals lack the means to accumulate savings.

Lastly, LGA leaders perceived that approximately 30 per cent of the beneficiaries under their supervision could achieve graduation within the next two years. To improve programme efficacy and facilitate graduation, they proposed an increase in the transfer amount, suggesting a minimum of TZS50,000 (US$20). This adjustment was deemed crucial to support beneficiaries in their progression and address the growing cost of living. However, they advocated for specific conditions on the use of transfers, such as mandating savings, possibly within COMSIP groups, or investing in livelihood activities. They stressed the importance of making the transfers at regular intervals, preferably on a monthly basis, to ensure consistency in beneficiaries' savings and efforts in IGAs. They proposed using a cash payment system instead of e-payment due to the numerous challenges beneficiaries face in accessing their transfers through e-payment, including substantial charges on already small amounts, or alternatively that improvements to the e-payment system should be carried out swiftly.

In addition, LGA leaders advocated for the organization of frequent seminars to educate beneficiaries on diverse topics including savings, nutrition, and the establishment and maintenance of successful IGAs. These training sessions, they suggested, should be customized to meet the specific needs and environments of beneficiary communities. Apart from transfers, they recommended providing loans to serve as capital for IGAs, initiating beneficiaries' income generation journey while maintaining close monitoring of their progress. Finally, they recommended occasional input from individuals not from the same communities as beneficiaries, to offer advice particularly when beneficiaries are struggling, as their experience indicated that beneficiaries tend to listen more to unfamiliar voices.

4.2 Perceptions of cash transfer beneficiaries

We recruited 508 beneficiaries residing in both rural and urban areas to take part in the study, from December 2021 to January 2022. The participants had been benefiting from the PSSN programme for an average of six years, with a maximum of 21 years.[15] Table 3 shows that 91 per cent of the respondents were female. This aligns with the programme's strategy, which targets women[16] as primary recipients of the cash transfer. On average, the respondents had an age of 55 years, and approximately half (46 per cent) were widowed, 31 per cent married, and 13 per cent separated. Each household, on average, consisted of five members, with a maximum of 17 members. The literacy level of respondents was quite low: 42 per cent had no education, 17 per cent had not completed primary education, and only 38 per cent had completed primary education.

Primary sources of income varied but primarily fell into two categories: agricultural activities and petty businesses. Approximately 40 per cent of respondents earned their income primarily from trading and food sales, including activities such as running small/local restaurants; cooking and selling various food items such as 'bites' (snacks), fried fish, and roasted maize. Around 31 per cent of respondents engaged in a combination of livestock keeping (poultry, pigs, goats, guinea pigs) and crop cultivation (sunflower, paddy, maize, millet, tomatoes, and vegetables) to generate their income. Only 9 per cent depended on cash transfers as their main source of income, which averaged around TZS42,000 (US$18.30). This suggests that for most interviewed beneficiaries, the cash transfer served as a supplementary income. A significant proportion, approximately 74 per cent, had IGAs, with an average of 14.5 years of experience. Examples of IGAs include farming activities, food trading, salt making, gravel, local beer/traditional alcohol, and paid labour. The average income earned the previous month was TZS83,262.8 (US$36.20). Notably, one respondent from a village earned a substantial income of TZS2,000,000 (US$869.60) from agricultural activities. This individual owned five acres of land where they grew tomatoes and maize and kept pigs.

[15] This particular beneficiary was 68 years old and from an urban area.

[16] According to TASAF (2016), this decision is based on findings that women are more trustworthy and likely to use the transfer for its intended purpose compared with men.

Table 3: Descriptive statistics

Variable	Observations	Mean	Standard deviation	Min.	Max.
A: Demographic characteristics					
Female	508	0.91	0.29	0	1
Age	508	55.24	15.29	15	100
Resident years	508	39.10	20.82	1	100
Household size	508	5.15	2.61	1	17
No education	508	0.42	0.49	0	1
Some primary education	508	0.55	0.50	0	1
Never married	508	0.04	0.19	0	1
Married	508	0.31	0.46	0	1
Widowed	508	0.46	0.50	0	1
No partner	508	0.65	0.48	0	1
B: Socioeconomic characteristics					
Income earned (last month, TZS)	508	83,262.80	124,627.10	0	2,000,000
Household expenditure (last month, TZS)	508	110,600.40	90,780.94	0	610,000
Primary source of income					
Trading, food sales	508	0.40	0.49	0	1
Farming (animal/crops)	508	0.31	0.46	0	1
Cash transfer	508	0.11	0.32	0	1
Has IGA	508	0.74	0.44	0	1
Number of years since starting IGA	373	14.46	14.42	1	60
C: Social network characteristics					
Frequency of communication	508	0.68	0.47	0	1
Can ask for advice from friends	508	0.35	0.48	0	1
Can ask for help within village/street	508	4.84	4.91	0	30
Can ask for help outside village/street	508	4.0	4.8	0	33
D: Experiment/behavioural characteristics					
Nudged	508	0.64	0.48	0	1
Risk averse	508	0.38	0.49	0	1
Risk neutral	508	0.15	0.36	0	1
Risk lover	508	0.47	0.50	0	1
E: Cash transfer characteristics					
Cash transfer amount (bi-monthly in TZS)	508	41,767.76	15,810.69	16,000	116,000
Number of years receiving cash transfer	508	6.14	2.35	0	21

Note: nudges received by beneficiaries were aimed at eliciting trust/investment behaviours and were centred on expectations and norms around group investment; risk preferences were assessed by presenting beneficiaries with a series of choices between options offering low and high pay-offs.

Source: author's construction.

On average, total household spending for the previous month amounted to TZS110,600 (US$48.10). The highest recorded expenditure was TZS610,000 (US$265.20), attributed to a household consisting of 12 members. In this case, the expenditure was allocated to educational expenses, including school fees and purchasing food for the family. The findings show that the average income earned was less than the average total household expenditure. Beneficiaries spent approximately 33 per cent more than what they earned, suggesting that they may have been supplementing their additional expenditure through borrowing, depleting their savings, or relying on remittances from relatives and friends. When respondents were asked whether their earnings were sufficient to meet their needs, 60 per cent responded that they were not, citing the primary reason as insufficient income.

As part of the broader study, beneficiaries participated in behavioural nudges and a risk preference experiment to assess their financial behaviours and decision-making. A significant majority, 64 per cent, were exposed to nudges designed to promote trust and investment behaviours, tailored to local contexts such as farm equipment shops in rural areas or bajaj (tuk-tuk) businesses in urban areas. These nudges evaluated respondents' contributions and group expectations, fostering trust and collaboration in alignment with programmes such as COMSIP. Regarding risk preferences, 38 per cent of participants were categorized as risk averse, 15 per cent as risk neutral, and 47 per cent as risk-loving. These risk attitudes play a critical role in shaping how beneficiaries utilize cash transfers and participate in IGAs, influencing the overall success of such interventions.

TASAF internal administration data (privately provided) show that over 90 per cent of beneficiaries are women, for reasons explained above, and 70 per cent are from rural areas. The mean age of beneficiaries is 56 years, with a substantial proportion having limited or no literacy, more than half having no education at all. Those with some level of primary school education or who have completed primary school make up at least 40 per cent of the beneficiary population. The average bi-monthly transfer received by beneficiaries is TZS48,000, with a minimum of TZS20,000 and maximum of TZS110,000. In terms of primary sources of income, it is not surprising that a significant portion, around 40 per cent, are engaged in farming activities, which includes both crop cultivation and animal husbandry. The trading and sales subsector is the second largest employer of cash transfer beneficiaries, accounting for roughly 25 per cent of the population. Around 20 per cent have no other sources of income apart from the cash transfers they receive.

Beneficiaries were asked two questions to assess their perceptions of the possibility of graduating from the cash transfer programme: 'Do you think you can graduate from the programme?' and 'Do you want to graduate from the programme?' Only 27 per cent of respondents thought that they could graduate from the programme (ability), while a mere 7 per cent wanted to graduate (desire). Only 10 per cent perceived themselves to have both the ability and the desire to graduate from the programme. Among those who perceived themselves to have the ability to graduate, only 10 per cent desired to do so. Conversely, among those who desired to graduate, only 24 per cent perceived themselves to have the ability to do so. Additionally, when queried about awareness of the benefits of graduation, a substantial 73 per cent admitted that they were unaware of the potential advantages, highlighting a gap in understanding.

Among those who perceived themselves to have the ability to graduate from the programme, their reasons included meeting the criteria for exit, such as acquiring resources that helped them escape poverty; a desire to no longer be dependent on the programme; wanting to leave room for others in more challenging conditions; and the belief that everything has an end and preparedness for that eventuality. Some said that they would exit the programme only if TASAF instructed them to do so. On the other hand, those who perceived themselves to not have the ability to graduate mentioned several reasons for this: believing that they should continue to receive the transfers as their right as beneficiaries until TASAF directed them otherwise or until they had received a substantial amount of money; still needing the money to cater for basic family needs, support dependants, and contribute to the savings groups, or use it as business capital; incomes remaining too small to sustain themselves without assistance; being too old or disabled to establish and maintain livelihood activities; and being highly dependent on TASAF due to an inability to work or earn money, leading to poverty and reliance on the transfers that they had grown accustomed to.

Regarding the desire to graduate, the reasons for the perceptions closely mirror those relating to the ability to graduate. Those who wanted to graduate from the programme believed they would be better off when the time came to graduate; had achieved their goals; or wanted to make room for others in their communities who were worse off. Some disliked being labelled as poor and wished to change that status. Additionally, they aspired to prosper, improve their living conditions, live comfortably, meet their basic needs, and reduce the burden on the government. Some felt that they had achieved self-reliance, which is the primary goal of the programme. Conversely, those who did not want to graduate mentioned reasons such as still needing the money to support their families and businesses, improve their family's welfare, and cope with being single parents. They pointed out that their incomes were still too low, and they had no alternative sources of livelihood. Some, being very old and dependent on others, felt unable to manage without TASAF's support. Many were still heavily reliant on the programme for their daily demands and felt that they needed continued assistance, including participation in public works projects.

To analyse factors that influence perceived graduation, we ran probit regression models on beneficiaries' perceptions on graduation from the programme i.e., whether they had the ability to graduate and whether they wanted to do so, in relation to variables such as demographics; IGAs/employment; education and training received; programme participation; social networks; risk preference and behavioural nudges; and financial information (savings, assets, loans etc.). Regression results are presented in Table 4.

Table 4 presents the marginal effects of various characteristics on the perceived ability and desire of TASAF beneficiaries to graduate from the programme, using probit regression models. The absolute magnitudes of the estimates are quite small because of the small proportion of beneficiaries responding 'yes' to the graduation questions asked—that is, only 17 per cent of respondents perceived that they had the ability to graduate, and a mere 7 per cent expressed the desire to graduate. Perceived ability to graduate is positively associated with household expenditure, having an IGA, and having a supportive social network within the village. Conversely, frequent communication negatively impacts this perception. On the other hand, perceived desire to graduate is positively influenced by living in an urban area, earning more income, household expenditure, land ownership, cash transfer amount, risk-loving attitude, and being nudged. Meanwhile, this perception is negatively influenced by number of years residing in the area and duration of receiving the cash transfer.

Table 4: Marginal effects of perceived ability and desire to graduate from the programme

	Ability to graduate	Desire to graduate
A: Demographic characteristics		
Urban	0.0411	0.0590**
	(0.0423)	(0.0268)
Household size	−0.00603	0.00359
	(0.00727)	(0.00448)
No education	−0.0548	0.00391
	(0.0355)	(0.0209)
Resident years	0.000285	−0.00110*
	(0.000942)	(0.000624)
B: Socioeconomic characteristics		
Log of income (last month)	0.00322	0.0189*
	(0.0162)	(0.00975)
Household expenditure (last month, TZS)	0.000000547***	0.000000860***
	(0.000000171)	(0.000000221)
Has IGA	0.0983***	−0.0250
	(0.0358)	(0.0257)
Owns land	−0.0178	0.0556***
	(0.0362)	(0.0211)
C: Social networks		
Can ask for help within village/street	0.00978***	0.00320
	(0.00312)	(0.00231)
Frequency of communication	−0.0831**	0.0260
	(0.0381)	(0.0222)
D: Behavioural characteristics		
Nudged	0.0479	0.0749***
	(0.0343)	(0.0198)
Risk neutral	0.0217	0.0530
	(0.0489)	(0.0353)
Risk lover	0.0259	0.0518**
	(0.0359)	(0.0203)
E: Cash transfer characteristics		
Cash transfer amount (bi-monthly, TZS)	0.00000172	0.00000162**
	(0.00000115)	(0.000000634)
Number of years receiving cash transfer	0.00172	−0.00794**
	(0.00679)	(0.00315)
Observations	485	485

Note: number of respondents decreases from 508 to 485 because 23 beneficiaries reported earning nothing in the previous month, hence they are dropped in the regression; standard errors in parentheses; *** p<0.01, ** p<0.05, * p<0.1.

Source: author's construction.

Demographic characteristics play a significant role in influencing perceived desire to graduate from the programme but not the ability to do so. Urban residency increases the probability of perceived desire to graduate by six percentage points, probably due to better access to services, resources, and opportunities compared with rural areas. Conversely, the longer the years of residence, the less likely the perceived desire to graduate, with each additional year reducing the desire by 0.1 percentage points. This is probably because familiarity and comfortability with their environment and established routines make respondents less inclined to take the risk of transitioning away from the programme (status quo).

Socioeconomic factors significantly influence both the desire and the ability to graduate from the programme. First, a percentage increase in income increases the probability of a beneficiary desiring to graduate by two percentage points. Second, higher household expenditure significantly boosts the likelihood of perceived ability and desire to graduate. Specifically, for every TZS10,000 increase in household expenditure, the ability to graduate increases by 0.55 percentage points and the desire by 0.86 percentage points. Compared with the proportion of beneficiaries reporting the ability or desire to graduate, the former estimate translates into a 3 per cent increase and the latter into a 12 per cent increase. Increased spending may reflect improved quality of life and financial stability (Board of Governors of the Federal Reserve System 2023; OECD 2013). Third, engagement in an IGA increases perceived ability to graduate by ten percentage points (or 59 per cent), highlighting the importance to graduation perceptions of active economic participation. Fourth, land ownership increases desire to graduate by six percentage points (or 86 per cent), underscoring the economic opportunities associated with owning assets.

Social networks, particularly the number of people from whom one can seek help within the community, significantly affect beneficiaries' perceived ability to graduate by one percentage point (or 6 per cent). However, frequent communication decreases the perceived ability to graduate by eight percentage points (47 per cent), suggesting that certain types of interactions perpetuate a reliance mindset which undermines self-confidence. Therefore, how beneficiaries use their community support mechanisms is essential for self-sufficiency.

Behavioural characteristics such as being nudged and having a risk-loving attitude positively influence beneficiaries' desire to graduate from the programme. Being nudged significantly increases perceived desire to graduate by eight percentage points, thereby more than doubling the baseline rate, while a risk-loving attitude increases it by five percentage points (or 71 per cent). These results suggest the importance of behavioural prompts and attitudes that are effective in motivating beneficiaries and promoting an investment mindset which is open to new opportunities and risks.

Cash transfer characteristics significantly influence only the desire to graduate. If the cash transfer amount increases by TZS10,000, the likelihood of beneficiaries desiring to graduate increases by 1.6 percentage points. This implies that as the transfer amount increases, beneficiaries feel more equipped to meet their needs, whether for consumption or investment. On the other hand, the duration of receiving cash transfers negatively impacts the desire to graduate, with each additional year of receiving transfers reducing the likelihood of this desire by 0.8 percentage points, suggesting that prolonged dependency might reduce motivation for self-reliance. Therefore, safety net programmes should balance short-term support with long-term empowerment strategies.

Overall, Table 3 shows that graduation perceptions and motivations are influenced by an interplay of socioeconomic, demographic, cash transfer, and behavioural factors. By promoting financial stability, strengthening social networks, leveraging behavioural interventions, designing graduated support structures, and ensuring equitable resource allocation, TASAF can enhance its effectiveness in empowering beneficiaries to transition to sustainable livelihoods. These findings highlight the need for a holistic approach in designing packages for graduation from safety net programmes, balancing immediate financial support with long-term empowerment strategies to foster self-sufficiency and reduce dependency.

5 Discussion and conclusion

This study explores poverty graduation and interventions implemented under Tanzania's cash transfer programme to draw lessons and insights on how to implement a successful poverty graduation programme. It also assesses the perceptions and experiences of TASAF beneficiaries, programme implementers, and local authorities regarding graduation from a cash transfer programme. The insights gathered show an interplay of socioeconomic, behavioural, and programme-related factors influencing the perceived ability and desire of beneficiaries to graduate. Poverty alleviation programmes, while critical in reducing extreme poverty, need to incorporate strategies or interventions that actively address both beneficiaries' needs and their psychological preparedness for self-reliance. A focus on behavioural nudges, social networks, and enhancing IGAs could be leveraged to ensure sustainable graduation.

The perceptions of programme implementers and LGAs highlight their commitment to helping beneficiaries improve their socioeconomic conditions. However, there is a significant challenge in transitioning beneficiaries from dependency on cash transfers to self-reliance. Implementers recognize an unwillingness of beneficiaries to exit the programme, even when they have shown substantial improvements in their livelihoods. This reluctance is often rooted in a fear of losing financial support, exacerbated by dependency on the programme. This suggests that despite the potential for economic improvement, beneficiaries often lack the psychological readiness to graduate—a phenomenon also observed in relation to other programmes (Devereux and Sabates-Wheeler 2015).

On the other hand, beneficiaries' perceptions regarding their ability and desire to graduate from the programme are significantly shaped by their income levels, household expenditure, social networks, and engagement in IGAs. The study found that while only 27 per cent of respondents believed they had the ability to graduate from the programme, a mere 7 per cent expressed a desire to do so. This low desire reflects a prevailing sense of uncertainty and dependency, where beneficiaries are hesitant to transition to self-reliance due to fear of losing financial support and uncertainty about their future economic stability. These findings align with research by Banerjee et al. (2015) which indicates that individuals at the lowest end of the poverty spectrum often experience difficulty exiting poverty traps, requiring substantial and sustained support, and that hence a single upfront investment is more effective in breaking poverty traps than many smaller payments over time (Bandiera et al. 2013; Banerjee et al. 2015; Coates and Macmillan 2019).

The probit regression analysis in the study provides valuable insights into the factors that influence beneficiaries' perceptions of their ability and desire to graduate. Key socioeconomic factors, such as higher household expenditure, engagement in IGAs, and supportive social networks, significantly increase the likelihood of perceived ability to graduate. This highlights the importance of promoting financial stability and community support to encourage graduation. Conversely, frequent communication and prolonged reliance on cash transfers were found to negatively impact perceptions of the ability to graduate, suggesting that dependency on the programme and certain social interactions might perpetuate a reliance mindset. In contrast, factors such as urban residency, land ownership, and behavioural nudges significantly increase the desire to graduate. The role of behavioural nudges is particularly noteworthy, as it underscores the potential of simple, low-cost interventions to influence financial behaviour and encourage goal setting, savings, and investment (Datta et al. 2022).

Moreover, the findings suggest that beneficiaries' reluctance to graduate is closely associated with the insufficiency of cash transfers to meet their basic needs. This is compounded by crises and increasing costs of living, making it difficult for beneficiaries to save or invest in productive activities. This scenario reflects the challenges noted by Samson (2015), who argues that achieving sustainable graduation from social protection programmes requires both a holistic support system and robust economic opportunities to ensure long-term self-sufficiency.

The findings underscore the need for a holistic support system that combines financial, behavioural, and social interventions to foster graduation by addressing both material and psychological needs of beneficiaries. Taking the example of TASAF's cash transfer programme, while some beneficiaries perceive that they can graduate based on improved livelihoods, the majority remain reluctant due to fears of financial instability, dependency on the programme, and insufficient income to meet basic needs. Moreover, the variation in perceptions of graduation between rural and urban beneficiaries suggests that targeted strategies are required to address the unique challenges faced by each group. By fostering self-reliance through sustained IGAs, promoting financial literacy, and leveraging behavioural nudges, social protection programmes such as TASAF can better prepare beneficiaries for graduation and long-term economic independence.

To enhance the effectiveness of TASAF, several strategies could be implemented. First, targeted communication campaigns (and reminders) should be designed, to raise awareness of the long-term benefits of graduation, emphasizing financial stability and resilience, as 73 per cent of interviewed beneficiaries are unaware of these advantages. Second, integrating financial literacy programmes early in the implementation framework would foster a savings culture and encourage productive investments throughout the programme cycle. These programmes should be simplified to account for the low literacy levels of beneficiaries and incorporate adult learning principles to maximize impact. Third, there must be an increased focus on livelihood activities, supported by enhanced training, market assessments and linkages, coaching, mentoring, and linkages to financial institutions to ensure sustainability, especially post-graduation. Fourth, strengthening social networks and behavioural support is crucial: similarly to BRAC, the programme should leverage the influence of community leaders such as rural elders, capacitate community-based support groups, and encourage peer mentoring and progress tracking to promote self-reliance. Fifth, TASAF must tailor its interventions to reflect individual differences and rural/urban contexts, addressing the specific needs of each group. Sixth, there should be clear communication during the enrolment phase about beneficiaries' responsibilities, rights, milestones, programme expectations, resources, and exit pathways, to encourage proactive attitudes to graduation. Additionally, a gradual reduction in cash transfers could help beneficiaries to transition smoothly out of the programme, reducing dependency and encouraging reliance on skills development, income generation, and savings. Finally, leveraging behavioural nudges to promote a savings culture, productive goal setting, and access to key community stakeholders could provide significant post-graduation support.

Although poverty graduation programmes help beneficiaries to gain some degree of self-sufficiency by the end of the programme, the graduated ultra-poor often transition to the lowest tier of the economic ladder, escaping extreme poverty only to join the broader pool of the poor. To truly break this cycle, it is essential to implement strategies that go beyond short-term improvements. These strategies could strengthen poverty graduation programmes, ensuring that beneficiaries not only improve their livelihoods but also achieve sustainable economic resilience and independence. This would better equip them to withstand future shocks, including humanitarian emergencies, and prevent them from falling back into poverty, hence transforming temporary gains into lasting economic security for beneficiaries.

References

Abay, K.A., M.H. Abay, G. Berhane, and J. Chamberlin (2022). 'Social Protection and Resilience: The Case of the Productive Safety Net Programme in Ethiopia'. *Food Policy*, 112: 102367. https://doi.org/10.1016/j.foodpol.2022.102367

Addae-Korankye, A. (2014). 'Causes of Poverty in Africa: A Review of Literature'. American International Journal of Social Science, 3(7): 147–53.

Ali, I., and E.M. Pernia (2003). 'Infrastructure and Poverty Reduction: What Is the Connection?' ERD (Economic and Research Department) Policy Brief 13. Manila: ADB (Asian Development Bank).

Balboni, C., O. Bandiera, R. Burgess, M. Ghatak, and A. Heil (2022). 'Why Do People Stay Poor?' *The Quarterly Journal of Economics*, 137(2): 785–844. https://doi.org/10.1093/qje/qjab045

Balcik, B., B.M. Beamon, C.C. Krejci, K.M. Muramatsu, and M. Ramirez (2010). 'Coordination in Humanitarian Relief Chains: Practices, Challenges and Opportunities'. *International Journal of Production Economics*, 126(1): 22–34. https://doi.org/10.1016/j.ijpe.2009.09.008

Bandiera, O., R. Burgess, N. Das, S. Gulesci, I. Rasul, and M. Sulaiman (2013). 'Can Basic Entrepreneurship Transform the Economic Lives of the Poor?' IZA (Institute of Labor Economics) Discussion Paper 7386. Bonn: IZA. https://doi.org/10.2139/ssrn.2266813

Bandiera, O., R. Burgess, N. Das, S. Gulesci, I. Rasul, and M. Sulaiman (2017). 'Labor Markets and Poverty in Village Economies'. *The Quarterly Journal of Economics*, 132 (2): 811–70. https://doi.org/10.1093/qje/qjx003

Banerjee, A. (2000). 'The Two Poverties'. Department of Economics Working Paper 01-16. Boston, MA: MIT.

Banerjee, A., E. Duflo, N. Goldberg, D. Karlan, R. Osei, W. Parienté, J. Shapiro, B. Thuysbaert, and C. Udry (2015). 'A Multifaceted Programme Causes Lasting Progress for the Very Poor: Evidence from Six Countries'. *Science*, 348(6236). https://doi.org/10.1126/science.1260799

Banerjee, A., D. Karlan, R. Osei, and C. Udry (2017). *Graduation from Ultra-Poverty in Ghana*. New Delhi: 3ie.

Barker, N., D. Karlan, C. Udry, and K. Wright (2024). 'The Fading Treatment Effects of a Multifaceted Asset-Transfer Program in Ethiopia'. *American Economic Review: Insights*, 6(2): 277–94. https://doi.org/10.1257/aeri.20230156

Banerjee, A., D. Karlan, and J. Zinman (2015). 'Six Randomized Evaluations of Microcredit: Introduction and Further Steps'. *American Economic Journal: Applied Economics*, 7(1): 1–21. https://doi.org/10.1257/app.20140287

Bealt, J., J.C. Fernández Barrera, and S.A. Mansouri (2016). 'Collaborative Relationships between Logistics Service Providers and Humanitarian Organizations during Disaster Relief Operations'. *Journal of Humanitarian Logistics and Supply Chain Management*, 6(2): 118–44. https://doi.org/10.1108/JHLSCM-02-2015-0008

Birkmann, J.E., E. Liwenga, R. Pandey, E. Boyd, R. Djalante, W. Gemenne, W. Leal Filho, P. Pinho, L. Stringer, and D. Wrathall (2022). 'Poverty, Livelihoods and Sustainable Development'. In Intergovernmental Panel on Climate Change (IPPC) (ed.), *Climate Change 2022: Impacts, Adaptation and Vulnerability. Working Group II Contribution to the Sixth Assessment Report of the Intergovernmental Panel on Climate Change*. Cambridge: Cambridge University Press. https://doi.org/10.1017/9781009325844.010

Board of Governors of the Federal Reserve System (2023). *Economic Wellbeing of U.S. Households in 2022*. Washington, DC: Federal Reserve Board.

BRAC (Bangladesh Rural Advancement Committee) (2013). 'An End in Sight for Ultra-Poverty: Scaling Up BRAC's Graduation Model for the Poorest'. Briefing Note 1: Ending Extreme Poverty. New York: BRAC USA.

BRAC (2021). *Ultra-Poor Graduation in Kenya*. Dhaka: BRAC. Available at: https://bracupgi.org/wp-content/uploads/2021/06/Kenya-Graduation-brief_updated-Feb-2020.pdf (accessed 14 December 2024).

BRAC (2023). *Disability Inclusive Ultra-Poor Graduation Approach: Considerations for Implementing Best Practices. A Case of Northern Uganda*. Dhaka: BRAC. Available at: https://bracupgi.org/wp-content/uploads/2023/03/DIG-Guide_WEB.pdf (accessed 14 December 2024).

BRAC (2024). 'Ultra-Poor Graduation'. Available at: www.brac.net/program/ultra-poor-graduation (accessed 6 January 2025).

Brady, D. (2019). 'Theories of the Causes of Poverty'. *Annual Review of Sociology*, 45: 155–75. https://doi.org/10.1146/annurev-soc-073018-022550

Coates, L., and S. Macmillan (2019). 'Breaking Out of the Poverty Trap'. In H. Kharas, J.W. McArthur, and I. Ohno (eds), *Leave No One Behind: Time for Specifics on the Sustainable Development Goals*. Washington, DC: Brooking Institution Press.

Concern Worldwide (2020). *The Effects of a Graduation Programme in Burundi on Intra Household Dynamics*. Dublin: Concern Worldwide. Available at: https://admin.concern.net/sites/default/files/documents/2020-11/Intra-household%20dynamics%2C%20social%20cohesion%20and%20women%E2%80%99s%20empowerment%20-%20the%20effects%20of%20a%20graduation%20programme%20in%20Burundi%20-%20Research%20Brief%202020.pdf (accessed 14 December 2024).

Concern Worldwide (2021). *Knowledge Matters: Concern's Experience and Learning from the Graduation Approach*. Dublin: Concern Worldwide. Available at: https://admin.concern.net/sites/default/files/documents/2021-07/KM%20Issue%2030%20Graduation%20English_Web.pdf (accessed 6 January 2025).

Corcoran, M., G.J. Duncan, G. Gurin, and P. Gurin (1985). 'Myth and Reality: The Causes and Persistence of Poverty'. *Journal of Policy Analysis and Management*, 4(4): 516–36. https://doi.org/10.2307/3323752

Daidone, S., L. Pellerano, S. Handa, and B. Davis (2015). 'Is Graduation from Social Safety Nets Possible? Evidence from Sub-Saharan Africa'. *IDS Bulletin*, 46(2): 93–102. https://doi.org/10.1111/1759-5436.12132

Datta, S., M. Joshi, C. Macleod, and M. Zini (2022). *Leveraging Behavioral Science to Increase the Impact of Economic Inclusion Programming*. Washington DC: World Bank.

Devereux, S., and T. Amdissa (2013). 'From Safety Nets to Social Protection: Options for Direct Support Beneficiaries of the Productive Safety Net Programme'. In A. Pankhurst, D. Rahmato, and G.-J. Van Uffelen (eds), *Food Security, Safety Nets and Social Protection in Ethiopia*. Addis Ababa: Forum for Social Studies.

Devereux, S., and R. Sabates (2016). *Enhancing the Productive Capacity of Extremely Poor People in Rwanda: Final Evaluation Report*. Brighton: IDS.

Devereux, S., and R. Sabates-Wheeler (2015). 'Graduating from Social protection? Editorial Introduction'. *IDS Bulletin*, 46(2): 1–12. https://doi.org/10.1111/1759-5436.12124

Devereux, S., and M. Ulrichs (2015). 'Stakeholder Perceptions on Graduation in Ethiopia and Rwanda'. *IDS Bulletin*, 46(2): 145–54. https://doi.org/10.1111/1759-5436.12137

Devereux, S., K. Roelen, R. Sebates, D. Stoelinga, and A. Dyevre (2015). *Concern's Graduation Model Program in Burundi: Final Evaluation Report*. Brighton: IDS (Institute of Development Studies).

Devereux, S., R. Sabates-Wheeler, T. Taye, R. Sabates, and F. Sima (2014). 'Graduation from the Food Security Programme in Ethiopia'. Working Paper 080. Brighton: Future Agricultures Consortium (FAC).

Dortmans, B., S. Diener, B. Verstappen, and C. Zurbrügg (2017). *Black Soldier Fly Biowaste Processing: A Step-by-Step Guide*. Dübendorf: Swiss Federal Institute of Aquatic Science and Technology.

FAO (Food and Agriculture Organization of the UN) (2018). *The Impact of Disasters and Crises on Agriculture and Food Security*. Rome: FAO.

FDRE (Federal Democratic Republic of Ethiopia) (2012). *National Social Protection Policy of Ethiopia*. Addis Ababa: FDRE.

Gahamanyi, V., and A. Kettlewell (2015). 'Evaluating Graduation: Insights from the Vision 2020 Umurenge Programme in Rwanda'. *IDS Bulletin*, 46(2): 48–63. https://doi.org/10.1111/1759-5436.12128

Hashemi, S.M., and A. de Montesquiou (2011). 'Reaching the Poorest: Lessons from the Graduation Model'. Focus Note 69. Washington, DC: CGAP (Consultative Group to Assist the Poor).

Hashemi, S.M., and W. Umaira (2011). 'New Pathways for the Poorest: The Graduation Model from BRAC'. CSP (Centre for Social Protection) Research Report 10. Brighton: IDS.

Hope, K.R. (2009). 'Climate Change and Poverty in Africa'. *International Journal of Sustainable Development & World Ecology*, 16(6): 451–61. https://doi.org/10.1080/13504500903354424

ideas42 (2022). 'Behavioral Nudges in Tanzania's Cash Transfer Program'. Washington, DC: ideas42. Available at https://www.ideas42.org/wp-content/uploads/2022/08/Tanzania_Cash_Transfers.pdf (accessed on 18 December 2024).

ideas42 (2023). 'Increasing Savings among Cash Transfer Recipients in Tanzania'. Washington, DC: ideas42. Available at: www.ideas42.org/project/increasing-savings-among-cash-transfer-recipients-in-tanzania (accessed 13 November 2023).

Independent Evaluation Group (2016). *Project Performance Assessment Report: Tanzania Second Social Action Fund (IDA-4002, IDA-4636)*. Washington, DC: Independent Evaluation Group. Available at: https://ieg.worldbankgroup.org/sites/default/files/Data/reports/ppar_tanzania_0716.pdf (accessed 6 January 2035).

Kangalawe, M. (2012). 'Food Security and Health in the Southern Highlands of Tanzania: A Multidisciplinary Approach to Evaluate the Impact of Climate Change and Other Stress Factors'. *African Journal of Environmental Science and Technology*, 6(1): 50–66. https://doi.org/10.5897/AJEST11.003

Kigume, R., and S. Maluka (2021). 'The Failure of Community-Based Health Insurance Schemes in Tanzania: Opening the Black Box of the Implementation Process'. *BMC Health Services Research*, 21: article 646. https://doi.org/10.1186/s12913-021-06643-6

Masoud, Y.A. (2022). 'Challenges of Humanitarian Logistics on Disaster Management: The Experience of Corona Pandemic in Tanzania'. *Journal of International Trade, Logistics and Law*, 8(1): 97–109.

Moqueet, N., J. Zaremba, and I. Whisson (2019). *Ultra-Poor Graduation Handbook*. Dhaka: BRAC.

Morduch, J., S. Ravi, and J. Bauchet (2012). 'Failure vs. Displacement: Why an Innovative Anti-Poverty Program Showed No Net Impact'. PRIMCED (Poverty Reduction, Institutions, Markets, and Policies in Developing Countries: Towards a Theory of Comparative Economic Development) Discussion Paper 32. Tokyo: Institute of Economic Research, Hitotsubashi University. https://doi.org/10.2139/ssrn.2134779

Mshana, Z., I.J.E. Zilihona, A.P. Gesase, H.S. Sinda, and S.E.D. Nsimba (2013). 'Health Services Delivery and the Increase of Poverty in Tanzania: The Invisible Factor'. *World Research Journal of Public Health and Epidemiology*, 1(1): 1–12.

Myamba, F., and S. Kaniki (2016). 'Social Protection: Safety Net or Vehicle for Transformation?' ESRF Discussion Paper 70. Dar es Salaam: Economic and Social Research Foundation (ESRF).

NBS (National Bureau of Statistics) (2022). *Matokeo ya mwanzo ya sensa ya watu na makazi ya mwaka 2022*. Dodoma: NBS.

OECD (Organisation for Economic Co-operation and Development) (2013). *OECD Framework for Statistics on the Distribution of Household Income, Consumption and Wealth*. Paris: OECD. https://doi.org/10.1787/9789264194830-en

Olobo, P., M. Sulaiman, and D. Us Salam (2020). *The Ultra-Poor Graduation Programme: Endline Report*. Kampala: BRAC Uganda.

PreventionWeb (2022). 'Poverty and Inequality'. Available at: www.preventionweb.net/understanding-disaster-risk/risk-drivers/poverty-inequality#poverty-and-vulnerability (accessed 1 December 2024).

Pritchard, M., S. Kenward, and M. Hannan (2015). The Chars Livelihoods Programme in Bangladesh: Factors That Enable, Constrain and Sustain Graduation'. IDS Bulletin 46(2): 35–47. https://doi.org/10.1111/1759-5436.12127

Roelen, K., C. Leon-Himmelstine, E. Nshimirimana, and G.S. Uruna (2018). *Understanding Post-Programme Graduation Trajectories in Burundi*. Brighton: IDS.

Rutaba, Y.A. (2022). 'Determinants of Humanitarian Logistics Performance to Effective Disaster Relief Operations in Addressing Pandemics in Tanzania'. *African Journal of Empirical Research*, 3(1): 128–39. https://doi.org/10.51867/ajernet3.1.12

Sabates, R., and S. Devereux (2015). 'Evidence on Graduation in Practice: Concern Worldwide's Graduation Programme in Rwanda'. *IDS Bulletin*, 46(2): 64–73. https://doi.org/10.1111/1759-5436.12129

Sabates-Wheeler, R., S. Yates, E. Wylde, and J. Gatsinzi (2015). 'Challenges of Measuring Graduation in Rwanda'. *IDS Bulletin*, 46(2): 103–14. https://doi.org/10.1111/1759-5436.12133

Samson, M. (2015). 'Exit or Developmental Impact? The Role of "Graduation" in Social Protection Programmes'. *IDS Bulletin*, 46(2): 13–24. https://doi.org/10.1111/1759-5436.12125

Sanders, C., and F. Kimani (2019). *PROFIT Financial Graduation: Endline Report*. Nairobi: BOMA Project and Care International Kenya.

Sengupta, A. (2012). *Pathways out of the Productive Safety Net Programme: Lessons from Graduation Pilot in Ethiopia*. Dhaka: BRAC.

Sulaiman, M., N. Goldberg, D. Karlan, and A. de Montesquiou (2016). 'Eliminating Extreme Poverty: Comparing the Cost-Effectiveness of Livelihood, Cash Transfer, and Graduation Approaches'. Access to Finance Forum Report 11. Washington, DC: CGAP.

Tanzania Cash Plus Evaluation Tea (2018). *A Cash Plus Model for Safe Transitions to a Healthy and Productive Adulthood: Baseline Report*. Florence: UNICEF Office of Research. Available at: www.unicef.org/innocenti/media/5546/file/UNICEF-Ujana-Salama-Cash-Plus-Model-Baseline-Report-2018.pdf (accessed 6 January 2025).

TASAF (2016). *Report on the Study of Socio-Cultural Complexities and their Effects on Cash Transfer Management within Beneficiary Households of PSSN Program: The Case of Selected Council Authorities in Tanzania*. Dar es Salaam: TASAF.

TASAF (2021). *Project Proposal on Livelihood Enhancement Community Scale Black Soldier Fly (BSF) Pilot in Dar es Salaam and Morogoro Regions under TASAF PSSN II Programme*. Dar es Salaam: TASAF.

TASAF Management Unit (2023). 'PSSN II Mission Issues Paper Review June 2023: The Joint Implementation Review and Support Mission of the Productive Social Safety Net II (PSSN II) Program, June 26th – July 06th, 2023'. Dar es Salaam: TASAF.

URT (United Republic of Tanzania) (2012). *National Climate Change Strategy*. Dodoma: Vice President's Office.

USAID (US Agency for International Development) (2006). *Issues in Poverty Reduction and Natural Resource Management*. Washington, DC: USAID.

Verme, P., and K. Schuettler (2019). 'The Impact of Forced Displacement on Host Communities: A Review of the Empirical Literature in Economics'. Policy Research Working Paper 8727. Washington, DC: World Bank. https://doi.org/10.1596/1813-9450-8727

Whisson, I., R. Haque, J. Kedroske, M. Sulaiman, I. Matin, N. Das, and S. Hashemi (2021). *The State of Economic Inclusion Report 2021: The Potential to Scale. Case Study 3: Adapting BRAC's Graduation Program to the Changing Poverty Context in Bangladesh*. Washington, DC: World Bank.

World Bank (2016). *Tanzania's Productive Social Safety Net: Findings from the Impact Evaluation Baseline Survey*. Washington, DC: World Bank. Available at: https://transfer.cpc.unc.edu/wp-content/uploads/2018/04/PSSN-IE-Baseline-Report-Draft-2016.pdf (accessed 6 January 2025).

World Bank (2019). 'Project Appraisal Document on a Proposed Credit in the Amount of SDR 323.9 Million (US$450.0 Million Equivalent) to the Republic of Tanzania for the Productive Social Safety Net Project II'. Washington, DC: World Bank. Available at: https://documents.worldbank.org/en/publication/documents-reports/documentdetail/798681568599240846/tanzania-second-productive-social-safety-net-project (accessed 6 January 2025).

Appendix A1: Poverty graduation building blocks and TASAF's status

Building block	Description	Key questions to consider	Takeaways	TASAF
Targeting	Identifying the ultra-poor in the community to benefit from the programme. This can be done via: • Community input—Poverty Wealth Ranking (PWR) • Surveys—poverty means test (PMT) using easily verifiable indicators such as family size, number of school children • Cross-verification—validation of selected households by senior programme staff to minimize errors	Define the ultra-poor targeted Are they food insecure? Do they lack access to productive assets? Do they lack productive assets?	Community input builds acceptance and trust of the programme Strict adoption of national poverty indicators can be misleading	Intensive targeting involving: • Geographical targeting—poverty maps • Community- based targeting • Proxy Means Test (PMT) • Community validation
Consumption support	Support either as cash or food to counter food insecurity of beneficiaries to help reduce stress, hence increase poor people's ability to take advantage of opportunities and plan for the future Design of this support requires decisions on the type, amount, frequency and duration	Is the support standardized or customized?	Be transparent about the purpose and duration of the support to help beneficiaries plan ahead for when it is no longer available Choose the support which is also easily administered by implementers, and deliver it regularly	Conditional and unconditional cash transfer provided bimonthly to beneficiaries Amount: TZS12,000–55,000 per month
Savings	This is core of the graduation model Deposits should be safe, accessible and flexible	What kind of savings fit the context? How should we mobilize deposits? • Individual accounts • Bank accounts • Mobile money • Self-help groups (ROSCAs) • Communal village savings	Regular formal savings creates financial discipline and exposes beneficiaries to financial service providers Implementing partners should be legally permitted to mobilize deposits Financial literacy programmes should be established in communities e.g., in Haiti—staff work with individual beneficiary to create an individual saving plan with specific goals Financial education models during weekly	Community Savings and Investment Promotion (COMSIP) programme: • formation and operation on savings group training—contracts, record keeping • beneficiaries meet weekly to make deposits and plan • financial literacy training • enhance saving culture • loan access • linkages to local financial institutions

			meeting, can be inform of games like in India—SKS	
Asset transfer	Assets to help beneficiaries jump-start a sustainable IGA is critical to the model Livelihoods menu is prepared, then staff discuss and matches right IGA to interest and skills sets of beneficiaries Identify the time, effort and skills required for the management of the asset	What are the livelihoods options available to beneficiaries? What skill sets do beneficiaries have? Are the suggested IGAs short term or long term? Is the income generated from IGA low or high? What uncertainty are associated with the livelihood options?	Market analysis/studies should be done to identify viable livelihoods Beneficiaries should be encouraged to engage in multiple livelihoods to diversify their assets and mitigate risks	Livelihood Productive Grant (LPG), given to qualified beneficiaries with approved business plans to establish IGAs. Maximum of TZS500,000 given in two instalments, accompanied by skills and financial training Livelihoods menu and assessment not comprehensively or uniformly done
Skills training and regular coaching	Regular monitoring and coaching are the crucial intangible ingredients to the graduation model. Weekly visits should be made to beneficiaries to monitor progress and address challenges Skills training are based on managing assets and running a business	Are beneficiaries on track to meet their goals? What kind of support could be offered to beneficiaries? Are programme staff adequately skilled? How can we make trainings effective?	Staff develop strong bonds with beneficiaries and become their mentors Information should be given to beneficiaries on available services, such as health clinics, extension officers etc.	Skills training and education is provided by program facilitators who are extension officers in the districts—agricultural officers, social workers, livestock officers etc. Regular coaching is not yet designed and properly integrated into the programme

Source: author's elaboration based on World Bank (2016), TASAF Management Unit (2023), as well TASAF's information from their website and documents.

Appendix A2: In-depth overview of potential graduation sub-projects

A2.1: Community Savings and Investment Promotion (COMSIP)

COMSIP is implemented under the LE sub-component of TASAF's social protection programme. COMSIP trains beneficiaries in savings groups formation and operation and ultimately expects them to form associations that serve as a platform for beneficiaries to get information on market opportunities. This is done in two stages. First, group organization, which involves discussion of group dynamics, leadership, constitution formulation, conflict management, savings mobilization, borrowing and loan management. The second stage involves investment management training, which involves investment opportunities, business management, linkages to extension services and financial institutions. COMSIP groups are not new to the programme; they were founded around 2012 but disbanded due to a lack of resources for a smooth implementation. In June 2021, they were re-launched and as of August 2022, TASAF documents show that approximately 30,650 groups were formed in the country, with TZS6.2 billion (USD2.7 million) saved by beneficiaries of the programme, with TZS2.9 billion (USD1.2 million) loaned out to members of these groups. And by June 2023, 40,963 savings groups had been formed under the COMSIP programme.

An evaluation of the first round of COMSIP groups established in 2012 informed the manual used to form the new groups. In summary, group members save between TZS1,000–3,600 per week (equivalent to USD1.4–5 using the 2013 PPP conversion), and their main source of savings is the cash transfer earnings. Although nearly all members participate in savings, nearly half of the savers do not borrow. This might affect the growth of groups' capital size and sustainability. Moreover, most groups had limited options in terms of members who are eligible to become leaders due the inability to read and write as such narrowing the possibilities in changing the leadership should the need arise.

The groups are made up 10–15 members with labour capacity, who self-select to form a group and elect three leaders: a chairperson, a secretary, and a treasurer (management committee of the group). The group then forms their constitution which is made up of internal regulations that would guide their operations such as savings mobilization, how much should be paid as shares, borrowing procedures, elections, conflict management, provide authority, roles and responsibilities of leaders and members, penalties, when to meet, etc. TASAF facilitates the registration of these groups to respective LGAs and Bank of Tanzania. The groups are required to meet weekly to discuss their operations, collect savings, approve and/or disburse loans, discuss investments, oversee performance of their leaders, etc. TASAF provides the groups with savings boxes (a lockable cash-box system with three keys to guarantee security) and financial stationeries such as passbooks for recording savings, attendance booklets among others. Figure A1 shows some of the stationery materials given to beneficiaries such as payment receipts, registration book, minutes notebook, etc. All members are encouraged to start IGAs by TASAF facilitators overseeing the groups in their areas. They also teach beneficiaries about good practice for record keeping. The facilitators undergo through a through three days training on supporting COMSIP groups and are provided with a guide/manual to support them.

Figure A1: Stationery materials provided to beneficiaries under COMSIP

Source: photograph by the author.

In the second stage, members of the group are trained on investment opportunities such as productive investments available in their areas; business management—qualities of good business, qualifications of a good entrepreneur, how to run a profitable business etc., effective borrowing and loan management. Beneficiaries are trained about the benefits of financial institutions and how they can access their products and services. TASAF Management Unit (TMU) will distribute data on recognized and regulated financial institutions and their products to PAAs. It is expected that these groups will grow and eventually graduate to upper levels such as associations, community banks, cooperative groups or societies, so as to enable the groups to become stronger in various aspects.

The COMSIP presents a promising pathway out of poverty for beneficiary households in Tanzania if implemented successfully. The programme empowers individuals through savings group formation and investment management training. The creation of COMSIP groups does not only encourage financial responsibility but also fosters a sense of community and cooperation among its members. The recent launch of COMSIP in 2021 has already shown significant progress, with thousands of groups formed, substantial savings accrued, and loans disbursed to members. Challenges should be addressed to ensure long-term growth and sustainability of these groups. With continuous support, education, and expansion, COMSIP groups have the potential to evolve into more advanced associations, community banks, or cooperative societies, further enhancing their capacity to improve the livelihoods of beneficiary households. As these groups continue to grow and develop, they provide a beacon of hope for those seeking to break free from the cycle of poverty and build a better future for themselves and their communities.

A2.2: Livelihood Productive Grant (LPG)

The Livelihood Productive Grant (LPG) is one of the interventions carried out in the LE sub-component to prepare the beneficiary's exit from the programme. The main objective of the LPG is to enable beneficiaries implement income generating activities according to their business plans, hence enabling them to sustain their lives in the medium to longer term without an ongoing need for social transfers. The grant is provided to households with labour capacity (household must have at least one member aged between 18 and 65 years to be considered having labour capacity) as they transition to PWP conditional on participating in savings groups. Before receiving the grants, beneficiary households must have participated in livelihoods training sessions, have accumulated some savings, be economically active (have started a productive activity, and have a viable simplified business plans for their chosen IGA. Their applications are then evaluated by a committee comprised of PAA technical staff and LGA leaders (in the village/mitaa/shehia).

This programme is implemented in collaboration with international organizations, such as the Swiss Embassy. LPG targets 100,000 beneficiary households who are given a maximum of TZS500,000 (USD225), in instalments and depending on the chosen IGA, as capital. By June 2023, productive grants had been distributed to 44,160, beneficiary households who have met the criteria, 95 per cent of which are women. A total of about TZS15 billion (USD6 million) were disbursed to beneficiaries from 12 districts. The beneficiary households are encouraged to increase and safeguard their savings in addition to training on different savings options. Entrepreneurial skills training sessions are delivered to support households with the development of simple household level business plans and management of their productive assets. The training, provided by facilitators, is customized to account for the low levels of literacy and numeracy of participating households.

To access the funds, beneficiary households are first required to sign an agreement with the programme officers detailing the roles and responsibilities of each party, such as reporting requirements. After that, the cash is transferred electronically to the beneficiaries' accounts, in instalments. After receiving the productive grants, beneficiaries continue to receive mentorship, coaching from extension staff and local service providers to address challenges with executing their business plans, as well as training to ensure that the grants received are not misused.

A2.3: Black Soldier Fly (BSF)

The Black Soldier Fly (BSF) project is a livelihood enhancement intervention which utilizes black soldier fly (BSF), *Hermetia Illucens*, to process biodegradable waste at a community level. The intervention was piloted in two urban PAAs, Morogoro MC and Kinondoni MC, in 2021 with the aim of developing a cost-effective product for converting waste into protein for animal feed, especially chicken, at the local level. This project was carried out in collaboration with international and local organizations, i.e., ILO, the World Bank, and BioBuu. The BFS project is beneficial to beneficiaries in a number of ways: improved living conditions through the reduction of rotting waste attracting vermin, pests, and disseminating disease; localized improvement of sewage management systems by reducing the amount of waste required to be transported to the official disposal areas, and moving to a circular economy model of waste management; income-generating potential, the sale of BSF larvae to chicken owners, or increased egg production from local chickens, or increased chickens' growth for sale; and improved food security through the use of fertilizer for improving urban agriculture out-puts.

The production of BSF larvae hinges on the availability of wide range of food waste such as plants, animals, manure etc., which affects the protein and fat composition on the larvae. Under optimal conditions, the larvae require 14–16 days to grow. Beneficiaries in the BSF pilot were provided with bins that allows households to put household (kitchen) waste that attract the BFS. After the larvae matures, it exists the bin to be captured and then fed to chickens or fish. Figure A2 shows the BFS, the left picture shows the BFS end product as produced by the company, and the pictures on the centre and right pictures show the household bin models for small-scale household production, supplied to beneficiaries.

Figure A2: BSF larvae (left) and household bin models (centre and right)

Source: reused from TASAF (2021), with permission.

The benefits of using BSF are increased egg production and overall growth of the local chicken; and localized climate change mitigation measures by reducing biodegradable waste quantities going to landfill. This reduces methane and carbon dioxide production related to the degradation of organic matter in the anaerobic environment found in landfills and dumps, which contributes to climate change. It also reduces greenhouse gas emissions from vehicles related to the transfer of waste from generation sites to disposal sites. The BFS project provides an opportunity for beneficiaries to diversify their livelihoods (selling animals that feed on the flies, sell the flies to other people in the community, get manure for gardening activities) and at the same conserve their environment by turning biodegradable household wastes into livestock food, hence reducing the waste being dumped.

Assessment of the BSF pilot implemented in two PAAs revealed that the introduction of household bins for BSF production has indeed increased households' incomes and beneficiaries are requesting large bins to increase production. Apart from diversifying beneficiaries' livelihoods, TASAF likes the BSF project because it accommodates the low literacy rates of beneficiaries as they do not require intensive training to fully understand and be able to build, monito and maintain the production units. As a result, the project is integrated into the in PWP and LE sub-components for scaling up to identified beneficiary households.

The BSF project has demonstrated a multifaceted potential for positive impacts. The initiative not only offers economic diversification for beneficiaries but also improves food security status of households; aids in climate change mitigation by reducing biodegradable waste in landfills, thereby curbing methane and carbon dioxide emissions; and accommodates low literacy levels, making it easily adaptable for scaling up to benefit more households. In summary, the BSF project provides a comprehensive pathway for beneficiaries to alleviate poverty, conserve the environment, and enhance their livelihoods.

A2.4: Bus Rapid Transport (BRT) programme

The BRT project is the cost-of-living subsidy programme which provides a transport safety net to urban beneficiaries. It subsidizes the rental costs incurred by poor households living in the BRT Corridor by giving them cash transfers to discourage them from moving away from the BRT Corridor. In addition, the programme provides entrepreneurial skills training, which is mandatory to build capacity in understanding issues like nutrition, childcare and simple financial management, to beneficiary households so that they can have increased access to economic opportunities offered by the development of the BRT system. The construction of the BRT system has led to an increase in the cost of living, especially rental costs, for poor households living causing them to move away thereby missing out on potential economic opportunities.

This safety net aims to help urban poor benefit from the economic opportunities offered by the construction of the BRT system by offsetting the high costs of living near and using the transport system. The construction of the first of the BRT started in 2016, land prices and house rents increased in response to the development. The Dar es Salaam Urban Transport Improvement Project (DUTP) observed a lower out-migration rates than the rest of the city. Hence, the project is designed to encourage the urban poor to locate near the BRT Corridor and use the improved transport system to search for jobs and other economic opportunities. Two types of cash transfers are offered: a cost-of-living subsidy cash transfer to offset the rising costs of living in BRT-proximate neighbourhoods; and a transport fare subsidy cash transfer to make BRT travel more affordable. The implementation of the cost-of-living subsidy started in October 2023 while the fare subsidy will be implemented in the future once the BRT smart card payment system is fully operational. The project is implemented in collaboration with Dar Rapid Transit Agency (DART) and Tanzania National Roads Agency (TANROADS).

The construction of the BRT occurs in phases. Currently, the second phase, out of six, is being implemented and the government is testing out the best safety net that would offset the high rent prices induced by the BRT construction. These safety nets will then be executed to safeguard poor households living near the BRT Corridor as the construction of the next phases is implemented. Targeted beneficiaries for the pilot are households living in rented properties within five kilometres of the BRT Corridor and are at risk of being displaced due to high rent prices resulting from BRT construction across the city. The enrolled beneficiary household receives a subsidy of TZS600,000 (USD240) in a year, equivalent to rent cost of TZS50,000 (USD20) per month. The subsidy is disbursed in two instalments, at the beginning of the project and after six months if the household adhere to programme's conditions. Two variations are being tested in the cost-of-living subsidy: households should not relocate to other areas, that is, continue to reside near the BRT Corridor (conditional subsidy); and households can decide to relocate after receiving the transfer (unconditional subsidy).

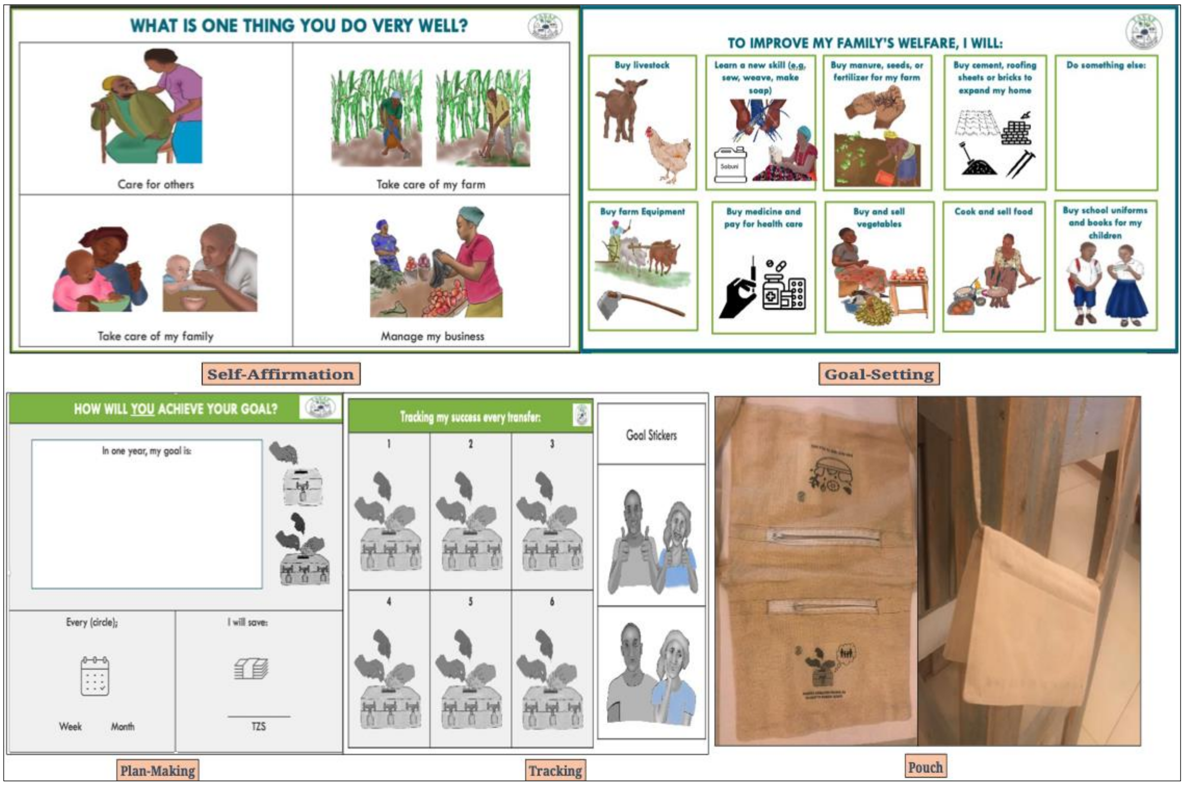
The BRT project offers a graduation pathway by helping beneficiaries access income generation opportunities to diversify and improve their livelihoods. By subsidizing rental costs for poor households residing in the BRT Corridor, the project encourages them to stay in proximity to the BRT infrastructure, thereby enabling them to seize the economic opportunities created by its development. Furthermore, it empowers beneficiaries with entrepreneurial skills, equipping them to harness the economic potential brought about by the BRT system. By offsetting the economic challenges posed by the BRT's construction and safeguarding poor households from displacement, the project fosters their economic stability, ultimately contributing to poverty graduation efforts.

A2.5: Behavioural nudges

Behavioural nudges are implemented to encourage beneficiaries use their monies more productively by focusing on having a productive goal/asset and developing a saving behaviour. The nudges were designed to solve challenges that beneficiaries face in utilizing their funds, such as lack of visibility of successful and profitable IGAs; saving groups are anchored to low savings amount; focus on capital intensive productive activities which become barriers; transfer given in one wad with no tools for separating money; consumption needs are more prominent today; and the uncertainty about TASAF's future affect goal setting. Thus, many beneficiaries seek to improve future livelihood outcomes by investing funds saved from the transfer in productive activities but fail to do so either at all or in a way that enables their goals to be met. Hence behavioural solutions to empower beneficiaries to set (productive) goals, make plans, follow through their plans, track their activities and separate their funds were designed. This project was piloted in phases from 2019 to 2022 in collaboration with the World Bank and Behavioral Science Lab (ideas42).

Behaviourally informed solutions were designed to address the identified bottlenecks. The intervention consisted of a package of light-touch tools and activities to help beneficiaries use their money more effectively. This included a self-affirmation activity, a goal setting and plan-making activity, a tracking activity for beneficiaries to check progress made towards their goals, and a partitioning pouch to allow beneficiaries to physically separate their cash for household needs and productive goals. The evaluation confirmed their effectiveness in changing behaviours of beneficiaries, leading to desired outcomes in savings and productive investments hence help beneficiaries improve their future livelihood outcomes (ideas42 2023). The behavioural nudges promote a saving culture, goal setting and plan-making behaviours, and engagement in productive investments among the beneficiaries. Figure A3 shows the implemented tools. The behavioural nudges are mainstreamed into the cash transfer program through scaled up through the LE sub-component, since August 2023. The nudges are now a part of livelihoods training that beneficiaries undergo in the LE sub-component.

Figure A3: Behavioural nudges for the PSSN beneficiaries



Source: author's elaboration combining images from ideas42 (2022), reused with permission. Available at https://www.ideas42.org/wp-content/uploads/2022/08/Tanzania_Cash_Transfers.pdf.

The behavioural nudges offer an encouraging pathway for beneficiaries to graduate from poverty by fostering positive financial behaviours and enabling them to use their incomes more effectively. These nudges encourage beneficiaries to focus on productive goals and cultivate a savings culture, hence facilitate increased savings and investments in productive activities, ultimately enhancing their future livelihood outcomes. The behavioural nudges not only empower beneficiaries to make more informed financial decisions but also instil goal setting and plan-making behaviours, as well as promote engagement in productive investments, all of which contribute to the beneficiaries' journey toward poverty graduation.