

**THE IMPACT OF TANZANIA SOCIAL ACTION FUND ON  
VULNERABLE HOUSEHOLD'S POVERTY REDUCTION:  
A CASE OF KIGOMA DISTRICT COUNCIL**

**By**

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**A Dissertation Submitted in Partial Fulfilment of the Requirement for the  
Award of the Degree of Master of Science in Accounting and Finance of  
Mzumbe University**

**2013**

## CERTIFICATION

We, the undersigned, certify that we have read and hereby recommend for acceptance by the Mzumbe University, a dissertation entitled **The impact of Tanzania social action fund on vulnerable household's poverty reduction: A case of Kigoma District Council**, in partial fulfillment of the requirements for award of the degree of Master of Science in Accounting and Finance of Mzumbe University.

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## **DEDICATION**

Dedicated to my parents, the late Mzee Eshton Nkala and the late Juslin Nyamweru and my husband, Yatera Mziray.

## **ABBREVIATION**

ACB:	Akiba Commercial Bank
AIDS:	Aquired Deficiency Immune Syndrome
CBO:	Community Based Organization
CDD:	Community-Driven Development
CMC:	Community Management Committee
CPM:	Capability Poverty Measure
CPM:	Capability Poverty Measure International Monetary Fund (IMF)
CRDB:	Corporative Rural Development Bank
FI:	Food Insecure
FINCA:	Foundation for International Community Assistance
HIV:	Human Immunodeficiency Virus
IDA:	International Development Association
IGA:	Income Generating Activities
IMF :	International Monetary Fund
KDC:	Kigoma District Council
LGA :	Local Government Authority
MDG:	Millennium Development Goal
NBC:	National Bank of Commerce
NBS:	National Bureau of Statistics
NGO:	Non Government Organization
NHP:	The Net Household Product
NMB:	National Microfinance Bank
NSC:	National Steering Committee
NSGRP:	National Strategy for Growth and Reduction of Poverty
PR:	Poverty Reduction
PRIDE:	Promotion of Rural Enterprises Initiative Development.
PRS:	Poverty Reduction Strategy
RNF:	Rural Non Farm
SACAs:	Saving and Credit Associations

SACCOS:	Savings and Credits Cooperative Society
SACCOSs:	Savings and Credits Cooperative Societies
SEDA:	Small Enterprises Development Agency
SIDO:	Small Industry Development Organization
SP:	Service Poor
SPSS:	Statistical Package for Social Science
TAMFI:	Tanzania Association Microfinance Institution.
TASAF:	Tanzania Social Action Fund
TDV:	Tanzania Development Vision
TMU:	TASAF Management Team
TSHS:	Tanzania Shillings
UNDP:	The United Nations Development Project.
URT:	The United Republic of Tanzania
VG:	Vulnerable Groups
WB:	World Bank

## **ABSTRACT**

This study was to determine the impact of Tanzania Social Action Fund on reduction of poverty in vulnerable households. The data were collected from two villages viz Mgaraganza and Mwamgongo of Kigoma district council and from the TASAF office of Kigoma district council. The specific objectives were to identify economic activities performed by vulnerable households, to ascertain types of socio-economic services which were accessed by recipient households for the TASAF II. Others were to determine success factors and challenges which were associated with the implementation of TASAF II and to suggest measures for improving contribution of TASAF II in reducing poverty to vulnerable groups. Thirty two beneficiaries were interviewed using structured questionnaire. Furthermore, a checklist was used to discuss together with Elders and Leaders from those two villages. The analysis was carried out using the statistical package for social sciences (SPSS) computer software where mean, frequencies and percentages were established.

The results indicate that about 97 percent of the respondents interviewed had economic activities before project. Most of them were engaged in Agriculture (i.e. cassava, maize and beans production). Concerning TASAF II, they reported that the project performed better by enabling them to provide fees, food, medical and uniforms services to orphans at secondary schools. In general, majority of respondents in the study area agreed on project success. Furthermore, they agreed to face challenge of collecting grasses for cattle feeding. Even Elders keeping most vulnerable children faced the same problems. Further, they argued that for those groups engaged in fishing activities, they also faced challenges because of decrease of fish and dagaa in Lake Tanganyika that led into low income as compared to the target income. Following for the findings it is recommended that the support for vulnerable should be provided directly at a family level rather than groups. Further, any project pertaining to poverty alleviation through conventional approaches should empower the beneficiaries through certain training particularly on how best they could manage the concerned project.

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## **CHAPTER ONE**

### **BACKGROUND INFORMATION, PROBLEM DEFINITION AND OBJECTIVES.**

#### **1.1 Background Information**

This study has determined the impact of Tanzania Social Action Fund (TASAF) in reducing poverty of vulnerable households. Since independence in 1961, the government of Tanzania has a strategy of poverty reduction as a main goal (PRSP, 2000). Consequently, the government agreed to establish social and economic policies that addressed poverty reduction at individual and national levels. Further to this, in 2005 the government formulated a National Strategy for Growth and Reduction of Poverty (NSGRP, 2005). This strategy was initiated for the purpose of providing social services like education, water and health, and for creation of an enabling environment for growth of private investment in productive sectors.

The above government efforts, on poverty reduction, are supported by the World Bank and the International Monetary Fund (IMF). The World Bank (WB) and IMF launched the enhanced Highly Indebted Poor Countries (HIPC) initiative for the purpose of offering assistance to the countries facing unsustainable debt obligation (NSGRP, 2005). The relief of Tanzania from high debt enables her to allocate funds into priority sectors of education, health, water, agriculture, rural roads, the judiciary and land (NSGRP, 2005).

Thus, the government of Tanzania established TASAF in June 1999, as a key instrument to poverty alleviation designed to address community social needs. TASAF was implemented in two consecutive phases (TASAF I and TASAF II). Implementation of TASAF I was between 2000 and 2005 and it started with 40 Districts in Tanzania Mainland and in Tanzania Isles. TASAF I was concerned with infrastructure development such as the construction of simple bridges, schools, health centers and roads.

As a result of excellent achievement of TASAF I, the Government of Tanzania in collaboration with the International Development Association (IDA) decided to engage in TASAF II which was implemented in all District councils, Municipals and Town councils in the country from 2005 to 2009. In TASAF II, the government decided to consolidate the achievements made in phase I of TASAF so as to achieve the goals under NSGRP in Tanzania (TASAF II Operation Manual, 2005).

Kigoma district council is among the councils benefited from TASAF. The council has various sub-project aimed to improve social welfare of the community. TASAF II supported three categories of sub- project namely; Service poor communities, vulnerable group and Food insecure with a total amount of Tshs. 1,274,751,575.00, T.shs. 267,948,049.00 and T.shs. 70,376,119.00 respectively from 2005 to 2010.

## **1.2. Statement of the Problem**

Tanzania put in place policies and strategies on poverty reduction such as Poverty Reduction Strategy (PRS) which was prepared in year 2000. PRS enabled the government to make some achievements in reducing poverty particularly to non-income issues such as education, health and water. However, income poverty still exists in rural as well as in urban areas (National Strategy for Growth and Reduction of Poverty NSGRP, 2005). To address this shortfall, TASAF II was launched in 2005 to respond to this problem of income poverty. Specifically, TASAF II targeted vulnerable social groups such as elders, orphans, disabled, Human Immunodeficiency Virus (HIV) victims, widows and widowers who form majority of rural poor (TASAF II Operation Manual, 2005). TASAF II aimed at empowering local communities to access socioeconomic services in order to improve their incomes through agricultural production and small business ventures. Depending on the sub-project selected by the beneficiaries TASAF II beneficiaries were provide with socioeconomic services such as, subsidized agricultural inputs, working tools, milling machines, sewing machine and heifers for dairy production.

Despite of government's initiatives to alleviate income poverty in rural communities through establishment and provision of social funds to communities, poverty still

exists in many rural households in Kigoma District Council (as per 2001 Kigoma district profile, 2008). The average income per capital of Tsh 53,000/- per annum is still very low compared to the National average per capital income of Tshs 231,866/- per annum (as per 2001 Kigoma district profile, 2008).

### **1.3. Research Objective**

#### **1.3.1. General Objective**

The general objective of the research was to determine the impact of TASAF II on reduction of poverty in vulnerable households in Kigoma District Council.

#### **1.3.2. Specific Objectives of the Study**

The specific objectives of the study were as follows:

- i) To identify economic activities performed by vulnerable households
- ii) To ascertain types of socio-economic services which were accessed by recipient households for the TASAF II.
- iii) To assess the impact and success of TASAF II in reducing poverty to disabled and orphan group.
- iv) To determine success factors and challenges which were associated with the implementation of TASAF II.
- v) To suggest measures for improving contribution of TASAF II in reducing poverty to vulnerable groups.

### **1.4. Problem Justification and Significance of the Study**

This study has come out with information on situation of vulnerable social groups that benefited from TASAF II. The study has also facilitate the availability of information on prevalence of poverty among vulnerable social groups in Kigoma District Council. Findings from this study may also be used in designing future anti-poverty interventions. Moreover, this study is in line with the current government strategies on poverty reduction the Tanzania Development Vision 2025 (TDV, 2025), the second phase of the National Strategy for Growth and Poverty Reduction (NSGRP II), and the Millennium Development Goals (MDGs). So far there is no study which has been conducted to determine the impact of TASAF II intervention in

Kigoma district. Therefore, the findings from this study give facts which will be useful to Government and other stakeholders to identify and use opportunities on provision of assistance to vulnerable groups especially disabled and orphans.

### **1.5 Limitation of the Study**

This study was conducted with limited time and funds. Therefore the methodology used was selected to suit the time and financial constraints. Also in giving information beneficiaries were not equipped with written data, but based on recalling. This is because they do not keep data documents especially those related to finance. The researcher took some time to advise them to document all information pertaining to their activities for easy references.

There were some areas with steep slopes and very difficult to climb during finding the respondents, since some respondents hamlets are situated on very remote areas, that's, far from village centres of Mgaraganza and Mwamgongo. This activity took more time in finding the means of transport and someone who know the areas well. Moreover, it was difficult to follow every person in her/ his residence and in most cases found no body and there were no reliable cell phone networks in most of the research areas that could be used to communicate with them directly. To solve this, researchers asked children or neighbours about the targeted respondent and then followed her/ him wherever she/ he was for interview. This exercise was part and parcel of empowering the researcher as through this study she added a knowledge by observing the real life of villagers and the way social intervention were implemented to help them. To a great extent, the researcher enjoyed and learned much from grass root social and economic dynamics and the way they interact.

## **CHAPTER TWO**

### **LITERATURE REVIEW**

#### **2.1. Theoretical Literature Review**

Many research studies have been undertaken by different scholars in relation to the issue of poverty reduction. The following is a brief review of such studies.

##### **2.1.1. Meaning of Poverty**

Poverty cannot be defined in absolute terms. It may differ in perception from one person to another one and one nation to another one. It is a complex and multidimensional phenomenon which encompasses social, economic and political deprivation of people. Poor people have limited ability to secure a gainful employment and bring a change in their lives. However, poverty may be defined in a complete way as inability to obtain a minimal standard of living ( Nzunuri 2011).

Poverty is the condition in which low income people cannot meet the basic needs of life. This situation leads to many fold difficulties like decreased health facilities, high illiteracy rate, decreased quality of life etc (Durrani, et al 2011). In another study Weiss, Montgomery and Kurmanalieva (2003) quoted by Durrani *et al* (2011) defined poverty as an income level below a socially acceptable minimum and micro finance as one of a range of innovative financial arrangements designed attract the poor as either borrowers or savers. In terms of understanding poverty a simple distinction can be drawn within the group the poor between the long-term or chronic poor and those who temporarily fall into poverty as a result of adverse shocks, the transitory poor.

URT (1999) defines poverty as a state of deprivation and prohibitive of decent life that results from many mutually reinforcing factors, including lack of productive resources to generate material wealth, illiteracy, prevalence of diseases, discriminative socio-economic and political systems and natural calamities, such as drought, floods, HIV/AIDS and wars. According to the World Bank (2000), poverty is pronounced deprivation in well-being. ADB (2006) defines poverty as deprivation

of essential assets and opportunities to which every human is entitled. Mbuli (2008) define poverty as a multidimensional phenomena that have different meaning for different people, he said that poverty can be reviewed as absolute or relative, as lack of income or failure to attain capabilities. It may a chronic or temporary is sometimes closely associated with inequalities, and often correlated with vulnerabilities, underdevelopment and economic exclusion.

According to Mupenzi (2007) define poverty that is a state in which resources are insufficient to meet basic needs. Of all arguments on basic needs, poverty is finally mirrored as having insufficient material resources to meet all basic needs, whether these basic needs stem from our animal nature or not. Alcock (1997) he said that poverty means going short of materially, socially and economically. It means spending less on food, on heating and on clothing than someone on an average income above all, poverty takes away the tools to build the blocks for the future, (Your life chances). It steals away the opportunity to have a life unmarked by sickness, a decent education, a secure home and a long retirement. In his book, Poverty Planning and social transformation, Alcock (1997) views poverty as deprivation, but not only deprivation, it is deprivation for the many and wealth for the few. He regards poverty therefore as, the socio-economic phenomenon where by the resources available to a society are used to satisfy the wants of the few while the many do not have even their basic needs met.

### **2.1.3. Measurement and Indicator of Poverty**

Due to difficulty that might arise following the use of all indicators of poverty in a single study, poverty analysis in this study was use income as an indicator of poverty reduction. The net household product (NHP) per capita was used instead of income per se in determining poverty reduction in rural households Limbu (1995), cited by Kayunze (1998). Therefore, in agreement with Limbu's statement, an increase in NHP was conceived as being poverty reduction. The adoption of NHP as poverty reduction is also based on the fact that once households get products or income of which the value exceeds that of costs incurred during production process, they have products or income to dispose of so as to meet various human needs, be it in

nutrition, housing, clothing or others, at least temporarily. The use of net household product as an indicator of poverty reduction is considered to be more appropriate than that of using mere income. There are a number of reasons which support the use of monetary values in welfare measurement (poverty).

Deaton (1997) for example, argues that people tend to hide information about their income earnings during household surveys. On the other hand, people can willingly give information about products being consumed or produced in the household. Also, the prevalence of the informal sector in rural areas where farm and off-farm casual payments or wages are based on receipt in-kinds makes the task of collecting information on income difficult. In developing countries, household incomes fluctuate more over the short term and are often reported less accurately (NBS, 2009). The use of net household product as an indicator of poverty reduction reduces the possibility of overlooking the value of products produced through in-kind receipts and those produced for direct consumption by the household.

The poverty or poor exists where some poor or persons fall short of reasonably defined minimum levels of well being such as access to certain consumption or income levels , housing, health and education facilities and certain rights recognized according to standards of human needs and socio economic conditions of the society (Department of Census and Statistics 2007).

The poverty can be measured by using the methods of National poverty line and International poverty line.

#### **2.1.4. National Poverty Line**

A poverty line is that level of income or expenditure required by an individual to purchase or satisfy a minimum basket of consumption goods and services for him or her to be considered non-poor. According to African development bank (2006) defines a poverty line as the per-capita monetary requirements an individual needs to afford the purchase of a basic bundle of goods and services.

Department of Census and Statistics (2007) defined poverty line as the minimum level of wellbeing such as access to certain consumption or income levels, housing, health and education facilities and certain rights recognized, according to standards of human needs and social economy conditions of the Society. Each country has its own criteria to track changes in national poverty rates usually through the use of national poverty lines. A poverty line is country-specific and this level of income or expenditure varies from one country to another. Irrespective of countries, households or individuals with a per capita income below this line are considered poor, and households with a per capita income above this line are considered non-poor. A poverty line is an income level, which separates the poor from the non-poor. There are two main ways of setting poverty lines: relative and absolute. Most developing countries use an absolute rather than a relative poverty line. In an absolute poverty line, the poverty entrance is established as the income level at which households are able to purchase essential food and nonfood items, including social services. Poverty as the inability to participate in society leads to concepts of relative poverty, as opposed to the absolute poverty of not having enough to eat, nor enjoying good health (Deaton, 2004). Ravallion (1993) defines an absolute poverty line as one which is fixed in terms of living standards, and fixed over the entire area of the poverty comparison while a relative poverty line, by contrast, varies over that area, and is higher than the average standard of living.

In Tanzania the basic needs poverty line in 2006 was about Tshs. 14,000 per adult per month, roughly equivalent, in purchasing power parity terms, to US\$ 1.10 per day, and is thus very close to the international dollar-a-day norm (The world bank report No. AAA62-TZ) The food poverty line is about 80% of that, or roughly equivalent to US\$0.80 per day (As calculated in Rapid Poverty Assessment, 2009; p.7-8) as quoted by James Smith.

**Table 2. 1: Levels of Poverty in Tanzania**

	Level of the Poverty Line Tsh per person per month (2007)		Equivalent in US\$ per day/a		
	Food Poverty Line	Basic Needs Poverty Line	Food Poverty Line	Basic Needs Poverty Line	
Tanzania Mainland	10,219	13,998	\$0.80	\$1.10	
Estimated: 2010 /b	14,000	18,100			

Source: The World Bank Report No. AAA62 – TZ prepared by James Smith (2011).

According to the HBS in (2006) the poorest people in Tanzania were surviving on an average income of Tshs. 7,335 per month, equivalent to about 57 cents US per day. There is some doubt that people's incomes are quite as low in absolute terms as the HBS data suggests.

#### **2.1.5. International Poverty Line**

The International poverty line are used for International comparison to enable a cross country comparison of poverty levels, the World Bank's uses a poverty line of \$1.08 a day in 1993 purchasing power parity terms. Upper poverty line that is commonly used in lower middle income countries by the World Bank in order to estimate global income poverty is referred to as \$2 a day. However both of this poverty lines such that \$1 and \$2 are useful as an indicator of global progress. The notion behind such lines is a simple one, that for the purpose of the global counts, or indeed for monitoring poverty reduction, we need a common international standard. However, it is subsequently subjected to updating; for example, it was updated to \$1.08 per day in 1993 international prices, and recently to US\$1.25 and US\$2 a day per person in 2005 purchasing power parity terms. The line is still referred to as the \$1/day measure (UNDP, 2004).

#### **2.1.6. Strategy of Poverty Reduction World wide**

According to United National population fund, a Poverty Reduction Strategy (PRS) is a document that sets out a framework for domestic policies and programmes to reduce poverty in low-income countries. Since 1999, The IMF and the World Bank

have required governments to produce a Poverty Reduction Strategy Paper (PRSP) as a condition for debt relief under the enhanced Heavily Indebted Poor Countries (HIPC) initiative. PRSPs are also required for concessional loans (at low or zero interest) through the Banks International Development Association and the IMF's Poverty Reduction and Growth Facility. They encourage the countries to adopt the policies that contribute to increase equity in distribution of income wealth, and services to increase the effectiveness of poverty reduction strategies. Advocate for strengthening international rules and institutions so that for poor people the opportunities of globalization are maximized and the vulnerabilities it creates are minimized. Ensure that macroeconomic goals and policies fully integrate employment growth and poverty-reduction.

The IMF and the World Bank initiate this strategy to meet the United National' Millennium Development Goal (MDGs) which are centered on reduces poverty between 1990 and 2015.

## **2.2. Empirical Literature Review**

### **2.2.1. Poverty in Tanzania**

#### **2.2.2. Situation of Income Poverty in Tanzania**

The prevalence of income poverty is still high in Tanzania. According to the Household Budget Survey 2007 (NBS, 2009), the proportion of the population below the national food poverty line is 16.6% with slight decline from 18.7% in 2000/01 and 21.6% in 1991/92 (URT, 2009). According to the same source of information, the population below the national basic needs poverty line is 33.6% and declined from 35.7% in 2000/01 and 38.6% in 1991/92. Poverty remains overwhelmingly high in rural areas where 87% of the poor population lives, and exceedingly majority (74%) of poor Tanzanians is primarily dependent on agriculture. According to the Household Budget Survey 2007 (NBS, 2009), the proportion of the rural population below the national food poverty line is 18.4% and declined from 20.4% in 2000/01 and 23.1% in 1991/92, whereas the proportion of rural population below the basic needs poverty line is 37.6%; and to 40.8% in 1991/92. it declined from 38.7% in 2000/01 (NSGRP, 2005).

The 1991/1992 Household Budget Survey (HBS) showed that 61 percent of Zanzibar is lived below the basic needs poverty line and 22 percent lived below the food poverty line. According to the HBS 2004/2005, 49 percent of Zanzibaris live below the basic needs poverty line, while 13 percent live below the food poverty line. Poverty among female-headed households is slightly higher (51%) than for male-headed households (49%). There is more poverty in rural areas than in urban areas (MKUZA, 2007).

### **2.2.3. Strategy of Poverty Reduction in Tanzania**

Tanzania like other developing countries has been struggling to reduce poverty. One of the interventions has been the introduction and implementation of social and economic policies which address the issue of poverty both at national and individual levels. This involved State intervention in education and other social services, and the creation of an enabling environment for private sector investment in productive sectors.

During the World Social Summit held in Copenhagen in 1995, Tanzania joined other nations in their commitment to eradicate poverty. Following this commitment, Tanzania has developed plans for poverty reduction which are outlined in the Tanzania Development Vision: 2025, the National Poverty Eradication Strategy, Poverty Reduction Strategy Paper (2000,) and the National Strategy for Growth and Reduction of Poverty (2005). All these stress the importance of equitable, sustainable economic growth and improvement of people's welfare URT (2002).

The National Strategy for Growth and Reduction of Poverty (NSGRP) is a second national organization framework for putting the focus on poverty reduction high on the country development agenda. The National Strategy for Growth and Reduction of Poverty (NSGRP), states that there is improvement of three years of Poverty reduction strategy (PRS, 2000) as a result of implementing the primary education development programme (PEDP). This show the net enrolment rate (NER) attained in 2003 and 2004 is 88.5% and 90.5% compared to 58.8% in 1990. In health services aiming to reduce infant mortality, infant mortality, child mortality, malaria related

mortality and maternal mortality. And focus has been increasing access to clean and safe domestic water especially for rural population to reach 55% of the rural 2003. All the above are helping in poverty reduction to meet the Millennium Development Goal (2015).

According to Zanzibar Strategy for Growth and Reduction of Poverty (2007) vulnerable groups are important targeted for reducing poverty. Vulnerability include: food and nutrition insecurity, limited access to productive assets, traditional roles ascribed by society, poor health, unemployment, lack of support networks, lack of access to education, discrimination and social exclusion.

#### **2.2.4. Strategy for Poverty Reduction in Kigoma District Council**

In reality the situation of income poverty is worse in the district when compared to other districts in the same region as well as to most districts in other regions in Tanzania Mainland. Therefore, people were easily mobilised by the district council's facilitators and leaders to join and form Income Generating Groups (IGGs), for them to have access to credits from the government. As a result, different socioeconomic groups including member-based and managed pre-cooperatives societies, Savings and Credits Cooperatives Societies (SACCOS), Savings and Credits Associations (SACAs), smallholder farmers groups, entrepreneurial groups and at the grassroots level were formed. Since 2003, Kigoma District has been implementing the Women and Youth Development Fund (WYDF), a project that aims at empowering women and youths economically. In 2006, Kigoma District, in collaboration with development partners, began the implementation of three income generating projects namely: Ongeza Akiba (OA), Beekeeping Improvement Project (BIP), and Income Generating Activities (IGAs). Kigoma District Council works hand in hand with the following main Non-Governmental Organisations (NGOs) in implementing income generating projects: Belgian Technical Cooperation (BTC), CARE International, JGI/TACARE, CARITAS and TCRS.

### **2.2.5. Response to Income Poverty by the Government of Tanzania**

In responding to the challenges of rural income poverty, the President of the United Republic of Tanzania, in 2006, Hon. Jakaya Mrisho Kikwete, promised to set aside funds amounting to 21 million for making credits available to poor rural and urban communities. In winding up the year 2008, in his annual address to the nation, Kikwete said “...*miaka miwili iliyopita tulianzisha mpango wa mikopo kwa wajasiriamali wadogo wadogo ambao hawana sifa ya kukopesheka katika mabanki kwa utaratibu wa kawaida. ...tulitenga shilingi bilioni moja kwa kila mkoa kwa upande wa Tanzania bara na shilingi milioni 100 kwa kila mkoa kwa mikoa minne ya Zanzibar na shilingi milioni 200 kwa mkoa wa Mjini Magharibi, Unguja*”(URT,2008) two years ago, we launched a programme for providing credits to small entrepreneurs who lacked qualities for accessing credit from banks through formal procedures. We set aside one billion shillings for each region in Mainland Tanzania and 100 million shillings for each region in four regions of Zanzibar and 200 million shilling for Mjini Magharibi Region in Unguja.

In 2007, The Prime Minister, Hon. Edward Lowassa, in his speech to the Members of Parliament reported on the implementation of the 21 billions rural and urban poor empowerment, by saying: “...*napenda kuliarifu Bunge lako Tukufu kuwa serikali katika mwaka 2006/07, imetenga wastani wa shilingi milioni 500 kwa kila mkoa kupitia benki zilizopo kwa ajili ya uwezeshaji wa wananchi kiuchumi na kuongeza ajira nchini. Fedha zitatolewa kwa mtu mmoja mmoja au vikundi kwa njia ya mikopo yenye masharti nafuu...*,” (URT, 2006a). I would like to inform your Esteemed Parliament that the government has set aside an average of 500 million shillings for every region in 2006/2007 through the existing banks for people’s economic empowerment and employment addition in the country. The government’s objective toward credits accessibility facilitation to both un-collateral and un-creditable poor people was enabling them obtain working capital for their economic activities and thereby improving their living standards. The government, henceforth, at all levels, mobilized people in rural and urban areas to establish credits and saving cooperative societies (SACCOSs), saving and credit associations (SACAs), and other socioeconomic groups (URT, 2008).

## **2.2.6 Microfinance and Poverty Reduction**

### **2.2.6.1. History of Microfinance**

The history of microfinance can be traced back as long to the middle of the 1800s when the theorist Lysander Spooner was writing over the benefits from small credits to the entrepreneurs and farmers as a way getting the people out of poverty. The microfinance has its roots in 1970 when organizations such as Grameen Bank of Bangladesh with the microfinance pioneer Mohammad Yunus, were starting at shaping the modern industry of micro financing. Akhtar Hameed Khan is another pioneer in this sector who was introduced much new innovation into the sector. Many pioneering enterprises began experimenting with loaning to the underserved people. Today the world Bank estimates that more than 16 millions are served by some 7000 microfinance institutions all over the world. Muhammad Yunus has shown himself to be a leader who has managed to translate visions into practical action for the benefit of millions of people, not only in Bangladesh, but also in many other countries. Loans to the poor without any financial security had appeared to be an impossible idea. Yunus has the first and foremost through Grameen Bank, developed micro-credit into an ever more important instrument in the struggle against poverty (Premium word press Themes 2003)

The field of microfinance is less than 40 years old yet it appears to have been remarkably effective in helping the poor work their way out of poverty. It typically provides loans to individuals (mostly women) to start or expand their businesses. The loans can be group or individual loans and are usually less than \$1,000 and often less than \$100. They can be either individual or group loans and provide access to working capital and other financial services to the poor that did not previously exist. Repayment rates for microfinance are typically between 95%-100% dependent, in part, on many of the input and process factors discussed here (Epstein and Crane, 2005).

Opportunity International is one of the world's largest microfinance organizations with over 700,000 clients in 27 countries on four continents. It operates through 42 operating entities, virtually all of which Opportunity founded. As opposed to some

large MFIs (microfinance institutions) that have large numbers of clients located primarily in one country, Opportunity's client base may be the most widely dispersed among countries and continents. Opportunity International is operates in numerous legal forms including: NGOs, finance companies, S&Ls, and chartered banks. In 2004 Opportunity International received \$40 million in grant funding, raised an additional \$29 million in debt funding, loaned \$240 million to poor entrepreneurs and made \$10 million in equity investments in MFIs. Opportunity's mission is to provide opportunities for people in chronic poverty to transform their lives. It builds on the foundation of microfinance and adds business training, mentoring, financial planning, and leadership development (Epstain, and Crane, 2005).

#### **2.2.6.2. Meaning of Microfinance**

Microfinance is usually understood to entail the provision of financial services to micro-entrepreneurs and small businesses, which lack access to banking and related services due to the high transaction costs associated with serving these client categories. Many of those who promote microfinance generally believe that such access will help poor people out of poverty. Microfinance is a way to promote economic development, employment and growth through the support of micro-entrepreneurs and small businesses (Wikipedia, the free encyclopedia 2010). Thus, the broader definition of microfinance includes not only microcredit but also other Financial services, which can be offered to the poor ( Lenka, Karel, Pavel, 2009). Microfinance is a provision of a broad range of financial services such as deposits, loans, payment services, money transfer, and insurance to poor and low-income households and their micro enterprises (Pilipinas, 2002)

#### **2.2.6.3. Concept of Microfinance**

It is believed that microfinance can contribute to protection and transformation of livelihoods. It is particularly works for the poor, vulnerable and excluded people and can be used as a promotional social protection instrument. The Microfinance offers the financial services such as savings, loans, insurance and facilitating remittances that support poor households to invest in economic activities manage risk and reduce vulnerabilities ( Thun V). Microfinance is the provision of financial services to the

poor that involves savings, credit, insurance and money transfer services (World Education Australia 2006). According to Ganesh Thapa Microfinance involves small scale credit, savings and insurance to meet the needs of poor producers as well as providing skill based training to enhance productivity and organization support that is important tool for poverty reduction in many country in the world including Asia and Pacific.

According to Robinson (2001) states that microfinance refers to small-scale financial services primarily credit and savings provided to people who farm or fish or group; who operate small enterprises or microenterprises where goods are produced, used, repaired, or sold; who provide services; who work for wages or commissions; who gain income from renting out small amounts of land, vehicles, draft animals, or machinery and tools; and to other individuals and groups at the local levels of developing countries, both rural and urban.

Lenka *et al* (2009) found out that the poor, in fact; do not only need productive loans: they need further financial services in order to meet other specific needs. Examples are the demand for credit or savings in order to provide education for their children; the need for insurance services to deal with shock or emergency situations; the requirement for savings and insurance services to meet the costs of old age and funeral services. The intention of Microfinance institution is to enabling poor to work on profit making projects or small businesses to satisfy their needs.

#### **2.2.6.4. Roles of Microfinance**

Bakhtiari (2006) concluded that micro credit and microfinance have received extensive recognition as a strategy for poverty reduction and for economic empowerment particularly in rural areas having poor population. Providing poor people the small amounts of credit at reasonable interest rates give them an opportunity to set up their own business at small scale. Mawa (2008) conducted a research study focusing the issue under discussion and concluded that microfinance is an innovative step towards alleviating poverty. The author mentioned that microfinance facilities provided to the people help them to use and develop their skills and enable them to earn money through micro enterprises. Moreover provision

of micro finance helps them to smooth their consumption level and manage unexpected risks. Micro finance helps the poor to built assets, educate their children and have a better quality of life. Gurses (2009) conducted a study in Turkey and mentioned that micro finance especially micro credit is a powerful tool to reduce poverty. The author has mentioned that one fifth of the population of turkey was at risk due to the poverty even then it is not a poor country according to global standards. This is due to the introduction of micro credit by two NGOs—KEDV and the Turkish Foundation for Waste Reduction (TISVA).

Rena, et al (2006) concluded that micro finance is the founding stone for poverty reduction. Their study showed that there is a fundamental linkage between microfinance and poverty eradication, in that the latter depends on the poor gaining access to, and control over, economically productive resources, which includes financial resources. Previously implemented programs not produced good results due to the non involvement of the peoples for which the programs was designed (the poor).

They suggested that the government poverty alleviation program should be restructured if not re- designed and should be centered on the basic needs ‘approach. Micro finance is the mean for income generation and the way for permanent reduction of poverty through the provision of health services, education, housing, sanitation water supply and adequate nutrition. In many instances, micro enterprises rather than formal employment create an informal economy that comprises as much as 75 per cent of the national economy.

Gopalan (2007) concluded that micro finance increase the self confidence of the poor by meeting their emergency requirements, ensuring need based timely credits and making the poor capable of savings. The study also shows the credibility of microfinance in health related issues in a positive manner. It has been postulated that by making policy towards income generation and enhancement, ultimately to eradicate poverty alone can improve the health status through better, timely and easy access of health care. The survey shows that peoples do not consider micro finance

as a help full tool for health problems. This is shown by the survey that a small portion of peoples take loans for health facilities. When the peoples do not consider it necessary they cannot control poverty and health problems.

Even the vocal critic Chowdhury et al (2009) admits that microfinance can help the poor smooth consumption over periods of cyclical downturns or unexpected crises. This positive role of microfinance should not be dismissed altogether. If this consumption smoothing means parents can send their children to school, or buy essential medications, and maintain nutritional in-takes of their children then microfinance is likely to have positive long-term impacts on productivity. As noted by Chowdhury (2009) “At low levels of nutrition and health care, increase in current consumption improves future labor productivity: if nothing else, morbidity is reduced. For example, Pitt and Rozenweig (1985) observed from Indonesian data that an increase in the consumption of fish, fruit, or vegetables by 10% reduces the chances of illness there by 9, 3 and 6 percent respectively.”

## **2.2.7. Microfinance and Poverty Reduction in Tanzania**

### **2.2.7.1. History of Microfinance in Tanzania**

Microfinance involves activities directed at provision of access to financial services for working poor or small and micro-enterprises. Micro financial services comprise of micro credit, savings, micro leasing, micro insurance and other forms of financial services. The micro finance market consists of the poor who are essentially involved in some form of economic activities. The small and micro enterprises in Tanzania operate in the informal sector, which is estimated to support about 60% of the economically active population (Pride Tanzania).

Microfinance in Tanzania began with NGOs (Non Government Organizations) and SACCOS (Savings and Credits Cooperative Societies) in 1995 and has continue to grow with the increased success of microfinance internationally(answers .com/microfinance in Tanzania 17/10/2007).

Microfinance institutions operating in Tanzania provide financial services to the SMEs mainly in the form of micro credit with an exception of cooperative based microfinance institutions, which are predominantly savings based. The credit based institutions number between 80 and 100 out of which 42 are registered members of the Tanzania Association of Microfinance Institutions (TAMFI), the local microfinance network. The main microfinance institutions can be categorized as nongovernmental organizations (NGOs), Cooperative based institutions namely SACCOS and SACCAs while the third category is banks. The major players in the NGOs category include PRIDE Tanzania, FINCA (Tanzania), Small Enterprise Development Agency (SEDA) and Presidential Trust for Self-Reliance (PTF). Others, which are relatively smaller in size, include Small Industries Development Organization (SIDO), Tanzania Gatsby Trust, Poverty Africa and the Zanzibar based Women Development Trust Fund and Mfuko. There rest consists of very tiny programmes scattered throughout the country mainly in the form of community based organizations (CBOs).

Banks that are actively involved in microfinance services delivery include the National Microfinance Bank (NMB), CRDB bank, Akiba Commercial Bank (ACB) and a few Community/regional banks namely, Dar es Salaam Community Bank, Mwanga Community Bank, Mufindi Community bank, Kilimanjaro Cooperative Bank, Mbinga Community Bank and Kagera Cooperative Bank.

It is estimated that all the MFIs in Tanzania put together serve a combined client population of about 400,000 SMEs, which is only around 5% of the total estimated demand. Commercial banks including community banks account for around 50,000 while the NGO category accounts for the an estimated population of 220,000 clients. PRIDE Tanzania being the largest single player accounts for about 29% of the market share in this category or 16% of the existing total market share.

#### **2.2.7.2. Response of Microfinance Institutions**

The ministry of Finance prepares the Microfinance policy in 2000 as a key instrument on poverty reduction. The restructuring of National Bank of Commerce

(NBC) and establishment of National Micro-finance Bank (NMB) illustrates the vision of government on this area (Ministry of Finance, 2000). The need of microfinance institution is important for majority of Tanzanians whose income are very low, access to financial services offers the possibilities of managing scarce household and enterprise resource more efficiently, protection against risk, provision for the future and taking advantage of investment opportunities for economic returns (Ministry of Finance, 2000). The objective of this policy is to establish a basis for the development of an efficient and effective micro financial system in the country that serves the low- income segment of the society and contribute to economic growth and reduction of poverty by establishing a framework within which microfinance operations will develop, laying out the principles, serving as a guide for coordinated intervention by respective participants in the system and describing the roles of implementing agencies and the tool to be applied to facilitate development (Ministry of Finance, 2000).

### **2.2.7.3. Impact of Microfinance in Tanzania**

According to the progress report of the Poverty Reduction Strategy (URT, 2003) the Government is committed to strengthening ties between the rural and urban economy, improve rural infrastructure, encourage development of small and Medium Enterprises (SMEs), facilitate provision of micro-credits, strengthen local capacity and strive to achieve a more broad based economic growth. By enabling the poor to save in a secured place, the provision of accounts and insurance allows the poor to establish a safeguard against shocks, thus reducing vulnerability and minimizing the need for other coping strategies such as assets. Microfinance helps the poor, the majority of whom are women, to borrow for business expansion, and to save and buy other relevant products like micro insurance. Research on micro credit initiatives targeted at women shows that improving access to credit for women in developing countries enables them to improve their standard of living.

Chijoriga (2000) on her study, *The Performance and Sustainability of Micro Finance Institution in Tanzania* conducted in (Dar es Salaam, Arusha, Morogoro, Mbeya and Zanzibar regions) found out that, the overall performance of MFIs in Tanzania is

poor and only few of them have clear objectives, or a strong organizational structure. It was further observed that MFIs in Tanzania lack participatory ownership and many are donor driven. Although client outreach is increasing, with branches opening in almost all regions of the Tanzanian mainland, still MFIs activities remain in and around urban areas. Kessy & Urio (2006) on contribution of MFI on poverty reduction in Tanzania, the researchers covered four regions of Tanzania which are Dar es salaam, Zanzibar, Arusha and Mwanza a case study was PRIDE (T) Ltd . He pointed out that to large extent MFI operations in Tanzania has brought positive changes in the standard of living of people who access their services, clients of MFI complained about high interest rate charged, the weekly meeting was pointed out as barrier as the time spent in weekly meeting could be used to other productive activities.

The study recommended MFI to lower its interest rate, increase grace period and provide proper training to MSEs.

#### **2.2.7.4 Roles of Microfinance in Tanzania**

According to Ngorora (2008) on his report with the heading of importance of SACCOSs in rural urban microfinance found that microfinance institution satisfies basic needs and protection by helping individuals and households to meet basic needs and protected against risks, hence creating chance or possibility of establishing small business, improve economic welfare of the community and enterprise stability or growth of low income households. He continue to elaborate that, microfinance institution empowering people of all kind economically hence promoting gender equality and improve house hold wellbeing and providing education and training to their clients on the utilization of the loan as well as the manner of operating their business, which equip borrowers with enough knowledge in manipulating their business operation. Microfinance institution act as creator of new entrepreneurs. By availing small loans within the community, they bring about the possibility of establishment of small businesses who can develop and result to big business establishments.

## **2.2.8 Cooperative Society**

### **2.2.8.1 Meaning of Cooperative Society**

A co-operative is a group of people who work together voluntarily to meet their common economic, social, and cultural needs through a jointly owned and democratically controlled enterprise. Co-operatives are based on the values of self-help, self-responsibility, democracy, equality and solidarity. Co-operative members believe in honesty, openness, social responsibility and caring for others. The government sees cooperatives as an important means to the achievement of development goals. People working together can solve problems that cannot be solved by individuals.

### **2.2.8.2 Cooperatives and Development**

According to Tanzanian Federation of Cooperatives (2006) for a few years the Government of Tanzania has been implementing the Poverty Reduction Strategy. This process recognizes the importance of organizations that bring poor people together, like cooperatives. As part of the programme to reduce poverty, the government wants to encourage people to form cooperatives in order to improve their economic prospects. The government would like to see the expansion of cooperatives into sectors other than agriculture, such as finance, housing, industry, minerals, livestock, fishing, bee keeping and transport. In order that as many people as possible can become involved in the cooperative movement the government will:

- Ensure that women are encouraged to become full members of cooperatives.
- Help small business groups involving youths, women, unemployed graduates and the disabled to become registered cooperatives.

### **2.2.8.3 Cooperative Organization**

In the past there have been many levels of cooperatives including primary societies, unions, apexes and the Federation. In certain cases some secondary societies lost touch with their primary societies and started businesses that had nothing to do with what the primary societies wanted. In future, the plan is to make the primary society the main cooperative level and to make sure they are all independent and viable. Higher-level cooperatives should facilitate networking for member societies, provide

market information, conduct lobbying and advocacy and act as the main link of co-operators to partner organizations in cooperative development (Tanzanian Federation of Cooperatives, 2006).

#### **2.2.8.4 Cooperative Financial Institutions**

Government regards cooperative financial institutions as an important alternative to the commercial banking system. The reasons for this are that cooperatives can encourage saving and thrift. Also, loans from cooperatives are not tied to collateral requirements as is the case with commercial bank loans (Tanzanian Federation of Cooperatives, 2006).

#### **2.2.8.5 Savings and Credit Cooperative Societies (SACCOSs)**

Government recognizes that the pace of growth of SACCOSs has been slow, especially in rural areas. Most have been established in urban areas and workplaces. As a result, members of rural primary societies have been unable to access adequate credit.

To improve this situation Government plans to encourage the development of SACCOSs in all rural areas. Advice will be made available at District level regarding setting up SACCOSs and technical assistance will also be provided to all existing SACCOSs to strengthen their capital base and development (Tanzanian Federation of Cooperatives, 2006).

#### **2.2.9 Poverty Reduction Indicators**

Due to difficulty that might arise following the use of all indicators of poverty in a single study, poverty analysis in this study used income as an indicator of poverty reduction. The net household product (NHP) per capita was used instead of income per se in determining poverty reduction in rural households Limbu (1995), cited by Msafiri (2011). Therefore, in agreement with Limbu's statement, an increase in NHP was conceived as being poverty reduction.

The adoption of NHP as poverty reduction is also based on the fact that once households get products or income of which the value exceeds that of costs incurred

during production process, they have products or income to dispose of so as to meet various human needs, be it in nutrition, housing, clothing or others, at least temporarily. The use of net household product as an indicator of poverty reduction is considered to be more appropriate than that of using mere income.

There are a number of reasons which support the use of monetary values in welfare measurement poverty Deaton (1997), for example, argues that people tend to hide information about their income earnings during household surveys. On the other hand, people can willingly give information about products being consumed or produced in the household. Also, the prevalence of the informal sector in rural areas where farm and off-farm casual payments or wages are based on receipt in-kinds makes the task of collecting information on income difficult. In developing countries, household incomes fluctuate more over the short term and are often reported less accurately (NBS, 2009). The use of net household product as an indicator of poverty reduction reduces the possibility of overlooking the value of products produced through in-kind receipts and those produced for direct consumption by the household.

According to Nzunuri (2011), on his study on the role of income generating groups in poverty reduction conducted in Kigoma district council he found out that households whose heads were in income generating groups generated mean net household product per capita of Tsh. 115, 698, a value which was higher than Tsh. 112, 991 for households whose heads were not in income generating groups. Also his findings shows that mean net household product per capita (Tshs. 137, 154) of male headed households was higher than Tshs. 73, 684 for female headed households imply that gender influences household welfare in terms of net household product per capita. Male headed households are comparatively more likely to be well-off economically than female headed households.

It was observed from the findings that households whose heads were in income generating groups got more of economic services than households which were not. More households in income generating groups benefited more from credits,

agricultural extension services, business trainings and agricultural inputs namely modern fertilizers. Based on the finding that over 93% of heads of household who got credit obtained it from group members from group members' savings, he observed that there are limited sources of micro-credit providers in Kigoma District. His study was based on provide empirical information on the performance of credit groups who are in income generating activities and those who are not, with respect to poverty reduction.

My study will focus on the Tanzania social action fund support to vulnerable groups in respect to poverty eradication among members of the group.

### **2.2.9.1 Poverty Reduction to Vulnerable Groups.**

According to Simith (2011) on his Report No. AAA62 – TZ. He found out that vulnerable groups program Operated under TASAF, provides grants to small groups to run income-generating projects, at the cost of about US\$7 million p.a. Data shows it reaches the poor, but coverage is limited (about 18,000 annually). The grants provided are large (about three times the poverty-line income), and as yet there is no information on the financial viability of the projects financed. The VG program is not really a safety net transfer, in the sense of other programs reviewed, and needs to be compared with the many other income generating and micro-credit programs in Tanzania as part of a graduation strategy. TASAF II provides funds to the Vulnerable Group (VG) program provides grants to small groups of vulnerable people (such as the elderly, orphans, or the disabled) to undertake income-generating activities. At present the program reaches about 20,000 persons per year, at a cost of about Tsh.8 billion annually (US\$ 6.4 million). Each 'group' of about 10 people receives a grant of about US\$ 8,500 equivalent, to finance a business such as poultry or livestock-raising.

The Government of Tanzania recognizes the role of the private sector in poverty reduction. The private sector has a role of creating employment opportunities by increasing investments. Also, private sector investment in social services will create effective and efficient environment for poverty reduction.

### **2.2.9.2 TASAF and Poverty Reduction**

The Tanzania Social Action Fund (TASAF) is a funding facility, which has been established by the Government of the United Republic of Tanzania with assistance from the World Bank for the main purpose of contributing, towards Governments efforts to eradicate poverty in the country. TASAF strives to increase and enhance the capacities of communities and those of stakeholders to prioritize, implement and manage sustainable development initiatives and in the process improve socio-economic services and opportunities (Community Development Initiative implementation hand book, 2000).

Thus, the government of Tanzania established the Tanzania Social Action Fund (TASAF) in June 1999, as a key instrument to poverty alleviation designed to address community social needs. TASAF was implemented in two consecutive phases (TASAF I and TASAF II). Implementation of TASAF I was between 2000 and 2004 and it started with 40 districts in Tanzania Mainland and later covered all districts in Tanzania Isles. TASAF I was concerned with infrastructure development such as the construction of simple bridges, schools, health centers and roads. Government of Tanzania in collaboration with the International Development Association (IDA) decided to engage in TASAF II which was implemented in all district councils, municipals and town councils in the country from 2005 to 2009. In TASAF II, the government decided to consolidate the achievements made in phase I of TASAF so as to achieve the goals under the National Strategy of Growth and Reduction of Poverty (NSGRP) in Tanzania (TASAF II Operation manual, 2005).

### **2.2.9.3 Vulnerable Group**

Baird *et all* (2011), define Vulnerable groups as a group which encompasses, elderly, people with disabilities, widows, orphans, and those affected by HIV/AIDS (grants for income generating activities). KDC as other any council in Tanzania has many vulnerable as identified above and TASAF has provided fund to this group for the purpose of raising their income for satisfy their basic needs.

Mupenzi (2010) defined vulnerability as the risk of falling into poverty in the future, even if the person is not necessarily poor now; it is often associated with the effects of shocks such as a drought, a drop in farm prices, or a financial crisis. Vulnerability is a key dimension of well-being since it affects individuals' behavior in terms of investment, production patterns, and coping strategies, and in terms of the perceptions of their own situations.

According to Dudzik and McLeod (2000), vulnerability is the previous probability of the household to be poor in the next period, given assets and likely exposure to risks. In their study they argued that community driven development in which groups or communities are involved in choosing subprojects is the best way to achieve lasting improvements in vulnerable and poor people's welfare. Also they find out that some social funds reported that since their subprojects target vulnerable groups, persons with disabilities likely benefit from these projects. However, this assumption neglects cultural and architectural barriers specific to persons with disabilities that may not have been addressed. For example, physically disabled children may not be able to climb the steps leading to a school facility, or may be unable to attend school because of the social dishonor associated with disability. This study uncovered no cases where it was noted that subprojects had been modified to enable access by people with disabilities, it may be possible that many people with disabilities may not be able to benefit directly from social fund financed projects within their communities able to benefit directly from social fund-financed projects within their communities.

### **2.3 Understand the Tanzania Social Action Fund.**

The Tanzania Social Action Fund (TASAF) is a funding facility, which has been established by the Government of the United Republic of Tanzania with assistance from the World Bank for the main purpose of contributing, towards Governments efforts to eradicate poverty in the country. TASAF strives to increase and enhance the capacities of communities and those of stakeholders to prioritize, implement and manage sustainable development initiatives and in the process improve socio-

economic services and opportunities (Community Development Initiative implementation hand book, 2000).

### **2.3.1 TASAF I**

Implementation of TASAF I was between 2000 and 2005 and it started with 40 districts in Tanzania Mainland and later covered all districts in Tanzania Isles. TASAF I was concerned with infrastructure development such as the construction of simple bridges, schools, health centers and roads. The total credit amount for the first phase of TASAF was USD 60 Million and the target recipients were the 40 poorest districts in Mainland Tanzania and Zanzibar (Constituency development fund in Tanzania, the right solution).

### **2.3.2 TASAF II**

TASAF II is an important intervention at community level within the framework of Poverty Reduction Strategy with the aim of achieving the Millennium Development Goals.

#### **2.3.2.1 Project Components**

TASAF II project comprises of two major components National village Fund and Capacity Enhancement as shown below:

##### **(i). National Village Fund (NVF)**

The NVF component creates rules for communities to: (a) access resources that can stimulate economic activities and allow poor households to increase their incomes; (b) reduce vulnerability by empowering them with more instruments for insuring against the risks they face; and (c) improve access and use of social services (TASAF Operation manual 2005).

The beneficiary target group under NVF are those who:

- (a) Lack access to basic social and market services.
- (b) Have able-bodied but food insecure households.

- (c) Have household with vulnerable individuals (i.e. orphaned, disabled, elderly, affected/infected by HIV/AIDS, etc).

The National Village Fund works as follows:

(a). Implementation Arrangements

Implementation of the sub-projects was follow three main phases, namely, pre sub project cycle activities, sub project cycle and post sub project cycle activities as detailed

(b). Pre sub project cycle

Pre sub project cycle activities include: awareness raising and Sensitization, formation of relevant teams; determining LGA specific self targeting wage rate; capacity building for LGA relevant staff.

(c) Sub project cycle

Communities targeted for NVF support was enter into the sub project cycle through the following eight stages. Identification: This stage was concerned with preparation of sub- project write up according to the sub-project proposed by the community or beneficiaries. Desk Appraisal: This was for checking completeness of application forms, environmental protection measures and applications meet the requirements of beneficiary groups. Field Appraisal: To confirm whether the sub project write-up was presented and discussed by the community. Approval: The approval stage was concerned with authority to approve sub project. Launching was done at the community level. Implementation: Sub project implementation was done by CMC and beneficiaries. Supervision and Monitoring: Supervision, monitoring and evaluation and reporting will be done periodically by VC, technical staff from LGA, Completion and Inauguration: After completion of sub- project, an inauguration ceremony was held to officially commission the asset and a completion certificate was presented to the community. This was done after the evaluation of sub project and verified by LGA Sector Expert, Village Fund Coordinator and External Sector.

**(ii). Capacity Enhancement (CE).**

Under this component, communities and sectors (represented at Ward and District/Municipal levels) was capacitated to undertake activities that assist Tanzania meet its targets as laid out in the NSGRP (in health, education, water and sanitation, savings mobilization, incomes for the poor, tackling vulnerability and increasing access to the market by the poor) by mobilizing both informal and formal mechanisms for responding to shocks (TASAF II operation manual 2005)

**(i). Beneficiaries Target Groups**

The beneficiaries was TMU, agencies (public and private) that support communities to make the best use of resources made available under the NVF, as well as poor individuals participating in groups savings and taking advantage of investment opportunities created by various private public partnership (TASAF II operation manual 2005).

**(ii). Rules of Access**

The rules of access were as described below;

- (a). Funds for any training was provided on the approved demands.
- (b). Approved budget of operating cost for TMU and specified capital cost for LGAs approved by the NSC.
- (c). Funds was not provided for credit/loans and/or grants to voluntary savings groups.

**2.3.3 Coverage**

TASAF II operates nationally covering the mainland as well as the Islands of Unguja and Pemba in Zanzibar.

**2.3.4 TASAF Objectives**

The main objective of TASAF is to increase and enhance the capacity of communities and stakeholders to prioritize, implement and manage sustainable development and opportunities. The expected outputs of the funds include identified and implemented community and safety net sub projects; better informed

communities and stakeholders; and improved capacity to manage funds and facilities (Mwongozo wa utekelezaji wa shughuli za TASAF katika lugha rahisi, 2005).

### 2.3.5 Approval Authorities

Approval authorities for community sub projects financed by the National Village Fund are at two levels as shown below:

**Table 2. 2: Approval Authorities**

No	Sub project	VC	LGA
1	Addressing a single MDG	<USD 5,000	USD 5,001- 30,000
2	Addressing 2 or more MDGs	<USD 10,000	USD 10,001- 30,000

Source; TASAF operation manual 2005

### 2.3.6 Disbursement of Fund from NVF

The NVF access criteria will be used to disburse funds to the LGAs/Islands. The NVF access criteria consist of the LGA/CMO having appointed VFC and VFJA. The LGCDG access criteria will also apply to TASAF when disbursing funds to LGAs. On annual basis, PO-RALG will provide the TMU with a list of LGAs who have met LGCDG access criteria, and these will receive NVF resources. In non-LGCDG Councils, TASAF access criteria for Village Council (VCs) to channel resource to communities would apply.

Disbursement of funds to the LGA was allocated as shown below:

- (a) 2.5% was retained to finance facilitation and reporting on sub project using LGA and Ward level extension staff,
- (b) 2.5% be sent to a MWK account to cover cost of facilitation, monitoring, and reporting by the VC,
- (c) 5% be sent either to the VC or LGA for sub project supervision,
- (d) 90% be sent to an account in the name of the CMC for approved sub projects.

In the case of support for vulnerable groups, the fund was disbursed on an activity bases.

### **2.3.7 History of Social Funds**

World Bank lending for social funds began in 1987 when the Bolivian Government established a SIF as a short-term emergency measure during structural adjustment. The fund's purpose was to build infrastructure and promote job growth during a time when the social costs of structural adjustment were being keenly felt among the country's poor. The World Bank envisions SIFs as an efficient response to the negative effects of structural adjustment in borrower nations, with the added advantage of generating visible benefits (Khadiagala, 1995). As intermediary financing institutions with decentralized delivery systems, social funds are more flexible than most regular, bureaucratic structures and are able to fund projects more rapidly, prompting some government ministries to investigate and even adopt SIF strategies (Parish and Kolp 1994).

Social funds quickly gained a reputation for being fast-disbursing, channeling resources quickly into the hands of those who need them. As the advantages of social funds became apparent, World Bank lending for social fund projects grew quickly. In the last decade, the Bank has financed 108 social funds and similar demand driven, multi-sectoral projects in over 57 countries. Originally intended as emergency lending mechanisms, social funds have grown to be longer-term poverty alleviation and capital creation mechanisms with the objective of improving infrastructure, providing employment, facilitating community development, and improving the delivery of social services (Dudzik *et al*, 2000).

### **2.3.8 Meaning of Social Funds**

Social funds are public entities that provide money for community-based projects, based on proposals submitted by the communities themselves (Dudzik, P *et al*, 2000). A social fund is an institution, typically in a developing country, that provides financing (usually grants) for small-scale public investments targeted at meeting the needs of poor and vulnerable communities. Social Funds also aim at contributing to social capital and development at the local level ([en.wikipedia.org/wiki/social\\_fund](http://en.wikipedia.org/wiki/social_fund)). The World Bank defines a social investment fund as: a mechanism through which resources are channeled, according to pre-

determined selection criteria, to demand-driven sub-projects proposed by public, private or voluntary (formal or informal) organizations (Carvalho 1994: 1).

Civil society and non-governmental organizations (NGOs) look to SIFs as funding mechanisms which focus on the needs of the poor and actively seek the participation of local interest groups in micro-project planning and implementation. The most optimistic scenarios predict local communities receiving SIF financing for the small-scale projects that they propose themselves, resulting in beneficiary ownership and greater project sustainability (Carvalho 1994; Freiberg-Strauáass 1995; Khadiagala1995).

### **2.3.9 Accessibility to Social Fund**

According to James Smith (2011) to his report NO.AAA 62-Tanzania, with heading Tanzania: Poverty, Growth and Public transfer, he found out that, there are an estimated 2.4 million orphans in Tanzania. However not all orphans are poor; many are in absorbed into functioning, non-poor households.

Recognizing this Tanzania has quite right developed the definition instead of ‘most vulnerable children’ (which includes those living in child-headed households, with elderly guardians, or in extremely poor households that cannot adequately clothes and feed them), of which there were an estimated 900,000 in 2010. Clearly these groups need to be primary target for any safety net support.

Statistically poverty is not on average worse among the elderly than among the population as a whole, except in households containing only elderly and young children, with no working-aged adults, where it is 50% higher than the national average. These grand-parent-headed’ households are an obvious candidate for safety net transfers. There are also positively some elderly living on their own in conditions of extreme poverty. Again the challenge is finding them in order to deliver transfers to this small sub-set of the elderly. Also in his findings there is an estimated 1.1 million people living with HIV/AIDS; and some 2.4 million disabled persons, of whom about 300,000 are estimated to be severely mobility-impaired. As with orphans and the elderly, many of them do not need safety net transfers, because they

are adequately looked after by extended family, or are functioning well economically on their own, while others are poor and desperately need assistance. The difficulty is in identifying which are truly in need of support. Any system will need to rely on community knowledge to distinguish the neediest amongst these sub-groups.

James Smith point out that Although Vulnerable Groups Program: Operated under TASAF, provides grants to small groups to run income-generating projects, at the cost of about US\$7 million p.a. Data shows it reaches the poor, but coverage is limited (about 18,000 annually). The grants provided are large (about three times the poverty-line income), and as yet there is no information on the financial viability of the projects financed. The VG program is not really a safety net transfer, in the sense of other programs reviewed, and needs to be compared with the many other income-generating and micro-credit programs in Tanzania as part of a graduation strategy. And concludes that while current programs have had some success reaching the most vulnerable, they are generally not large-scale enough to affect poverty levels, the transfers they provide are often too small to make a significant difference to the households receiving them, and most of the poor are not reached by any program.

### **2.3.10 Benefit of Social Fund**

One of the best-established and most successful World Bank instruments for targeting poor and vulnerable groups is social funds, which are demand-driven, community-level financing mechanisms to help communities and community groups achieve their development needs (Dudzik *et al*, 2000). Social Funds projects, which were created in the 1980s to mitigate the impacts of structural adjustment programs, allow local stakeholders to determine investment decisions (World Bank, 2002). Over time, these projects took on many of the characteristics of CBD programs and became an important part of the social protection strategy in many countries. While social funds initially funded public goods from a menu of infrastructure projects that communities could choose from, they have recently been used to deliver private goods to the poor, such as cash transfers or grants for income generating activities. (Baird, S. *et al*, 2011)

According to Canagarajah (2001) as cited by Kikwape, H,S (2007) in his study on poverty on wealthy economy” (the case study of Nigeria) it is important to utilize donor supports appropriately in the process of poverty alleviation. He recommends that poverty programmes should contain a large number of relatively small, well targeted, demand driven projects and sub projects that can be planned and managed by the local communities themselves.

There is a general consensus that access to financial services is important for the poor to raise productivity, create assets, generate income, and achieve food security. Up to the 1970s, formal institutions in the public sector had been the main providers of financial services to the poor mainly small and marginal farmers usually at subsidized interest rates ( Martin, et al, 2002).

#### **2.4 Research Questions**

- i) What are the economic activities performed by the vulnerable household?
- ii) What are the socio-economic services accessed by the vulnerable household?
- iii) What is the impact and success of TASAF II in reducing poverty to disabled and orphan group
- iv) What are the success and challenges associated with TASAF II support?
- v) What are the measures that have to be taken by TASAF to reduce poverty to vulnerable group?

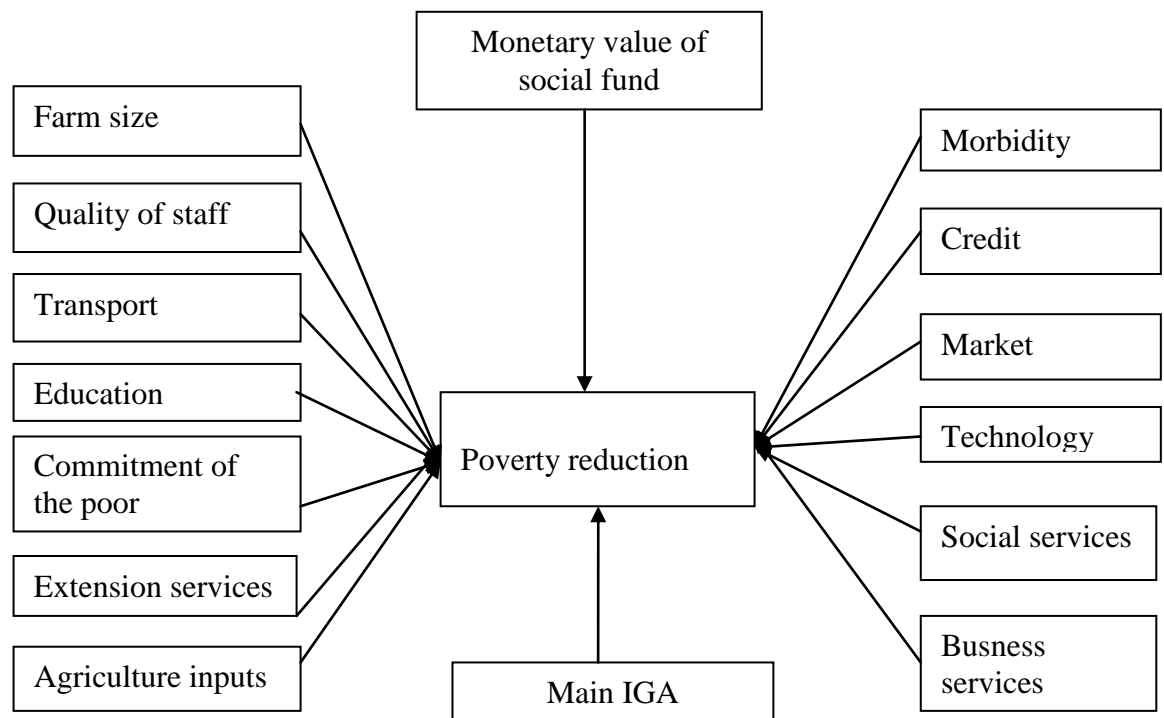
## CHAPTER THREE

### CONCEPTUAL FRMEWORK

#### 3.1 The Conceptual Framework of the Study

The conceptual framework for this study is as shown in the figure 3.1 below. The dependent variable is the poverty reduction whereas the independent variables include: monetary value of social fund, main IGA of the household, morbidity, Acreage/Farm size, access to extension services, business services, credit ,Transport, market, agriculture input, technology, education, commitment of the poor, quality of staff and social services.

**Figure 3. 1. Analytical Framework for Poverty Reduction, Independent and Dependent Variables.**



Source: Prepared by the researcher basing on literature review

#### 3.1.1. The Dependent Variable

Dependent variable is a variable that depend upon or is a consequence of the other variable (Kothari, 2004). In this study, the dependent variable was the poverty

reduction. The poverty reduction is a dependent variable because reduction of poverty depends upon other variables which will cause to meet basic needs of the human being, hence reducing an individual poverty level.

### **3.1.2. Independent Variables**

Independent variables are antecedent to the dependent variable (Kothari, 2004). In this study the independent variable which have be evaluated are monetary value of social fund, farm size and main income generating activities. These variables may cause poverty or can be addressed in reducing poverty as described below

#### **(a) Monetary Value of Social Fund**

The better the utilization of social fund would result into good implementation of sub-projects and reduction of poverty. On the other hand misuse of social fund fail to implement sub-projects as planned and that may cause increase in poverty.

#### **(b) Main Income Generating Activities**

Selection of income generating activities is important. Households engaged in marketable products earn more income than households depending on for instance farming only. There for household/ hamlets with IGA whose products are market can reduce by far their poverty level.

#### **(c) Farm Size**

The farm size is an important aspect on poverty reduction. Households own a large size of land for production can earn more income than households which own the small area of land for production.

Following from the conceptual framework figure 3.1, the hypothetical relationship for each factor with the dependent variable are as follows;

#### **(i) Monetary Value of Social Fund**

The better utilization of social fund will result into good implementation of sub-project and reduce poverty.

#### **(ii) Social Services**

The availability of social services like water, education and health services help society good health and wealth.

**(iii) Credit**

Households with access to credits may have higher household incomes than households which have no access to credits.

**(iv) Farm size**

Households which possess large areas of farmed agricultural land may produce more agricultural products and thus earn higher NHP than households which possess small agricultural land areas.

**(v) Main Income Generating Activities**

Heads of households who are mainly employed in the non-farm sector can earn more income than those who are mainly employed in the farm sector. Also within the farm sector livestock keeping households may earn more income than those who depend solely on crop production.

**(vi) Commitment of the Poor**

the household who fully committed to the implementation of various activities earn more income than households which are steel idle.

**(vii) Education**

Households headed by household heads who went to school for more years (7 and above may get more NHP than those headed by HHs who did not go to school and those who went to school for fewer years (0-6).

**(viii) Transport**

Transport and transportation costs tend to be higher if the distance from where goods are produced to where they are sold are long or infrastructure is worse. Higher transport and transportation costs have a negative attitude on pricing and commodities and profits to be generated by both parts –the producer and the buyer.

**(ix) Market**

The availability of customers, quality commodities and price level tend to sell more products and to earn more profit than to sell the product with no customers.

**(x) Morbidity**

The severe illnesses of the head of household or the household members with the ability of production cause income poverty.

**(xi) Technology**

New technology in operating business or farming may increase product and reduce income poverty.

**(xii) Quality of Staff**

High commitment of the staffs in implementation of activities including monitoring and supervision to the community it may result high performance and production increased so poverty may be reduced.

**(xiii) Poverty Reduction**

A gain in net household product which satisfies some human needs

**(xiv) Extension services and business services**

The more the entrepreneur is knowledgeable on conditions for successful running of his or her farm or non-farm business the more profits he or she will make out of the business.

**3.2. Hypothesis**

Following from the conceptual framework figure1, the hypothesis taking cognizance of the variables to be investigated by the researcher is constructed as follows:

Ho; Poverty reduction is not influenced by monetary value of social fund, farm size, and main income generating activities.

Ha. Poverty reduction is influenced by monetary value of social fund, Farm size and main income generating activities.

**3.3. Operational Definitions**

The variable or concepts describing the phenomenon being investigated have to be measured in an objective way. Hence an operational definition assigns a modified definition or meaning to a concept that enable the researcher to establish empirically the existence or degree of existence of what is described by a concept. Operation definitions are made on the main concept in hypothesis (Kasilo, 2012).

Table 3.1 knits together indicators of operation definitions as well as the types of data such that primary or secondary that have been collected and analysed to determine the impact of TASAF II on households poverty.

**Table 3. 1 Variable, Definition, Measurement, Indicators and Type of Data**

No	Variable	Definition	Measurement	Indicator	Type of Data
1	Monetary value of social fund	Refer to the amount of which TASAF gives to targeted beneficiaries during the particular financial year	If the value of output is relevant to the money issued.	In this study the value of social fund is measured by the following indicators i).Amount of fund given to targeted group ii). Number of beneficiaries iii). Fund diverted or not	i).Secondary data  ii).Secondary data iii). Secondary data
2	Main IGA	Refer to the main income generating activities done by the households.	In terms of business , agriculture or employee.	In this study the main income generating activities is measured by the following indicators. i). Type of business ii). Farm size iii). Employment income iv).No of livestock which produce income among them	i).Primary/Secondary data ii).Primary data iii).Secondary data iv).Primary/Secondary data
3	Poverty reduction	A gain in net household product which satisfies some human needs within the household.	In terms IGA, production and Health.	In this study the poverty reduction is measured by the following indicators i). Increase in number of assets possessed before and after the TASAF intervention ii). Ability to pay school fees to his/her dependants before and after the TASAF intervention. iii). Ability to hire labor before and after the TASAF intervention. iv). Ability to afford medical costs before and after the TASAF intervention.  v). Savings before and after the TASAF intervention.	i).Primary data ii).Primary data iii).Primary data iv).Primary data  v).Primary data

Source: Field survey (2013)

## **CHAPTER FOUR**

### **RESEARCH METHODOLOGY**

#### **4.1 Area of the Study**

The study was conducted in two villages of Mgaraganza and Mwamgongo in Kigoma district council. Kigoma District Council is one of the four councils of Kigoma region; other councils are Kigoma Ujiji Municipal, Kasulu and Kibondo. Kigoma District council is located to the Western part of Tanzania between latitudes 4° 25' and 6° 30' South of the Equator and longitudes 29° 45' and 31° 30' East of the Greenwich. The District was purposeful selected in TASAF due to persistence of income poverty, and also from 2005 the TASAF II has been supporting District council rural communities on group approaches with particular attention to vulnerable groups.

Mgaraganza village is 15 kilometer north of the district head quarter, it borders with Mlati village in north, Kagongo village in south, Bitale village in east and Mtanga village in south. Mwamgongo village is situated 30 kilometer north of the district head quarter, it borders with Mkongoro village in east, Lake Tanganyika in west, Bugamba village in North and Gombe National park in south. The economic activities of the inhabitants are fishing, farming and petty business. The main activity is fishing where majority of the people depending on Lake Tanganyika for their livelihood. Farming is also practiced where oil palm is cultivated as cash crop while cassava, sweet potato and beans are used as food crops in the area.

Mgaraganza has total number of 3 groups of vulnerable which were supported by TASAF II among these groups 1 was orphans, 1 was elders and 1 was disabled while in Mwamgongo village there were 7 groups which were supported by TASAF II of which 2 groups were widows, 3 groups were orphans 1 group was elders and 1 group was HIV/AIDS. Total funds disbursed for Mgaraganza village to support vulnerable groups were Tshs.16,473,930/= while in Mwamgongo total of Tshs 55,646,840.00 were used for the same purpose.

## **4.2 Research Design**

The research design defines the procedures for collecting and analyzing data from the study area. The design enables a researcher to use effectively and efficiently the scarce resources in terms of time and financial for the study. The cross-sectional design was used in this study. The method is necessary for collecting data once at a time without repetition (Kothari, 2004). In this study the tools for collecting data were the use of questionnaires, interviews and observations while SPSS used in data analysis.

## **4.3 Study Population**

Study population is the aggregation of element from a survey sample is actually selected. Therefore in this study, the study population was the vulnerable groups (Disabled and Orphans) who are beneficiaries of TASAF II in the villages of Mgaraganza and Mwamgongo in Kigoma district council. For the purpose of this study the list of the study population obtained from each office of village executive officer.

## **4.4 Sampling Procedure**

This study conducted in two villages which were beneficiaries of TASAF II, as stated above. The respondents of the study were the heads of households who were beneficiaries. The respondent obtained through simple random sampling techniques of which every member of population has an equal chance to be selected and the researcher use purposive sampling to select Mwamgongo and Mgaraganza which were easy accessible.

## **4.5 Sampling Unit**

This is the element or set of elements considered for selection in some stages of sampling. In a single-stage sample, the sampling units are the same as the elements and are probably the units of analysis. In this study the sampling units were the head of household who involved in implementation of sub-project funded by TASAF II of which 16 respondents were selected from each village. VG from twelve villages were benefited from TASAF II. Due to the fact that many villages are found in

remote areas where accessibility is difficult. The researcher used purposely method to select Mwamgongo and Mgaraganza villages as they are easily accessible. But in selection of these villages the researcher was based on two different factors that Mwamgongo is along lake shore (Lake Tanganyika) and Mgaraganza is in mainland and they are in different ward that is Mwamgongo and Bitale respectively.

#### **4.6 Sampling Frame**

It is the actual list of sampling units from which the sample, or some stage of the sample, or same stage of the sample is selected. In single stage sampling designs the sampling frame is simply a list of study population. For the purpose of this study the list of the study population obtained from each office of village executive officer of which were used to get the sample size.

#### **4.7 Sample Size**

This is the actual number of elements constituting the sample. Professional surveys typically make use of large samples chosen through scientific sampling procedures to ensure precise estimates of population characteristics. This stems from the facts that in general we get more accurate estimates as the size of estimates increases as they are likely to represent all of the sub-group types in the overall population. Besides precision, the exact sample size is determined by homogeneity of the population, prior information about the population, sampling procedures to be used, resources, the number of analysis categories, geography and type of measurement (Backstrom, 1981). The sample size of this study constituted 32 respondents of which 16 respondent were selected from each village and five officer's from LGA and TASAF staff who are concerned in the implementation of TASAF sub-projects.

#### **4.8 Types of Data**

##### **4.8.1 Primary Data**

The primary data are those which are collected afresh and for the first time, and thus happen to be original in character (Kothari, 2004). Method which used to collect the primary data is a personal interview that constitutes interviewer and interviewee by

asking questions generally in face to face and the interviewer responded to the question asked from the proper structured questionnaire.

#### **4.8.2 Secondary Data**

The secondary data are those which have already been collected by someone else and which have already been passed through the statistical process (Kothari, 2004). The data gathered from different sources such as the Library of Mzumbe University, Kigoma District Council, published articles and internet.

#### **4.9 Source of Data**

The research conducted to see the impact of TASAF II to the vulnerable households, therefore data collected from heads of vulnerable households that benefited from TASAF II, the KDC and TASAF staff who are concerned in implementation of sub-projects.

#### **4.10 Data Analysis**

After completion of data collection, the researcher cleaned the data to ensure accuracy and completeness. The analysis done both qualitative and quantitatively. The intention of qualitative analysis was to look at a process and cause of action; it involved description and explanations derived from the data obtained. Quantitative analysis employed to the data from interviews. The SPSS software used to analyze the collected data.

## **CHAPTER FIVE**

### **FINDINGS AND DISCUSSIONS**

#### **5.1 Overview**

This chapter presents the results and discussion of the findings. The chapter is divided into two sections; Section One presents descriptive statistics showing characteristics of sampled vulnerable households involved in poverty reduction through TASAF and Section two presents' empirical results of the main research.

#### **5.2 Demographic and Socio- Economic Characteristics of Respondents**

##### **5.2.1 Age**

Physical strength and performance of economic activities depend on age of a person. Younger and old people do not participate fully in economic activities such as Fishing and farming. In the study area respondents were asked to give the number of years they have lived.

The age of vulnerable households who responded from study area were put in 5 categories table 5.1. Most of respondents are found in the group of 36 - 45 years old and are 31.1% followed by category 26 -35 years old (25%), category 56 – 65 years of 21.9%, group of 46-55years (12%) and then above 66 years comprises of 9.4%. The age of an individual is one of the factors that can generate information that inform policy makers on how to empower the group in question. Therefore, age composition of respondents was considered to be important factor in this study. For the aged it is argued that as an individual grows older he/she might find it too risky to be involved in activities that are uncertain. An emphasize is put on this argument that old people are not physically strong to generate wealth and are consequently likely to be poor if they have not accumulated over the years during which lifetime savings were possible.

**Table 5. 1: Age (n = 32)**

<b>Age group</b>	<b>Frequency</b>	<b>Percent</b>
26 -35 years	8	25.0
36 - 45 years	10	31.3
46 -55 years	4	12.5
56 -65 years	7	21.9
Above 66 years	3	9.4
<b>Total</b>	<b>32</b>	<b>100.0</b>

Source: Field Survey (2013)

### 5.2.2 Family Size of Respondents

In examining the numbers of persons who reside in the household respondents were asked to indicate the number of household members. The findings revealed that the average household size was about 6 members with minimum 2 and maximum 11 table 5.2. The results reflect the existence of big household sizes in the study area. This might be due to extended family which influences household size and the household size has influence on income stabilization of the household. Large household size reflects many responsibilities to the household head and therefore high demand for fund to meet family financial obligations. It can also hinder the expansion of IGAs, because the income generated in business funded by TASAF is used to sustain family needs hence it reduces capacity of the household to invest.

**Table5. 2: Family size of respondents (n = 32)**

Household size	N	Minimum	Maximum	Mean
	32	2	11	5.59

Source: Field Survey (2013)

### 5.2.3 Education Level of Respondents

A person without education is likely to be more affected in accessing and managing credit than person with education. In both theoretical and practical situations, education level plays a crucial role in ensuring households access to basic needs such as food, shelter and clothing. Education is the only principal mechanism for developing human skills and knowledge (URT, 2002). Education skills increase

working efficiency and productivity, making the household able to use and adopt new technologies in different activities; which result into more income earning.

**Table5. 3: Education level of respondent (n =32)**

<b>Education level</b>		
Primary	14	43.8
Ordinary secondary	1	3.1
None	17	53.1
<b>Total</b>	<b>32</b>	<b>100.0</b>

Source: Field Survey (2013)

The survey results shown in Table 5.3 summarize the frequency of education level of respondents in the study area. The majority of the respondents 17 (53.1%) reported that no school education attained. This implies that majority of the respondent are illiterate, that is to say they can neither read nor write. Literacy which is an important input to enable people to be aware, understand and adopt new skills more easily has been highly emphasized in Tanzania as a basic right. However, in some part of the country still have a large number of illiterate people; this could be due to the fact that vulnerable/ disabled people have been neglected for long time in schooling matters. In the other hand 14 (43.8%) of respondents had attained primary education. And only 1 (3.1%) attained secondary education. In normal expectation most of high education graduates are rarely found in rural areas (especially disabled and orphan).

#### **5.2.4 Marital Status of Respondents**

In this study marital status means Current status of a person; married, widowed, divorced/separated, and never married. Marital status has been used as an important factor that may influence personal willingness to access fund and use it. Marital status is very important parameter in any economic group society because it has implication in production. The stable family (married) can concentrate more on production than an unstable one that may influence economic activities in production.

**Table 5. 4: Marital status of respondents (n =32)**

<b>Marital status</b>		
Married	17	53.1
Widowed	14	43.8
Single	1	3.1
<b>Total</b>	<b>32</b>	<b>100.0</b>

Source: Field Survey (2013)

The results indicate that about 17 (53.1%) of respondents were married. This implies that the married group has many responsibilities and a big demand of finances to meet the needs of the whole family. Therefore they are forced to access credit to improve their income generating activities to meet family needs like paying school fees for the most vulnerable children, buying food, clothes and others for them. It was also observed that, 14 (43.8%) of respondents were widowed. However, single 1 (3.1%) had small percentage table 5.4 which implies that the whole society in the study area was stable. Furthermore, income generating activities operated by married owners have higher chance of survival in case the spouse has another source of income.

### **5.2.5 Household Head of Respondents**

Of the 32 respondents interviewed 18 (56.2%) found to belong in female headed household and the remaining 14 (43.8%) were from in male headed household. From The findings it can be concluded that women headed household are many as compared to male-headed disabled households. This is because under normal situation for Tanzanian culture, men are the ones who head the family, but bearing in mind that men run disabled/ vulnerable member of the family than women especially in rural areas and researcher visited at their residential areas to verify this point table 5.5.

**Table 5. 5: Households Heads of Respondent (n =32)**

<b>Household head</b>		
Adult male	14	43.8
Adult female	18	56.2
<b>Total</b>	<b>32</b>	<b>100.0</b>

Source: Field Survey (2013)

### 5.3 Main Economic Activities of the Respondent Family

Major livelihood occupation of the respondents was also measured. The respondents were asked whether before getting support from TASAF had any activities they engaged to. The results from Table 5.6 indicate that about 31 (97%) of the respondents interviewed had economic activities. However, large number of respondents involved in cassava production 11 (34.4%), followed by maize, cassava and beans 9 (28.1%) and about 5 (16%) of people interviewed were dealing with fish business and bed sheet decoration activities. This is in line with many researches which reported that the majority of rural dwellers deal with agricultural activities.

**Table 5. 6: Main occupation of the respondents (n = 32)**

<b>Occupation before TASAF</b>	<b>Frequency</b>	<b>Percent</b>
Yes	31	96.9
No	1	3.1
<b>Total</b>	<b>32</b>	<b>100.0</b>
<b>Activity</b>		
To buy and sell Fish, sheet decoration	5	15.6
Farming Cassava	11	34.4
Fishing	4	12.5
Grind Mise	3	9.4
Farming of Maize, cassava and beans	9	28.1
<b>Total</b>	<b>32</b>	<b>100.0</b>

Source: Field Survey (2013)

### 5.4 Assessing the Impact of TASAF on Poverty Reduction to Disabled Vulnerable Households

In this study the impact of TASAF II in reducing poverty to vulnerable and disabled groups is assessed by measuring assets ownership before and after the TASAF intervention and other achievements (success) of these disabled and vulnerable households.

#### 5.4.1 Assessing the Impact of TASAF Using Asset Ownership

Household assets are components of the household physical capital and can be used to measure livelihood improvement. Therefore in this study determining the household assets was important parameter for understanding the disabled/ vulnerable

household assets owned by sampled respondents before and after receiving TASAF on poverty reduction. During the study the respondents were asked to state whether they owned the following assets before and after receiving TASAF II support ; bicycle, chairs, table, sewing machine, phone (cell-phone) and beds. The result show that 8% of respondents had assets before TASAF as compared 33% owned assets after TASAF support. The good number of assets owned by disabled household after support from TASAF revealed that there is significant difference in assets ownership before and after getting the fund (Table 5.7). This implies that credit from TASAF had a positive effect on the number of assets owned by Disabled/ Vulnerable household in the study area.

**Table 5. 7: How many of the following assets your household had before TASAF**

Assets	Bicycle	Chairs	Table	Mobile	Panga	Hoe	Sewing	Total	Percent
Number	0	0	0	0	Yes	Yes	0	(32x7)	
Frequency	0	0	0	0	8	11	0	19/224	08
<b>How many of the following assets your household have After TASAF</b>									
Number	0	Yes	yes	Yes	Yes	yes	0		
Frequency	0	12	12	4	21	24	0	73/224	33

Source: Field Survey (2013)

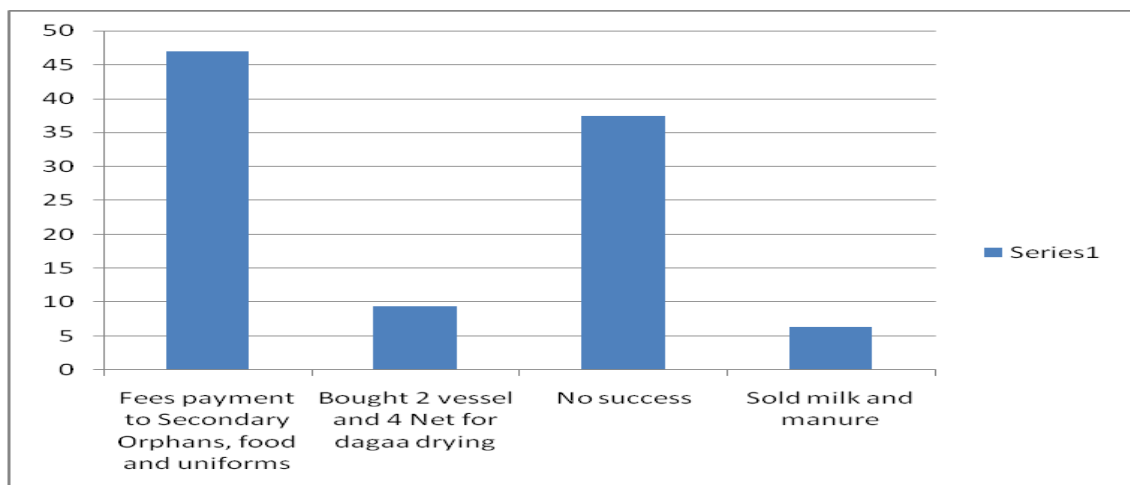
#### **5.4.2The Success Contributed by TASAF II to Disabled/Vulnerable People in the Study Area**

There was a question on the success contributed by TASAF II project among beneficiaries in the area of study at individual family and society level. Most of respondents (46.9%) reported that they performed better by providing fees, food, medical and uniforms to Orphans at secondary schools. On the other hand about 38% of respondents asserted that there were no success in TASAF II projects because they used fund directly for family requirement in steady of directing the fund in income generating activities. This argument can be true due to the fact that many people in village especially in project area are very poor, so they used all money obtained for family food. Moreover, about 9.4% of respondents reported the benefit gained from TASAF II fund was to buy fishing vessels and net for drying Dagaa, which in turn strengthened them in investment for more earning. This is a wise decision because they will be getting vulnerable/ disabled requirements for long time without external

support. Few (6.3%) respondents agreed on the assistance attained from the project, whereby the cows given help them to sell milk and manure to earn money for vulnerable/ disabled people. In totality 62.6% of respondents in the study area agreed on project success (Figure 5.1).

The improvement of household income and wellbeing of the disabled people due to the TASAF II project in the study area was revealed by village leaders and elders in Focus Group Discussion (FGD) held at villages. They added that most of students from those families increased attendance at both primary and secondary school different from their counterpart families. This can be due to the fact that pupil and students from disabled families assured with fees, stationeries, medical, uniforms and even food which is main causes to school absentees in study area.

**Figure 5. 1: The successes contributed by TASAF II in the study area**



Source: Research Findings (2013)

### **5.5 The TASAF II Implementation Challenges and Measures Taken**

The Disabled groups in performing their activities achieved their goals to some extent, they said. Furthermore, most of respondents 12 (37.5%) agreed to face challenge of collecting grasses for feeding cattle (Disabled person). Even those

keeping most vulnerable children (Elders) faced the same problems (Table 5.8). However, 11 (34.4%) of respondents argued that for those groups engaged in fishing activities, it is challenge because of fish and Dagaas depletion in Lake Tanganyika that led into low income as compared to the expected prior. About 5 (16%) of respondents said their vessels crushed and could not work properly and finally 4 (12.5%) respondents reported nothing could influence the implementation of TASAF II projects in the area of study.

**Table 5. 8: The challenges and measures taken**

<b>Challenge</b>	<b>Frequency</b>	<b>Percent</b>
Fishing activities stopped, because Fish and dagaas depleted in Lake, income is low	11	34.4
2 Vessels crushed, 2 vessels not working and 24 carabai sunk in Lake	5	15.7
No challenges	4	12.5
Difficult to find animal feeds (grass)	12	37.5
<b>Total</b>	<b>32</b>	<b>100.0</b>
<b>Measure</b>		
No action taken	19	59.4
Used balance to rehabilitate vessels, buy rope and carabai	11	34.3
Struggle in feeds finding	2	6.3
<b>Total</b>	<b>32</b>	<b>100.0</b>

Source: Research Findings (2013)

Although there were so many challenges, however some measures were taken in order to overcome those obstacles, they said. Unanticipated the great number 19 (59.48%) of respondents had done nothing as per challenges as concern, they reported. In other hand, 11 (34.3%) of respondents asserted that they succeeded to combat the problem of crushed vessels by mobilizing balance (money) from themselves for vessels rehabilitation and buy new tools in order to continue with fishing activities. Furthermore, about 2 (6.3%) of respondents reported to struggle in looking for animal feeds. The mentioned measures were also revealed by Community Development Officer that most of the time he could not attend/supervise them because of scarce resources (Fund).

### **5.6 The Importance of TASAF II Group Formation in Study Area**

The group formations for any collection of people always have the common understanding and same interest. They normally aim to achieve a certain objective at the end, which can be their outcome indicator. It investigated from this study that through working in TASAF II groups life standard improved not only at household level, but also at the whole village level. TASAF II groups in study area were formed with different motives. The research revealed that many 16 (50%) of respondents' joined the group to help orphans in their family and all over the village. This is true because through TASAF II project, it was advertised that all family having Orphans and of low level in life standard could be easily to obtain that fund in group. However 9 (28.1%) of respondents agreed to join in group so as to be helped by Government. This is the group of Disabled persons who also mobilized to be in groups for easily access TASAF II fund and; about 7 (22%) of respondents said they joined the groups because it could be easy to help each other, whether through government assistance or not (Table 5.9). During group discussion the leaders and elders asserted that through groups it was straightforward to help disabled and those families who keep orphans. They added that TASAF II fund helped many student and pupils from disabled families and orphans by creating fishing and livestock keeping activities in the study area.

Furthermore, the respondents were required to answer about the year of group formation, and the most 15 (46.9%) of them revealed that their groups started 2008. In the other hand 14 (43.8%) of respondents didn't remember the year they started TASAF II groups, (Table 5.9). This can be true because most of orphan's keeper were old to remember some important issues; however the researcher spent more time to make sure they give truthful information during the study. Also the study shows that 3 (9.4%) of respondents started their group in the year 2009

**Table5. 9: The importance of joining the TASAF II project group**

<b>Importance</b>	<b>Frequency</b>	<b>Percent</b>
To join and help Orphans	16	50.0
To help each other in group	7	21.9
To be helped by Government	9	28.1
<b>Total</b>	<b>32</b>	<b>100.0</b>
<b>Group Age</b>		
2008	15	46.9
2009	3	9.4
I don't remember	14	43.8
<b>Total</b>	<b>32</b>	<b>100.0</b>

Source: Research Findings (2013)

### 5.7 Fund Received by Beneficiaries

Lack of capital is related to Disabled and Orphans lack of access to essential human services. In this study the respondents asked amount obtained from TASAF II for each group. The results shows that the fund received differ from one group to another. There were no defined criteria for the amount to be given to the targeted beneficiaries. However the findings show that the size of fund ranged from 4,900,000/= to 9,691,140/= per group, with an average of 6,722,590/= (Table 5.10). The results imply that fund provided were good enough for group to be invested in viable income generating activities. The recipients used the money to establish fishing and livestock; however the projects implemented were not sustainable.

**Table5. 10: The fund obtained from TASAF II**

<b>Fund received</b>	<b>N</b>	<b>Minimum</b>	<b>Maximum</b>	<b>Mean</b>
The amount received from TASAF II	32	4,900,000	9,691,140	6,722,590

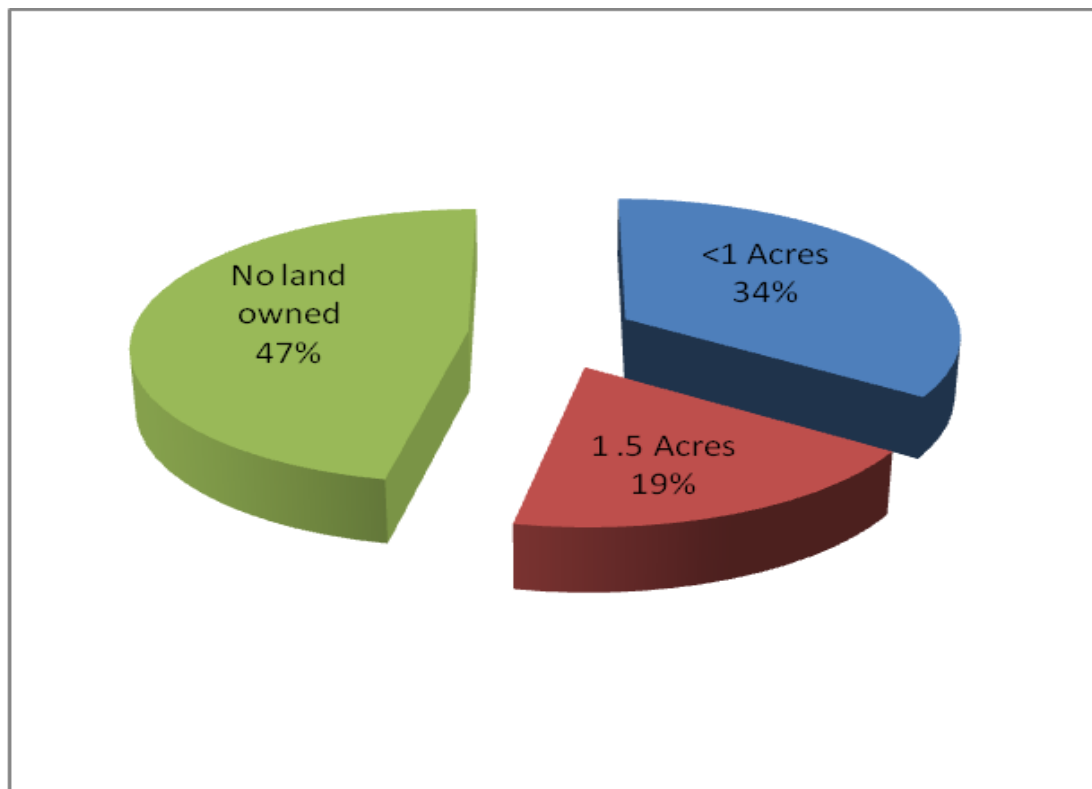
Source: Research Findings (2013)

### 5.9 Land Ownership

The ownership of land is the one factor of life standard in the study area. This is attributed by the fact that landowners could use it in crop production or allow other farmers to plant non permanent crops on that particular piece of land. The survey revealed that 15 (46.9%) of respondents had no land. The results indicate that most Vulnerable people (especially disabled and orphans family) do not own even small

piece of land for implementing agricultural activities. And about 11 (34%) of respondents own less than 1 acre of land, while only 6 (18.8%) of beneficiaries had 1.5 acres of land that could be used for different agricultural activities (Figure 5.2). Large number of landless vulnerable families is obvious, because it was one of criteria for the one to be the beneficiary of TASAF II support project. For instance, other criteria were person who can not afford two meals a day, who don't have care takers, branded as witches and those left with orphans to care for.

**Figure 5. 2 The number of acreage (Land owned):**



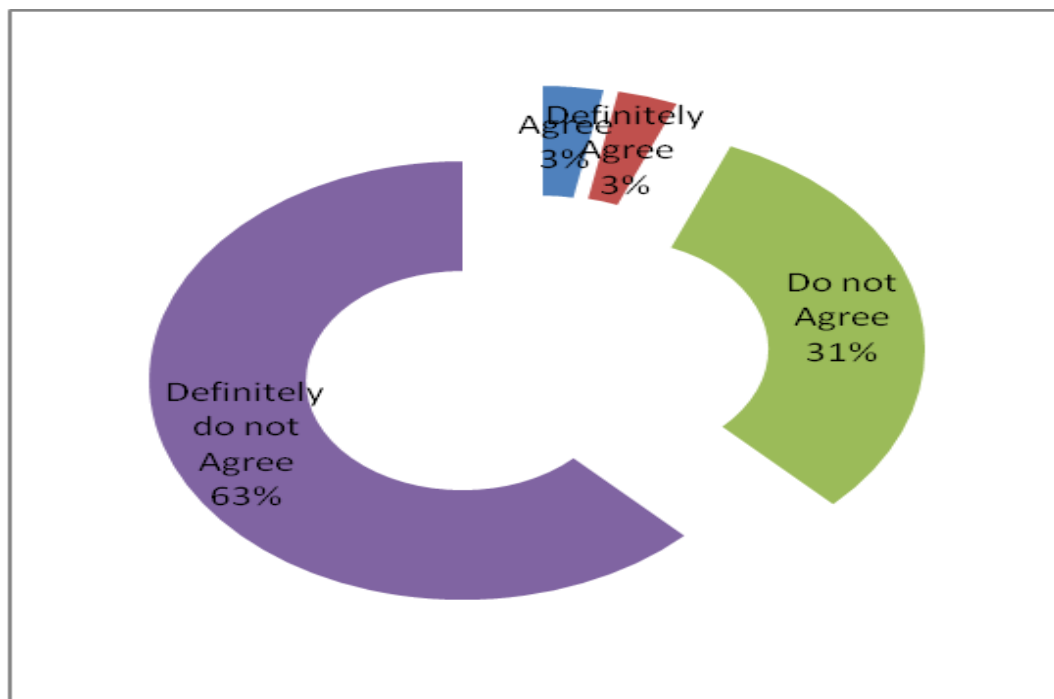
Source: Research Findings (2013)

### **5.9 TASAF II Fund in Poverty Reduction**

Income poverty still exists in rural as well as in urban areas of Tanzania as can be stated into all over developing countries in the World. TASAF II was launched in 2005 to react for this problem of income poverty. Distinctively, TASAF II targeted vulnerable social groups such as elders, orphans, disabled, HIV victims, widows and

widowers to access socio-economic services in order to improve their incomes through agricultural production and small business ventures. Beneficiaries were asked whether fund obtained from TASAF II helped to reduce poverty at their family level. Most 20 (62.5%) of respondents stated that definitely did not agree, this could be due to the fact that every income generated from the project used for family requirements. However, 10 (31.3%) of respondents asserted that they do not agree also with the poverty reduction from TASAF II fund (Figure 5.3). And they added that, however they had projects, currently they could not pay school fees for their children, meet medical costs for household members and they have no ability to save for unexpected events.

**Figure 5. 3: Fund received in poverty reduction**



Source: Research Findings (2013)

## **CHAPTER SIX**

### **CONCLUSSION AND RECOMMENDATIONS**

#### **6.1 Introduction**

This chapter provides the conclusions and recommendations based on the findings of the study. The following specific objectives were used in this study; to identify economic activities performed by vulnerable households, to ascertain types of socio-economic services which were accessed by recipient households for the TASAF II, to assess the impact and success of TASAF II in reducing poverty to disabled and orphan groups, to determine success factors and challenges which were associated with the implementation of TASAF II and to suggest measures for improving contribution of TASAF II in reducing poverty to vulnerable groups.

The study was conducted into two villages viz Mgaraganza and Mwamgongo. The cross- sectional design was used in this study. The data were collected through structured questionnaire, interview and observations from the heads of vulnerable households who were benefited from TASAF II, the KDC and the TASAF staff who were concerned in implementation of sub-projects while SPSS computer soft ware used in data analysis. The study population was the vulnerable group (Disabled and Orphan) while sample size constitute thirty two (32) respondents and were selected through simple random sampling and purposive method in selecting these two villages.

From the findings it revealed that the income poverty still exists to vulnerable group (disabled and Orphan) in KDC. Despite the government effort to reduce poverty through TASAF II support to the vulnerable, to access social- economic services in order to improve their income through agriculture production and small business ventures. But the respondent asked whether the fund received helps them to reduce poverty at their family level. Most of respondents states that definitely did not agree, this could be due to the fact that every income generated from the project were used for family requirements and the sub-projects do not exist. Thus the chapter is divided into two sub- sections; Conclusions and Recommendations.

## **6.2 Conclusions**

Following from the discussion of findings, it is concluded that:

(i) Concerning main economic activities done by vulnerable households before intervention of TASAF II, the findings shown that about 97% of respondent had economic activities as detailed as 34.4% were engaged in cassava production, cassava and beans 28.1%, buying and selling fish 15.6%, fishing 12.5% and grind Mise 9.4%. Basing on these findings it's concluded that vulnerable households are engaged in economic activities as afore seen.

(ii) Concerning socio-economic services which were accessed by recipient households for TASAF II the finding concluded that there are help them to improve their income through agriculture production, and other economic activities due to the accesses of these services easily.

(iii) Basing on the assessment of the impact and success of TASAF II in reducing poverty to disabled and orphan most of respondents 46.9% reported that they performed better by providing fees, food, medical and uniform to orphan. And about 9.4% reported that benefit gain from TASAF II fund through implementation of sub project were helped them to buy fishing vessels and net for drying dagaa. By measuring the assets ownership before and after TASAF II the finding revealed that there is a significant difference in asset ownership after getting the fund from TASAF II. Before TASAF only 8% of respondent has own assets like Bicycle, Chairs, Tables, Sewing machine, phone and beds compared to 33% of the same assets owned by the respondent after TASAF. Therefore it's concluded that the TASAF intervention has increase assets to vulnerable households and decreases the number of school absentees due to the fact that they have afford school requirements and good health.

(iv) In determining the challenges which were associated with the implementation of TASAF II, the findings shown that there were the challenges to disabled on collecting the grasses for cattle feeding, even those keeping the orphan with the same sub-project face the same problem. Besides for those groups engaged in fishing activities face the challenges of decreases of fish and dagaa in Lake Tanganyika that

led into low income compared to their expectation. From these finding it concluded that there was partial participation among project beneficiaries during the project implementation. Besides these groups face the challenges of lack the training on conducting and managing their businesses.

(v) Although there were the measure taken during implementation of these sub projects the findings shown that most of respondents about 59.48% were not taken any action to overcome these problems. However 34.3% were made effort on vessels rehabilitation and buy new tool to ensure the fishing sustainability. Only 6.3% of disabled were struggle in looking for animal feeding. From these findings it's concluded that these sub project were not sustain appropriate, because there were no cooperation among beneficiaries of these sub project on how the action may be taken to avoid these challenges.

### **6.3 Recommendations**

The study has the following recommendations to make:

(i) It is strongly advised to ensure that any project pertaining to poverty alleviation through conventional approaches should empower the beneficiaries through certain training on how best they could manage the concern project.

(ii) The mobilization on project benefit should be done to ensure participation of all project stakeholders. This could enable to capture the common understanding perceptions among stakeholders and it enable project to be sustainable and making it easy implementable.

(iii) Frequency visit of project beneficiaries should be strengthened when implementing this kind of projects. That's because such visit provide good ground for implementers especially district staff to get understanding on the challenges facing the beneficiaries at ground level and what mitigation had taken so far to get out of identified challenges.

(iv) The support for vulnerable and disabled should be provided directly at family level rather than group. This is because most of them were not committed on these sub project activities that done by groups and to share the income gained from that sub project. So it is better to provide the sub project at family level which will make them to be committed and to ensure success on their sub projects.

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## APPENDICES

### Appendix 'A': Instruments for Data Collection

Interview schedule for vulnerable (Disabled &Orphan) households beneficiaries of TASAF II

Dear household head,

My name is ..... from Mzumbe university in Morogoro and I am doing a research on Impact of TASF funds among recipients especially vulnerable groups in Kigoma rural district.

Your household has been randomly selected among households from which data are going to be collected so as to find out the contribution of TASAF II on poverty reduction in Kigoma District. All information you give will be treated confidentially until recommendations on income generating activities regarding rural poverty reduction are drawn from the information.

Therefore, would kindly request your participation and truly respond to all of the questions/items. You may accept or reject to participate in this study, refuse to answer some of the questions or decline the interview and I will respect your kind decision.

Do you accept to participate in this study?

Yes/No

#### I. Household Identification

Name of the household head .....

Division ..... Ward ..... Village

.....

Date of interview ..... Name of interviewer .....

#### II. Socio-demographic factors

1. Sex of household head: Male = 1      Female = 2
2. Age of household head (\_\_\_\_\_years)

3. Education ( )

Primary	Ordinary Secondary	Advanced Secondary	College	None
1	2	3	4	5

4. Marital status of household head

Married	Widowed	Divorced	Separated	Not yet married/Single
1	2	3	4	5

5. Household size ( )

6. Household composition

Household Members	Name	Sex	Age
Household head	1.	1 = male	
		2 = female	
spouses:	1.	1 = male	
		2 = female	
Children:	1.	1 = male	
		2 = female	
	2.	1 = male	
		2 = female	
	3.	1 = male	
		2 = female	
	4.	1 = male	
		2 = female	
7.	1 = male		
	2 = female		
Other members:	1.	1 = male	
		2 = female	
	2.	1 = male	
		2 = female	

**III. Monetary value of social fund**

1. How many are you in your group?  
(1) = 3, (2) =4, (3) =5, (4) =10 ( )
2. What were the requirements for joining the group?
3. How did you get to know the existence of economic group in your village?  
1. Village leader, 2 neighbours, 3. Officers from KDC ( )
4. Why did you join in the group?.....  
.....
5. What are the main group objectives?.....  
.....
6. When was the group formed?
  1. 2005,
  2. 2006, ( )
  3. 2007,
  4. 2008
7. What are the economic activities do you do in your group?
  1. Fishing
  2. Livestock keeping ( )
  3. Farming
  4. Tailoring
8. Before joining the group is there any activities that you engaged with?
  - i. Yes
  - ii. No
9. If yes what type of activities?  
.....  
.....
10. If no why?  
.....

11. What the total amount has your group received from TASAF? (.....)
12. What do you consider to be successes contributed by your involvement in economic group?
- .....

13. Is the project self formulated or given to you from the district?

Agree	Definitely agree	Do not agree	Definitely do not agree
1	2	3	4

14. Does the sub-project fund received helps you to reduce poverty.

Agree	Definitely agree	Do not agree	Definitely do not agree
1	2	3	4

If agree respond to the qn 15,

15. How helps you to reduce poverty?

- (i).....
- (ii).....
- (iii).....

16. How do you share the income from the project?

.....

17. What do you consider to be the biggest challenges or obstacles to your group?

.....

18. What measure do you take to come up with good solutions on the above challenges?

.....

.....

## VI. Income generating Activities

1. What is the main income generating activity of the household?

Activity	code	Activity	code	Activity	code	Activity	code
Cultivation (food crops)	1	Trading of agricultural products	6	Selling firewood/ charcoal	11	Selling of palm oil and palm by-products	16
Cultivation (cash crops)	2	Cooked food vending	7	Beekeeping	12	Wage labour	17
Livestock keeping	3	Carpentry	8	Selling iodised salt	13	Kiosk/shop	18
Fishing	4	Tailoring	9	Making and or selling of locally produced soap	14	Local beer brewing	19
Harvesting forest products	5	Selling sardines and fish	10	Palm oil processing	15	Others (specify	20

2. What were the goods which were produced from income generating activities in 2011/2012?

No.	Goods/products
i.	
ii.	
iii.	
iv.	

3. What were the total costs during production, Total income and the profit occur?

ACT	Activity 1 .....			Activity 2 .....			Activity 3 .....			Activity 4 .....		
YEAR	TC	TR	Profit = TR-TC	TC	TR	Profit = TR-TC	TC	TR	Profit = TR-TC	TC	TR	Profit = TR-TC
2011/2012												
<b>TT</b>												
NHP FROM INCOME GENERATING ACTIVITIES												

TC = Total cost,      TR = Total Revenue,  
 ACT=Activities      MON = Months      TT = Total

4. Did you ever get any capital? If yes answer qn 5

1. Yes                      ( )
2. No

5. Where did you obtain the capital?

Individual saving	Credit	TASAF	Friends or relatives	SACCOS	Banks	Others (specify)
1	2	3	4	5	6	7

If credit is obtained in qn 5 then proceed with questions 6 – 8

6. What was the grace period?

1. 1 year
2. 2 years
3. 3 years                      ( )
4. 4 years
5. Other specify

7. What was the grace period repayment plan of the credit?

End of a month	1	End of a year	2	Other (specify)	3
----------------	---	---------------	---	-----------------	---

8. What was the interest rate in %

1. 5%, 2. 10%, 3. 15%, 4. 20%, 5. Others      ( )

9. How is your economic activities contributed in poverty reduction at your household level?

.....  
 .....

#### IV. Poverty reduction

1. What number of acreage of agricultural land do you own?

1. ½ acre, 2. 1&1/2 acres, 3. 2 acres, 4. 3 acres ( )

2. What are the assets that were your household possess before TASAF?

No	Asset
1	Bicycle
2	Chairs
3	Table
4	Mobile phone
5	Sewing machine
6	Panga
7	Hoe
8	Hoe ex

3. What are the assets that your household possessed after TASAF?

No	Asset
1	Bicycle
2	Chairs
3	Table
4	Mobile phone
5	Sewing machine
6	Panga
7	Hoe
8	Hoe ex

4. Do you have the ability to pay school fees for your children

Agree	Definitely agree	Do not agree	Definitely do not agree
1	2	3	4

5. Does you have the ability to pay medical costs to your household members

Agree	Definitely agree	Do not agree	Definitely do not agree
1	2	3	4

6. Do you have the ability to save for unexpected events?

Agree	Definitely agree	Do not agree	Definitely do not agree
1	2	3	4

**THANK YOU FOR GIVING ME IMPORTANT INFORMATION**

**Checklist for Key Informants**

Key informants (LGA/ TASAF, Village Executive Officers, district agriculture officers and extension officers)

**Introductory Remarks**

Dear, (Village Fund Justification Auditor, Village Fund Coordinator, and KDC staffs).

Based on your experience of working in Kigoma district where a research on TASAF support to vulnerable group household poverty reduction is being conducted, you are requested to give information to supplement the information that will be given by study sampled respondents in district’s selected villages.

All information you give will be treated confidentially until recommendations on vulnerable household regarding poverty reduction are drawn from the information.

Therefore, kindly respond truthfully to all of the following questions/item

**I. Identification of the Officer**

1. Name of the officer .....

2. Designation .....
3. Location .....

**II. Training empowerment to CMC members.**

1. Were seminars and training conducted by TASAF/LGA staff that support communities to initiate and implement sub-project?

Agree	Definitely agree	Do not agree	Definitely do not agree
1	2	3	4

If agree then proceed with qn 2 - 4

2. How many times (state the number)
3. 1time, 2. 3times, 3. 5times, 4. Others ( )
4. What was the duration of these seminars? .....
  1. One weak, 2, two weeks 3. one month, 4. Other specify ( )
5. During these trainings you were targeting people involved in implementation of VG sub-Projects

Agree	Definitely agree	Do not agree	Definitely do not agree
1	2	3	4

**III. Income generating activities**

1. What are the income generating activities which are done by people in the district council?
  - a. ....
  - b. ....
  - c. ....
  - d. ....
  - e. ....
  - f. ....
2. What other income generating activities which are done by disabled and Orphans people?

.....  
.....

**THANK YOU FOR GIVING ME IMPORTANT INFORMATION**