

Country Partnership Framework

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MULTILATERAL INVESTMENT GUARANTEE AGENCY

COUNTRY PARTNERSHIP FRAMEWORK

FOR

THE UNITED REPUBLIC OF TANZANIA

FOR THE PERIOD FY25–FY29

June 11, 2024

**Tanzania Country Management Unit
Eastern and Southern Africa Region**

**The International Finance Corporation
Africa**

The Multilateral Investment Guarantee Agency

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CURRENCY EQUIVALENTS

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US\$1.00 = SDR 0.76

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ABBREVIATIONS AND ACRONYMS

ASA	Advisory Services and Analytics
CCDR	Country Climate and Development Report
CLR	Completion and Learning Review
COVID	Corona Virus Disease
CPF	Country Partnership Framework
CPPR	Country Portfolio Performance Review
CPSD	Country Private Sector Diagnostic
CSO	Civil Society Organization
D-by-D	Decentralization By Devolution
DLI	Disbursement Linked Indicator
DPG	Development Partner Group
DO	Development Objectives
DPF	Development Policy Financing
DPO	Development Policy Operation
DRM	Disaster Risk Management
DSA	Debt Sustainability Analysis
e-GP	e-Government Procurement
ESF	Environmental and Social Framework
E&S	Environmental and Social
ESMAP	Energy Sector Management Assistance Program
FBEP	Fee-free Basic Education Policy
FDI	Foreign Direct Investment
FY	Fiscal Year
FYDP	Five-Year Development Plan
GBV	Gender-Based Violence
GC	Global Challenge
GDP	Gross Domestic Product
GHG	Greenhouse gas
GoT	Government of Tanzania
HCI	Human Capital Index
HLO	High-Level Outcome
IBRD	International Bank for Reconstruction and Development
ICT	Information and Communication Technology
IDA	International Development Association
IEG	Independent Evaluation Group
IFC	International Finance Corporation
IMF	International Monetary Fund
IP	Implementation Progress
IPF	Investment Project Financing
LGA	Local Government Authority
LMIC	Low-Middle-Income Country
LVB	Lake Victoria Basin
MDB	Multilateral Development Bank
MIGA	Multilateral Investment Guarantee Agency
MPA	Multiphase Programmatic Approaches
MSMEs	Micro, Small, and Medium Enterprises

MTCO2e	Metric Tons of Carbon Dioxide Equivalent
NBS	National Bureau of Statistics
NBT	Nature-Based Tourism
NDC	Nationally Determined Contribution
ND-GAIN	Notre Dame Global Adaptation Initiative
NPL	Non-Performing Loan
NSPP	National Social Protection Policy
PBA	Performance-Based Allocation
PLR	Performance and Learning Review
PFM	Public Financial Management
PforR	Program-for-Results Financing
PPP	Public Private Partnership
PSSN	Productive Social Safety Net
PSW	Private Sector Window
RBF	Results-Based Financing
RLGSP	Regional and Local Government Strengthening Program
RMNCAH+N	Reproductive, Maternal, Neonatal, Child, Adolescent health, and Nutrition services
SCD	Systematic Country Diagnostic
SDFP	Sustainable Development Finance Policy
SDG	Sustainable Development Goals
SMEs	Small and Medium Enterprises
SOEs	State Owned Enterprises
TA	Technical Assistance
TANESCO	Tanzania Electric Supply Company Limited
TASAF	Tanzania Social Action Fund
TVET	Technical, Vocational Education and Training
UMIC	Upper-Middle-Income Country
WASH	Water, Sanitation, and Hygiene
ZADEP	Zanzibar Development Plans
ZDV	Zanzibar Development Vision

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**FY25–FY29 COUNTRY PARTNERSHIP FRAMEWORK FOR
THE UNITED REPUBLIC OF TANZANIA**

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FY25–29 COUNTRY PARTNERSHIP FRAMEWORK FOR THE UNITED REPUBLIC OF TANZANIA

I. INTRODUCTION

1. **This Country Partnership Framework (CPF) lays out the World Bank¹ strategy for supporting Tanzania in realizing its vision to consolidate its status as a middle-income country, achieve a high level of human development, and contribute to the World Bank’s mission to end extreme poverty and boost prosperity on a livable planet.** Aligned with the Government of Tanzania’s Third Five-Year Development Plan (FYDP III, 2021/22–2025/26), the FY25–29 CPF builds on the experience and lessons gained in implementing the previous FY18–22 CPF and reflects new learning underpinned by a robust analytic base.²

2. **The CPF seeks to support Tanzania in leveraging its social and economic progress to achieve more inclusive, private sector-driven, and resilient growth.** Tanzania has made significant social and economic progress in recent decades, achieving lower-middle-income country (LMIC) status in 2020. Between 2000 and 2020, life expectancy improved from 52 to 67 years, and school attainment from 3.8 to 6.4 years. The share of Tanzanians with access to electricity increased from 7 percent in 2011 to 43 percent in 2021.³ Yet the country’s robust economic performance has not translated into substantial gains in poverty reduction, as the growth–poverty nexus has weakened significantly. During 2011–18, Tanzania’s growth elasticity to poverty was among the lowest globally.⁴ Economic growth has not generated enough jobs, and income inequality has grown.⁵ Climate change plays an increasingly prominent role, threatening Tanzania’s growth trajectory. To tackle Tanzania’s binding constraints, and in line with the World Bank’s Evolution priorities, the CPF focuses on three high-level outcomes (HLOs): (i) enhancing human capital to boost labor productivity; (ii) catalyzing private sector-led growth; and (iii) enhanced resilience to shocks and climate impacts. Progress toward the HLOs is underpinned by two cross-cutting priorities: increased empowerment of women and youth,⁶ and improved government effectiveness with more efficient, transparent, and accountable institutions.

3. **The CPF proposes a new way of doing business as the World Bank embarks on its Evolution.⁷** The CPF incorporates measures to become faster, simpler, more effective, and more efficient. These measures include: (i) larger and faster programs to maximize impact; (ii) a One World Bank approach, through which the International Development Association (IDA), International Financial Corporation (IFC), and Multilateral Investment Guarantee Agency (MIGA) join forces to maximize impact; (iii) deeper

¹ The World Bank encompasses the International Development Association (IDA), International Financial Corporation (IFC), and Multilateral Investment Guarantee Agency (MIGA) in this CPF.

² The CPF draws on key World Bank analysis, including the Systematic Country Diagnostic Update (2023), Completion Learning and Review (2023), draft Country Climate and Development Report (2024), Private Sector Diagnostic (2022), IFC Tanzania Repositioning Strategy (2022), Country Economic Memorandum (2022), and Tanzania Mainland and Zanzibar Poverty Assessments (2019 and 2022).

³ ESMAP. 2023. Tracking SDG7: The Energy Progress Report 2023. Washington, DC: World Bank.

⁴ Despite significant growth in per-capita GDP, at 21 percent between 2011 and 2018, poverty decreased by only 6.4 percent during the same period. For comparison, the global average elasticity of poverty is 2.2 percent, or for every percent increase in per-capita GDP, poverty declines by 2 percent (World Bank 2024).

⁵ Tanzania Mainland Household Budget Survey 2017/18 (December 2020).

⁶ This is one of the cross-cutting themes in the Evolution and well-aligned with the new World Bank Gender Strategy 2024–30.

⁷ Under the new mission, the World Bank is committed to increasing impact by: leveraging knowledge to drive impact; strengthening the country engagement cycle; scaling up private sector enabling activities and private capital mobilization; supporting increased domestic resource mobilization; enhancing crisis preparedness and response mechanisms; and launching a series of Global Challenge Programs (GCPs) to deliver replicable and scalable approaches to critical global challenges. To deliver this, four key operational aspects are being updated: the One World Bank approach; operations efficiency and effectiveness; people and culture; and partnerships with others. The new Scorecard will help to drive impact and outcomes and monitor results.

partnerships with the private sector and development partners; (iv) a stronger knowledge base to enhance evidence-based policy reform and programming; and (v) a sharper focus on outcomes using the World Bank Scorecard.

4. **The CPF builds on a well-performing World Bank portfolio in Tanzania.** The IDA portfolio includes 34 active projects, including regional projects, with a total commitment of over US\$9.6 billion. IFC's portfolio stands at US\$362 million over 20 projects. MIGA has a commitment of US\$39.6 million. There has been a three-year gap since the last CPF, owing to several challenges that emerged during the previous CPF period, including setbacks on transparency and girls' empowerment, which led to a temporary standstill on new World Bank commitments, the COVID-19 pandemic in 2020, the death of the former president in 2021, and the transition to a new administration. The pace of program implementation picked up in the latter part of the previous CPF, in the wake of these events.

II. COUNTRY CONTEXT AND DEVELOPMENT AGENDA

2.1 Sociopolitical and Institutional Context

5. **The strong foundations of the United Republic of Tanzania, a socially cohesive and politically stable country, underpin its ambitious development agenda.** Immediately after independence, Tanzania embarked on social policies that helped to forge a solid national identity that takes priority over ethnic, regional, or linguistic identities. After a period of socialist economic policies, Tanzania undertook accelerated economic and political reforms with the aim of transitioning to a market-based economy and multiparty system in the mid-1990s. This led to sustained economic growth over the past three decades and graduation to LMIC status, a significant milestone on the journey to prosperity.

6. **Despite these impressive achievements, Tanzania has yet to fully realize its growth potential to build a more prosperous, inclusive, and resilient economy.** A country of approximately 62 million people,⁸ Tanzania's advantageous geo-strategic location, diverse natural resources (including fertile land and mineral endowments), political stability, sizable domestic market, and regional and global trade potential present enormous opportunities for sustainable and inclusive growth. In the decades following the growth acceleration of the mid-1990s, Tanzania saw a remarkable structural transformation, productivity growth, and poverty reduction, driven by economic liberalization, private sector dynamism, and improved public service delivery. The drivers of growth and broader economic outcomes have changed since the mid-2010s, however, slowing the pace of structural transformation and formalization of the economy and, most importantly, weakening the response of poverty reduction to economic growth.

7. **Tanzania's ability to unlock its potential has been constrained by difficulties in effectively calibrating policies to respond to growing economic complexity and uncertainty over the role of the private sector.** While various factors, including external shocks, have affected Tanzania's growth and poverty reduction, the country also faces policy and implementation capacity challenges that weaken its growth momentum. Following two decades of economic liberalization, the 5th Phase administration (2015–21) reprioritized a strong role for the public sector, motivated by the anticorruption and social cohesion agenda. This policy shift dampened overall investment momentum and foreign direct investment (FDI). The 6th Phase administration, which came to power in 2021, embarked on a reform agenda to revitalize growth momentum, focusing more on ensuring a policy environment conducive to

⁸ Tanzania National Bureau of Statistics. 2022 Population and Housing Census.

the private sector. This crucial step toward reviving economic dynamism by recalibrating the state's role is the primary building block of Tanzania's growth agenda in the years ahead.

8. Tanzania continues to face challenges in developing the institutional capacity needed to implement reforms across critical sectors. Tanzania has struggled to translate broad strategies and commitments into a focused operational agenda amid the increasing economic and social complexities that accompany the transition to middle-income status. Weak intragovernmental coordination, ineffective accountability mechanisms, low transparency, and inadequate performance management hinder progress in critical areas, such as fostering human capital and developing infrastructure to revitalize structural transformation through agriculture commercialization, a resilient urban economy, and regional and global integration.

9. To address these challenges and ensure inclusive and sustainable development, the government has kickstarted preparations for Vision 2050 as the country heads toward elections. Vision 2050 will build on Vision 2025 to guide Tanzania to upper-middle-income country (UMIC) status. The Planning Commission under the President's Office serves as the Vision 2050 Secretariat and is expected to finalize the strategy by mid-2025. Meanwhile, Tanzania is preparing for regional elections in 2024 and parliamentary and presidential polls in October 2025. Despite still-emerging political institutions, elections provide an essential opportunity for broader public debate on the priorities of the development vision.

2.2 Recent Economic Developments and Outlook

10. Tanzania's economy has grown significantly in recent decades while maintaining healthy macroeconomic fundamentals. The economy has grown by an average of 6.1 percent per year since 2000, achieving LMIC status. Fiscal prudence and growing national savings have helped to maintain debt sustainability with only a moderate risk of debt distress, in contrast to most regional peers. While this positions the country as an economic success story, the context underpinning the recent growth momentum has become more complex, requiring political resolve to tackle the more ambitious reforms necessary to ascend the income ladder.

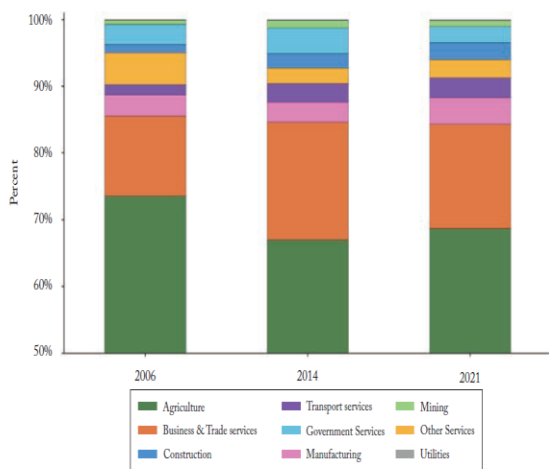
11. The importance of maintaining a continuous focus on economic reforms to unlock Tanzania's productivity is evidenced by changes in the drivers of growth. In the 2000s and early 2010s, first-generation reform initiatives unleashed strong productivity growth and structural transformation. While Tanzania has maintained growth over the years, it has become less inclusive. Productivity growth has slowed since the mid-2010s, with a growing reliance on large-scale investment, increasingly financed and directed by the public sector. While gross fixed capital formation increased from 33 percent of gross domestic product (GDP) before 2015 to 43 percent by 2021, the private sector's contribution has remained stagnant, highlighting that most of the increase has been driven by the public sector. The public sector-driven growth model weakened the momentum in tradable sectors: while the ratio of exports to GDP increased from 9.6 percent in 2000 to 20.9 percent by 2012, it declined to 14.3 percent by 2021. Smaller, more volatile exports and greater global volatility have led to tension in the balance of payments. Weakened private sector dynamism is reflected in FDI, which saw solid growth until the mid-2010s before declining from 5.7 percent of GDP in 2010 to 1.7 percent in 2022.

12. Changing growth drivers are reflected in the weakening momentum for structural transformation. Between 2006 and 2014, 72 percent of labor productivity growth was due to the reallocation of labor from low-productivity to high-productivity sectors, pointing to significant structural transformation. By contrast, between 2014 and 2021, structural transformation slowed. While agriculture's share of total

employment fell from about 76 percent to 67 percent between 2006 and 2014, it rose to nearly 69 percent in 2022, underscoring the challenges that Tanzania faces in returning to a growth model that delivers sustainable, inclusive growth through labor’s transition to higher-productivity sectors (Figure 1).

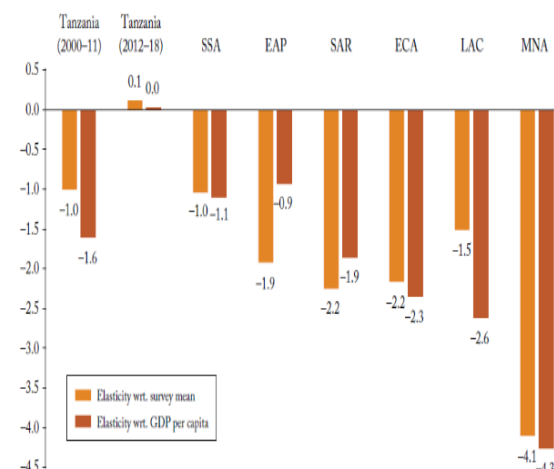
13. Tanzania has maintained a strong fiscal position and sustainable public debt profile but faces vast unmet spending needs. While public and publicly guaranteed debt increased gradually to around 44 percent of GDP in 2023, the risk of debt distress is moderate. Tanzania’s relatively strong debt profile has been supported by prudent fiscal positions over the years and positive public savings, funding significant allocations to public investment (although increasingly driven by mega-projects). Nevertheless, allocations are not sufficient to cover the spending needed to foster human capital, agriculture productivity, and climate resilience. At the same time, public sector contingent liabilities heighten fiscal risks. Tanzania has historically underinvested in its health care system, with only 1.6 percent of GDP in government health care financing, below most comparator LMICs. Spending on social protection, especially social assistance, is very low; the government budget allocation to social protection amounted to only 1.4 percent of GDP in 2022, split between social insurance (about 1 percent of GDP), mainly pensions for public sector employees, and social assistance (0.4 percent of GDP). Public spending on agriculture has also been low historically, magnified by weak implementation capacity to deliver services to enhance productivity and resilience. In a positive move, the government has recently increased allocations for infrastructure rehabilitation—especially irrigation, which urgently needs improvement (with 50 percent of the irrigation system currently not fully functional)—and for input support. Still, low implementation capacity remains a constraint in leveraging increased resource allocation to address the productivity gap in the face of water use efficiency and climate-related risks looming.⁹

Figure 1: Employment shares by sector



Source: Labor Force Survey (LFS) of Tanzania, 2006, 2014, and 2020/21.

Figure 2: Elasticity of poverty in Tanzania vs. major regions (US\$2.15 2017 PPP)



Source: Atamanov et al. (2023).

14. Weak domestic revenue mobilization has been a major obstacle in increasing public services. Despite efforts to broaden tax collection, Tanzania’s tax-to-GDP ratio has increased only marginally, from 10 percent in 2004/05 to around 12 percent in FY2022-23. Establishing a fairer, more efficient tax system

⁹ According to the World Bank Agriculture Public Expenditure Review, the budget outturn for the agriculture sector was 57 percent during 2017–20.

has proven to be a significant challenge undermining Tanzania’s ability to invest in essential services to foster human capital and growth.

15. **Tanzania’s relatively small financial sector remains stable and profitable but is too shallow to serve the diverse needs of the real economy.** Banking indicators have continued to improve, with capital adequacy well above the minimum regulatory requirement and non-performing loans declining due to the enforcement of risk-based prudential requirements and banks’ use of credit information reports from credit reference bureaus to assess loan applications. The sector has continued to leverage technology in financial services delivery, helping to boost deposits and private sector credit. However, current offerings for micro, small, and medium enterprises (MSMEs) are costly and limited. Efforts to increase financial inclusion and develop capital markets will broaden financial institutions’ engagement in the economy.

Table 1: Key Economic and Social Indicators (annual changes in percent, unless indicated otherwise)

	2020	2021	2022	2023e	2024p	2025p	2026p	2027p
Real GDP growth at constant market prices	2.0	4.3	4.6	5.2	5.4	5.8	6.2	6.5
Private Consumption	0.9	2.3	4.6	2.2	3.4	3.8	3.5	3.9
Government Consumption	7.4	9.0	8.4	3.1	7.7	10.3	5.2	4.1
Gross Fixed Capital Investment	2.4	7.8	9.6	3.8	5.1	5.9	8.5	9.3
Exports, Goods and Services	-8.6	5.2	10.2	17.4	9.3	6.3	9.1	8.7
Imports, Goods and Services	-7.6	9.6	23.7	2.3	4.2	4.1	6.5	7.1
Agriculture	3.1	3.7	3.8	3.4	3.8	4.8	5.5	5.2
Industry	2.5	4.1	4.3	3.9	5.6	6.2	6.3	7.3
Services	0.9	4.8	5.3	7.3	6.2	6.0	6.6	6.7
Inflation (Consumer Price Index, period average)	3.3	3.7	4.3	3.8	3.4	3.2	3.0	2.7
Current Account Balance (% of GDP)	-2.5	-3.2	-5.6	-3.8	-3.3	-3.1	-2.9	-2.4
Financial and Capital Account (% of GDP)	1.5	3.8	2.2	3.7	3.9	4.1	4.4	4.7
Net Foreign Direct Investment (% of GDP)	1.4	1.6	1.7	1.8	2.3	2.6	2.8	3.0
Fiscal Balance (incl. grants, cash basis, % of GDP)	-2.9	-3.8	-3.9	-3.8	-3.7	-3.8	-3.3	-2.8
Debt (% of GDP)	39.3	42.0	43.9	46.2	48.7	48.2	47.5	43.7
Primary Balance (incl. grants, cash basis, % of GDP)	-1.3	-2.1	-2.1	-1.6	-1.4	-1.4	-1.1	-0.8
International poverty rate (\$2.15 in 2017 PPP)^{a,b}	44.6	44.3	44.0	43.5	43.0	42.4	41.7	41.1
Lower middle-income poverty rate (\$3.65 in 2017 PPP)^{a,b}	74.1	73.9	73.6	73.3	72.8	72.4	71.9	71.3
Upper middle-income poverty rate (\$6.85 in 2017 PPP)^{a,b}	91.9	91.7	91.4	90.9	90.4	89.8	89.2	88.5
GHG emissions growth (mtCO2e)	1.2	1.3	0.6	0.8	1.1	1.2	1.2	1.2
Energy-related GHG emissions (% of total)	11.2	11.1	10.9	10.9	11.0	11.0	11.1	11.1

Sources: World Bank, Macroeconomics and Fiscal Management Global Practice, and Poverty Global Practice.

Notes: p = projections

(a) Calculations based on 2007-HBS and 2011-HBS. Nowcast: 2014 - 2016. Forecast are from 2017 to 2019.

(b) Projection using per capita consumption growth and neutral distribution with pas through rate of 1

16. **Tanzania’s medium-term economic outlook is positive but achieving meaningfully inclusive growth hinges on accelerating reforms for broad-based private sector development and social inclusion.** Economic growth is expected to return to its long-term trajectory of around 6 percent, driven by the expected strengthening of private investment momentum and supported by the government’s focus on fiscal and debt sustainability. The outlook for inclusive growth and poverty reduction is more favorable than in recent years, owing to the government’s renewed commitment to human development and inclusion, but it remains subject to external, policy, and implementation capacity risks.

2.3 Poverty and Shared Prosperity on a Livable Planet

17. **The growth elasticity of poverty has weakened substantially in recent decades, reversing Tanzania’s remarkable earlier achievements in poverty reduction.** Between 2012 and 2018, poverty decreased marginally (from 28.2 percent to 26.4 percent based on the national poverty line) despite a meaningful increase in average per-capita income, resulting in one of the world’s most inelastic poverty-to-growth ratios. This contrasts with the period between 2000 and 2011 when Tanzania’s growth elasticity of poverty was favorable by regional and global standards (Figure 2). The weakened elasticity of poverty reduction has been driven by slowing structural transformation and the concentration of employment opportunities in limited sectors. Besides long-term trends, post-pandemic data suggest a significant surge in poverty and inequality during the COVID-19 pandemic. In Zanzibar, the responsiveness of poverty reduction to economic growth has been somewhat stronger than on the mainland but still weaker than the global average. Overall, the number of poor Tanzanians has risen by 1.3 million since 2011, as the population has continued to grow at a fast pace. Rural areas remain disadvantaged, due mainly to stagnant agricultural productivity exacerbated by changing climate patterns.

18. **Improvements in non-monetary poverty measures have outpaced income gains, but progress has been uneven spatially and with respect to gender.** From 2001 to 2018, while monetary poverty decreased by about 25 percent, the multidimensional poverty index—covering health, education, and living standards—fell by 42 percent. Progress has been uneven, however. Tanzania is at or close to the LMIC average on life expectancy and mobile phone ownership indicators, but those on rural electricity access and secondary school enrollment place Tanzania alongside low-income countries. Despite recent progress in primary and secondary education enrollment, there are still wide gender gaps. Rural and impoverished girls often encounter educational barriers, and adolescent fertility rates remain higher than the Sub-Saharan African average (including sharp increases in certain regions), linking to educational and economic setbacks for women. Female entrepreneurs’ sales are 46 percent lower than those of male entrepreneurs. Men are more likely to use savings from non-agricultural businesses as startup capital and to pay their workers higher wages, suggesting that they are more likely to operate in more productive economic sectors. Women are less likely to register their businesses, and women’s access to financial services is affected by gender norms, such as the perception that women are less creditworthy than men.

19. **In the absence of adequate investments in human capital, rapid population growth impedes Tanzania’s development prospects, including poverty reduction.** The fertility transition has been slow in Tanzania, with a fertility rate of 4.7 children per woman, compared to 2.6 in LMICs, representing a decline of only 1.5 children between 1990 and 2022. With a 3 percent annual population growth rate, the total school-age population is projected to rise significantly, making the “demographic dividend” difficult to attain. High fertility levels reflect the early age of marriage and childbearing and low levels of contraceptive use, patterns that are changing slowly. A comprehensive strategy that focuses on helping girls take advantage of the government’s strong commitment to secondary education, scaling up access to high-quality, affordable family planning and non-communicable disease health services, and promoting women’s economic empowerment is essential for contributing to Tanzania’s development goals.

20. **Exposure to climate change negatively impacts Tanzania’s growth trajectory and the livelihoods of vulnerable populations.**¹⁰ The 2021 Notre Dame Global Adaptation Initiative (ND-GAIN) Index ranked Tanzania as the 40th most vulnerable country to climate change out of 185 countries and 151st out of 192 countries in terms of its readiness to cope with climate change. The country’s vulnerability to climate

¹⁰ ThinkHazard. “Tanzania.”

change is explained primarily by the economy's structure, labor force characteristics, management of natural assets, and the nature and design of infrastructure. Cyclical floods and droughts, the two major natural disaster threats that affect a large share of the population, may undermine development gains unless adequately addressed. Ignoring climate change could, under the worst climate future scenario, result in approximately 16.6 million internal climate migrants by 2050 (about 14 percent of the projected population), increasing demand for jobs and services and potentially disrupting social cohesion in destination areas.¹¹ Poor people and women are particularly vulnerable to climate change's negative impacts, and vulnerable households tend to live in areas with a high incidence of climate-induced hazards.

21. Climate change will affect sectors that are key to Tanzania's growth. Models of future drought scenarios predict that increased precipitation variability will compound uncertainty in the agriculture sector. Climate effects will also be consequential for livestock. Tanzania's natural assets are under threat of degradation. Forests and woodlands, which cover about 55 percent of Tanzania's land area,¹² are under pressure from unsustainable use (mostly for household energy), inadequate management, conversion to other land uses (such as agriculture), and climate change. Overexploitation of coastal and inland fisheries, exacerbated by climate impacts, raises concerns regarding the economic well-being of fishery-dependent households and future economic potential. Climate change will impact the natural assets that underlie nature-based tourism, an important source of foreign revenue.¹³ The urban heat island effect will lower labor productivity in major urban centers.¹⁴ The lack of climate-resilient infrastructure systems in transport and energy has resulted in economic losses equivalent to 4 percent of cities' GDP. Climate change impact models also point to the impact of climate change on human health, reducing the labor supply by 0.6 percent by mid-century. Furthermore, expected climate variability will increase waterborne diseases from already high levels due to inadequate sanitation infrastructure.

22. Tanzania's developmental challenges align with seven of the eight Global Challenges (GCs) identified by the World Bank,¹⁵ which must be addressed to achieve country-specific goals and mitigate cross-border negative externalities, given that Tanzania is one of the largest countries in Eastern Africa. The country's pressing needs—and opportunities—are linked to the GCs on Climate Change Adaptation and Mitigation, Energy Access, and Enabling Digitalization, given the vast climate adaptation needs if Tanzania is to leverage its agriculture sector potential and address significant gaps in access to energy and digital development for broad-based growth. The paramount importance of nature-based tourism in Tanzania links to the GC on Protecting Biodiversity and Nature, while GCs on Food and Nutrition Security and on Water Security and Access are critical due to prevalent food insecurity, high levels of stunting, stagnant poverty, and growing gaps in water access. Finally, the impact of COVID-19 on household incomes and consumption and repeated disease outbreaks in the country and the region highlight the importance of investing in the GC on Pandemic Prevention and Preparedness.

2.4 Development Agenda

¹¹ Kanta Kumari Rigaud, Alex de Sherbinin, Bryan Jones, Anmol Arora, and Susana Adamo. 2021. *Groundswell Africa: Deep Dive into Internal Climate Migration in Tanzania*. Washington, DC: World Bank.

¹² FAO. 2020. *Global Forest Resource Assessment. Report – United Republic of Tanzania*.

¹³ Montane forests—a habitat for 15 vulnerable or high-risk mammal species—are projected to shrink by 40 percent by 2055, and 10 to 15 percent of species within national parks are projected to be critically endangered or extinct by 2050.

¹⁴ Tabaro H. Kabanda and Tibangayuka A. Kabanda. 2019. "Urban heat island analysis in Dar es Salaam, Tanzania." *South African Journal of Geomatics* 8(1): 98–107.

¹⁵ The GC on Fragility and Conflict is not relevant to Tanzania.

23. **To achieve poverty reduction and shared prosperity, Tanzania needs to create more and better jobs through private sector-driven growth.** While the country has managed to maintain a robust GDP growth rate in recent years, its public sector-driven growth model faces critical constraints and has thus failed to maintain structural transformation and poverty reduction at the levels that Tanzania experienced in the first two decades of economic liberalization. Owing to critical infrastructure constraints, especially in access to electricity and connectivity, Tanzania has been unable to fully unlock private sector-driven growth through industrialization in sectors as manufacturing and mining, which are key to expanding and improving jobs and exports. This is particularly challenging in the context of deteriorating conditions for access to finance in most developing countries. Concerted efforts to facilitate regional trade will help Tanzania leverage its advantageous location and tap into larger market opportunities. Such growth needs to be supported by institutional reforms and targeted public investments.

24. **Tanzania will also need to make growth more inclusive by harnessing the productivity of its people.** Despite healthy economic growth overall, employment opportunities have been concentrated in limited sectors, such as construction and mining. If Tanzania is to capitalize on its young and rapidly growing workforce, it will need to lift them from low-productivity sectors, such as subsistence agriculture and the informal economy, toward more productive employment by investing in better education and health outcomes. Prioritizing girls' and women's access to educational, health, and economic opportunities is particularly important for human capital formation and for catalyzing the demographic dividend. Moreover, lowering mortality and fertility rates will be critical at this stage of Tanzania's development trajectory to produce a manageable labor cohort that can be empowered to be productive.

25. **Private sector-driven and inclusive growth will need to be safeguarded against external shocks.** Tanzania's vulnerability to the adverse impacts of climate change disproportionately impacts poor and vulnerable people who are engaged in rainfed agriculture. Reliance on climate-sensitive sectors, such as agriculture, the blue economy, and nature-based tourism, exacerbates vulnerability to climate shocks, highlighting the importance of enhancing resilience to sustain continued growth and poverty reduction.

III. WORLD BANK PARTNERSHIP FRAMEWORK

3.1 Government Program and Medium-Term Strategy

26. **The Government of Tanzania's longer-term vision and development strategy are laid out in the Tanzania Development Vision 2025 and its Five-Year Development Plans.** Vision 2025, launched in 1999, aims to achieve high-quality livelihoods for its people, attain good governance through the rule of law, and develop a strong and competitive economy. The government has embarked on the preparation of Vision 2050, which will help ensure continuity beyond the election in 2025. In translating Vision 2025, the government formulated a Long-Term Perspective Plan 2011/12–2025/26, which is divided into three FYDPs that help operationalize Vision 2025 to consolidate Tanzania's status as a middle-income country and achieve a high level of human development.

27. **The FYDP III for 2021/22–2025/26 builds on the previous FYDPs, aiming to attract private sector investment to transform Tanzania's economy and emphasizing economic growth and social development, with good governance as a cross-cutting theme.** Built around the theme of "realizing competitiveness and industrialization for human development," FYDP III aims to build a strong, competitive middle-income economy with shared growth and high-quality human development. It articulates the concept that competitiveness (represented by human capital development, an enabling business environment, market organization and coordination, and digital revolution), industrialization and services (with a particular focus on manufacturing, agro-processing, mining, tourism, and finance), and

trade and investment together lead to economic growth, while social development (including education, health, gender equality, human settlements, water, environmental sustainability, and climate change) deepens the quality of economic growth. Attracting more private sector investment to spur economic growth and enhance economic diversification and competitiveness for inclusive and sustainable human development is at the core of the current government’s development strategy. FYDP III also focuses on governance as a fundamental pillar in sustaining economic and social development interventions.

28. Zanzibar Development Vision 2050 (ZDV 2050) guides the overall development agenda of the Revolutionary Government of Zanzibar between 2020 and 2050. It succeeds ZDV 2020 and aspires to lift Zanzibar economically and socially to attain UMIC status by 2050 by prioritizing inclusive and pro-poor policies. ZDV 2050 sets out four pillars of development: (i) economic transformation of Zanzibar’s productive capabilities through economic modernization and diversification; (ii) human capital and social services that are healthy, competitive, innovative, and productive; (iii) infrastructure linkages and provision of modern, high-quality, accessible, and reliable infrastructure within and across homes and settlements; and (iv) governance and resilience. Each pillar is subdivided into priority areas and aspirations for the next 30 years, with targeted performance indicators reflecting the layers of Zanzibar’s economy and society. Implementation of ZDV 2050 has been facilitated by a sequence of five-year Zanzibar Development Plans (ZADEPs). The current ZADEP (2021–26) focuses on the “Blue Economy for Inclusive Growth and Sustainable Development.” The Zanzibar government also recognizes the role of good governance in enabling inclusive growth and social well-being.

29. Priorities emerging from the preparation of Tanzania Vision 2050, launched in December 2023, have informed this CPF. Preparations include public debates and a focus on improving public services for human development, agricultural productivity, and infrastructure, especially last-mile connectivity, supported by solidifying Tanzania’s achievements in good governance and the rule of law. These efforts are intended to pave the way to becoming an industrialized UMIC by 2050 through inclusive economic growth and poverty reduction. Vision 2050 is expected to be finalized in mid-2025.

3.2 Toward a More Effective World Bank Country Engagement

30. The World Bank’s Evolution offers Tanzania a timely opportunity to benefit from a more robust World Bank support. The World Bank’s ongoing transformation—with an expanded vision and mission and increased focus on scale, impact, efficiency, and accountability—allows this CPF to offer better, bigger, and bolder opportunities to address Tanzania’s urgent challenges.

31. The CPF emphasizes speed and scale for maximum impact. It prioritizes programmatic approaches, such as the Multiphase Programmatic Approach (MPA), for faster and greater impact. The new “vertical” Water, Sanitation, and Hygiene (WASH) MPA allows Tanzania to tackle fundamental policy reforms that can take time and to scale up the scope efficiently and systematically by making a long-term (over 10 years) commitment to remaining engaged in the sector. Each phase can design subsequent phases to help accelerate project implementation. “Horizontal” MPAs in areas such as water, digital, transport, energy, education, and crisis preparedness that include other countries in the region will add value by applying a regional solution to a regional problem. Horizontal MPAs also present an opportunity to share innovative solutions to shared challenges with regional neighbors. Regional projects to address cross-border issues, such as digital connectivity, regional trade, and regional transport, will also play an important role. The World Bank will replicate successes through additional financing for successful operations, such as in education and social protection. Moreover, the World Bank will look to finance projects that are interdependent and can draw on synergies for greater impact. For example, improving agricultural

productivity requires investing in improved farm inputs, climate-smart agricultural practices, better connectivity, reliable and efficient electricity supply, effective water resource management, improved tenure security, and better access to markets and finance. The World Bank will aim to achieve synergies by ensuring spatial overlap among sectoral projects, where possible, while ensuring interlinkages among the ongoing agriculture project, IFC's agribusiness development interventions, and access to finance projects.

32. This CPF prioritizes an integrated “One World Bank” approach to provide more holistic support. Enhanced synergies across IDA, IFC, and MIGA will amplify the World Bank's impact. These agencies will deepen their upstream coordination to ensure optimal sequencing and complementarity across public and private engagements. While the exact mix of activities may evolve during the CPF period, clear opportunities to do more together are already emerging. In agriculture, for example, IFC plans to facilitate agribusiness development by providing credit facilities and technical assistance (TA) to agribusiness firms, bolstering regulatory capacity, and investing in value addition, thus complementing IDA's ongoing engagement in increasing productivity in agriculture and improving market access. In the financial sector, IFC has been providing credit lines to Tanzanian banks to help improve MSME access to finance, while IDA works to strengthen MSME capacity and MIGA plans to support and expand financial inclusion in the country. IFC and IDA plan to collaborate to identify where Tanzania's mining potential and World Bank strategy align and strengthen public-private partnerships (PPPs) for further tourism development.

33. The CPF will prioritize forging strong partnerships with the private sector to leverage capital, which is key to achieving scale. The World Bank will enhance complementarities across IDA, IFC, and MIGA to respond to the government's call to mobilize more private capital by supporting investment climate, capital market development, and financial sector development reforms and advancing PPP frameworks by leveraging World Bank development policy operations (DPOs), IFC investments as well as Advisory and Upstream engagements, and MIGA's structuring expertise. The IDA financial envelope will be positioned selectively to leverage private finance and investment. Throughout the CPF period, the World Bank will operate seamlessly as one institution to bring the best public and private solutions to Tanzania. The World Bank will explore the applicability of emerging joint guarantee products supported by MIGA, IFC, or IDA guarantee operations and using MIGA political risk insurance in combination with contingent liquidity facilities to crowd in institutional investors.

34. The CPF will also look to deepen partnerships with other development partners. While the World Bank remains the largest development partner in Tanzania, efforts will be made under this CPF to deepen partnerships with other development partners for increased division of labor. To do so, the World Bank will continue to design programs that can serve as platforms for co-financing, which is already happening in the agriculture and urban sectors, and continue to engage actively in donor coordination dialogue.

35. The World Bank will strengthen its knowledge for evidence-based policy reform and programming. In FY22–24, the World Bank completed all core analytics¹⁶ (with the Country Climate and Development Report (CCDR) at an advanced stage of preparation) except Country Private Sector Diagnostic (CPSD) to inform existing World Bank interventions. The first half of this CPF will, therefore,

¹⁶ Core analytics represent a package of priority knowledge products to shape the World Bank's country engagement. They include the Country Private Sector Diagnostics (CPSD), Climate and Development Report (CCDR), Public Finance Review (PFR), Country Economic Memorandum recast as the Country Growth and Jobs Report, and Poverty and Equity Assessment (PEA). Non-core analytics, which account for the majority of analytical and advisory work, will fill additional knowledge gaps identified in country engagement work, provide just-in-time analysis, and respond to urgent client requests emerging from unforeseen events such as natural disasters.

focus on implementing key findings and recommendations to deliver more impact at the country level and replicate development successes. Just-in-time TA and selective technical studies will continue to be prioritized to address client demand and maintain World Bank's comparative advantage in knowledge. Possible analytics include but are not limited to, important structural reforms, climate-resilient infrastructure system building, climate finance, and responsibly harnessing the economic benefits of Tanzania's mineral resources. Where appropriate, these analytics will be undertaken jointly between IDA, IFC, and MIGA. With general elections on the horizon, the World Bank will prepare policy notes to advise the new administration, leveraging the window of opportunity and the support the World Bank can offer. IFC will continue to leverage its early-stage project development and advisory engagements, ranging from the feasibility and pre-feasibility stages to investment (or a credible investment horizon) in various emerging sectors. MIGA will coordinate closely with IDA and IFC to leverage the latest knowledge to position the deployment of its de-risking solutions. The World Bank will also undertake rigorous impact evaluations to assess the effectiveness of key operational work, and to foster continuous learning and extract valuable lessons.

36. The CPF sharpens the focus on results by measuring outcomes rather than outputs in line with the World Bank Scorecard. It is well aligned with the five verticals of People, Prosperity, Planet, Infrastructure, and Digital, along with the cross-cutting themes of women and youth. By adopting key Scorecard indicators, the CPF will shift toward measuring results that improve people's well-being.

3.3 Selectivity Filters Guiding the Design of the CPF

37. To inform the design and ensure the selectivity of the CPF FY25–29, three filters were used to identify the HLOs and objectives and to inform the CPF's implementation: (i) client ownership, commitment, and absorptive capacity; (ii) the findings of core analytics, including the 2023 Systematic Country Diagnostic (SCD) Update 2023 and lessons from implementing the previous CPF; and (iii) the World Bank's comparative advantage in terms of expertise, financing modalities, and ability to ensure complementarity and coordination with other development partners. In addition to these specific selectivity criteria, it is expected that the mid-term Performance and Learning Review (PLR) will present further opportunities to recalibrate the World Bank program toward more selectivity as the World Bank progresses along its Evolution. The World Bank will also seek further selectivity as other development partners begin to take leading roles in specific sectors.

38. This CPF builds on the lessons learned from prior engagement and seeks to address implementation gaps. Several key lessons emerge based on the World Bank's experience, including with the DPO series on Inclusive and Resilient Growth and Program-for-Results (PforR) financing, and captured in the Completion and Learning Review (CLR, Annex 2). First, there is a need to focus on key reforms with strong political commitment rather than pursuing a disparate and overly complex reform agenda. Second, results-based financing (as in a PforR), coupled with intensive capacity building using Investment Project Financing (IPF) component, has demonstrated an impact in incentivizing behavioral change. Finally, fostering donor alignment on reform targets and incentives can support effective implementation.

39. The CPF was designed in close partnership with the government and incorporates important takeaways from extensive stakeholder consultations. The World Bank adopted an inclusive approach to seek insights from a wide range of stakeholders, including the national government, local governments, parliamentarians, the private sector, civil society organizations, academia and research institutions, female leaders, youth leaders, and development partners. Consultations were held across the country to ensure geographic representation and capture varying socioeconomic characteristics. They reaffirmed

emerging needs, priorities, and the HLOs and cross-cutting themes; highlighted the need to strengthen the accountability and sustainability of World Bank engagements; and emphasized the importance of adequate World Bank and government consideration of grassroots voices and follow-through on reform commitments.

Box 1. Key Lessons Learned from the CLR

- **Consider project interdependence** not only to maximize impact but also to effectively prioritize interventions through multisectoral engagements or complementary projects, particularly in the context of limited budgets. The CPF will seek spatial overlaps among projects, where possible, and new operations on climate change will ensure that key interdependent sectors are involved.
- **Maintain flexibility to adapt to changing circumstances by adjusting scope or scaling up rapidly when needed.** Given impending elections, which may lead to changes in government priorities and the likelihood of unforeseen natural disasters, this CPF will build flexibility by potentially bringing forward the PLR to revisit priorities, while each project will use mid-term reviews effectively to adjust to changing needs. Contingent Emergency Response Components (CERCs) will be built into investment project financing (IPF) to allow for flexible means to address emergencies. New instruments introduced under the Crisis Toolkit such as the Rapid Response Option (RRO), Contingent Emergency Response Project (CERP), and IPF-Draw Down Option (DDO) will also be considered.
- **Regularly assess the government’s political commitment, which is fundamental to project success.** Under the new CPF, regular client dialogue and biannual country portfolio performance reviews (CPPRs) will continue to be used to gauge government ownership and commitment, and operations will be restructured early if changes in political commitment hinder results achievement.
- **Prioritize analytics to fill critical knowledge gaps and support evidence-based policy-making, project design, and implementation.** During this CPF period, core analytics such as the CCDR, CPSD, macroeconomic analyses, and poverty assessments will be pursued, and upstream sectoral technical assessments, such as sectoral public expenditure and institutional reviews, will be undertaken to inform sectoral strategies and project design/scope.

40. **A wealth of evidence generated by robust advisory services and analytics (ASA), including the 2023 SCD Update, helped articulate the CPF.** Enhanced core ASA—including the Tanzania Country Economic Memorandum (2023), Tanzania Poverty Assessment (2022), draft Country Climate and Development Report (CCDR), Economic Update focusing on demographic challenges and opportunities, Agriculture Public Expenditure Review (2023), and IFC Private Sector Assessment (2022)—was complemented by a broad range of sectoral diagnostic work. The SCD Update highlights the lack of poverty reduction despite impressive economic growth. Despite government initiatives to improve the business environment, implementation remains slow, hindering regional trade. Gaps persist in transport infrastructure, rural electricity access, WASH, and digital connectivity. Human capital remains low due to inadequate education and health services, as reflected in 2020 Tanzania's Human Capital Index, which at 0.39 trails the average of 0.40 for Sub-Saharan Africa and the LMIC average of 0.48, suggesting that a child born in Tanzania will be only 39 percent as productive as she could be if she enjoyed complete education and full health. Gender disparities remain in all sectors, and gender-based violence (GBV) is prevalent, albeit with regional variations. Governance shows mixed progress, while the urgency of addressing climate change impacts has increased. The SCD Update puts forward three HLOs to achieve sustainable and inclusive growth, which aligns well with the FYDP III.

41. **As the country heads into the election season in 2024–25, political economy considerations will be reflected in the CPF to help adapt to possible policy changes.** The World Bank will continue to conduct iterative political economy analysis and regular policy dialogue to help adapt the program as needed. The World Bank will consider bringing forward the PLR should there be a need to adjust CPF priorities, including reflecting Vision 2050 when it becomes available.

42. **There are several areas in which the World Bank will engage differently during the FY25–29 period.** While the proposed HLOs are largely aligned with the SCD Update, there will be some adjustments to reflect emerging priorities in Tanzania. The CPF prioritizes climate change adaptation, given the increasing adverse impacts of climate shocks that undermine Tanzania’s development gains. The CPF also underscores the importance of harnessing urbanization for growth and job creation. The SCD Update’s proposed focus on pandemic preparedness and fertility management are subsumed under health. Under education, greater emphasis will be placed on technical and vocational education and training (TVET) in areas aligned with industry needs to boost youth employment. Support for social protection will focus more on establishing a shock-responsive system and ensuring its sustainability. For connectivity, the emphasis will be on connecting different modes of transportation, such as roads, railways, and ports, for a holistic intermodal transportation system. Across all projects, aspects of digitalization will be mainstreamed, particularly in health, education, agriculture, transport, and governance. Where possible, spatial overlap of sectoral projects will be sought to maximize impact. Performance-based financing through DPOs or PforRs will be prioritized over IPFs to incentivize policy reforms. More emphasis will be placed on leveraging private capital, particularly in agribusiness development, access to finance, digitalization, and infrastructure development through IFC and MIGA.

43. **The CPF will continue to focus on addressing the unique development challenges of Zanzibar, a semi-autonomous region of Tanzania.** The World Bank will support the implementation of ZDV 2050, which outlines the goals of sustainable economic and social development through economic transformation. This vision will be implemented through targeted interventions and projects in Zanzibar, leveraging achievements and lessons learned in ongoing Zanzibar-specific projects and as part of countrywide investment projects and analytical work.

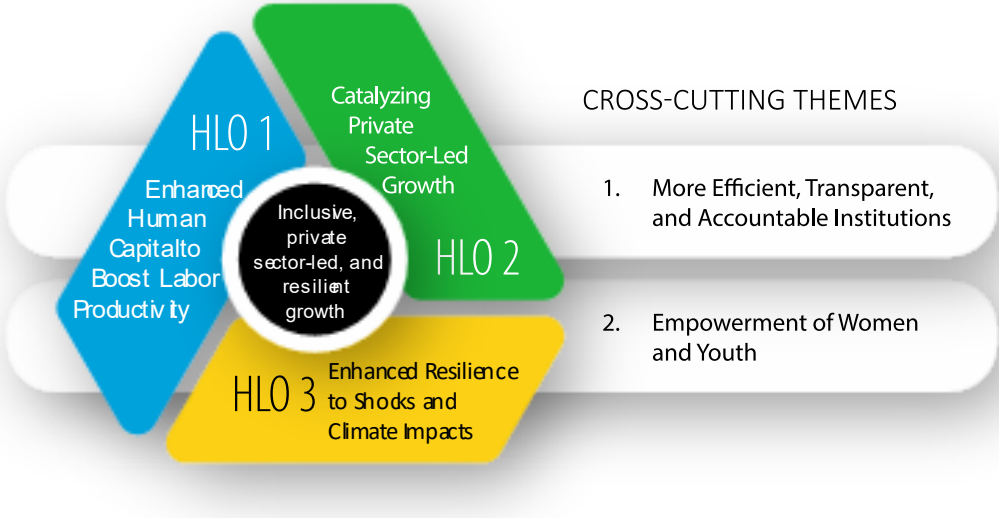
3.4 Proposed World Bank Country Partnership Framework for FY25–29

44. **The overarching goal of this CPF is to help Tanzania achieve more inclusive, private sector-led, and resilient growth during FY25–29 and beyond.** The CPF is structured around three HLOs, with 10 objectives that build on previous achievements, draw on lessons learned and diagnostics, and consider government priorities. The HLOs include: (i) *People*: enhanced human capital to boost labor productivity; (ii) *Prosperity/Infrastructure/Digital*: catalyzing private sector-led growth; and (iii) *Planet*: enhanced resilience to shocks and climate impacts. Two cross-cutting priorities focus on increased empowerment of women and youth, and improved effectiveness of government, with more efficient, transparent, and accountable institutions.

45. **The HLOs and objectives are interlinked and mutually reinforcing, while the two cross-cutting themes serve as foundations for achieving results across the program as a whole.** For Tanzania to attain sustainable and inclusive growth, the three interdependent HLOs need to work in tandem. Human capital is central to fostering a skilled and educated population, which in turn attracts private investment. A robust business environment, connective infrastructure, and competitive cities that catalyze business development are also essential. Resilience acts as the safeguard, ensuring that the gains from the first two HLOs are protected against shocks and unforeseen challenges. The HLOs operate synergistically, each

bolstering and depending on the others. The cross-cutting themes are essential for sustainable progress on the HLOs, each of which includes specific indicators to measure progress on the cross-cutting themes.

Figure 3. Overview of Tanzania CPF FY25–29



3.5 Objectives Supported by the World Bank Program

HLO 1: Enhanced Human Capital to Boost Labor Productivity

<p style="font-size: 24px; margin: 0;">HLO 1</p> <p style="margin: 0;">Enhanced Human Capital to Boost Labor Productivity</p>	HLO 1 OBJECTIVES
	1. Increasing Access to and Quality of Education
	2. Improving Access to Good-Quality Health Care Service
	3. Expanding Access to Safely Managed Water, Sanitation, and Hygiene Services
	4. Supporting Livelihoods through Sustainable, Shock-Responsive Social Protection Systems

46. **Accelerating human capital formation will help Tanzania propel its socioeconomic development and realize the demographic transition.** Despite important advancements in reducing child mortality, increasing equity in access to education, and expanding social protection systems, critical challenges remain. Focused investments in human capital can bolster labor productivity, enhancing the potential for private sector development that is inclusive and creates jobs. Prioritizing girls’ and women’s access to educational, health, and economic opportunities is particularly important for human capital formation and for catalyzing a demographic dividend. World Bank simulations suggest that real GDP per capita could grow by 11 percent by 2051, and 6 million people could be lifted out of poverty if Tanzania were able to lower its fertility rate.¹⁷ Changing the country’s age structure will lower dependency ratios, expand the labor force, and boost savings. Childhood stunting remains high, at 30 percent, with lasting impacts on productivity. Tanzania needs to help reap the demographic dividend, where a rapid decline in mortality and fertility helps produce a manageable, healthier cohort that can be educated and empowered to be

¹⁷ World Bank. 2024. “Tanzania Economic Update 19: Demographic Challenges and Opportunities in Tanzania.” Washington, DC: World Bank.

productive. Human capital formation is a core tenet of the government's development strategy, as expressed in Vision 2025 and FYDP III.

47. **Objective 1: Increasing Access to and Quality of Education.** Tanzania's Fee-Free Basic Education Policy, introduced in 2015, expanded access to basic education and reduced gender disparities. However, inclusive enrollment and retention remain a concern.¹⁸ Those living in rural areas, the poor, and children with disabilities fare the worst. Girls lag behind in retention and completion of upper secondary education, which has proven to reduce adolescent marriage and childbearing. The CPF will focus on improving equitable access, retention, and learning outcomes throughout the education pipeline, with a particular focus on girls. Primary and secondary education interventions will include support for building more and better school facilities closer to communities; improving teachers' continuous professional development; improving the distribution and use of learning materials and leveraging information and communication technology (ICT); strengthening education governance by empowering local governments and schools to improve policy coherence and service delivery; and improving gender parity in education, particularly at higher levels. The CPF will also support better alignment between skills development and industry needs through demand-driven TVET and higher education interventions in key areas, such as mining, health care, teaching, climate change mitigation, agriculture, engineering, and digital technology. Efforts will be made to bridge the gap between education and the labor market, equipping students with skills that are in high demand to improve their employability.

48. **Objective 2: Improving Access to Good-Quality Health Care Services.** Considerable progress has been achieved in the health sector in Tanzania,¹⁹ but while coverage of essential services has improved, low quality of care remains a challenge. With a view to continuing improvements in maternal and neonatal mortality, reducing stunting, managing fertility, and adapting to the rising burden of non-communicable diseases, the World Bank will provide focused support for the development of more resilient and responsive health systems to ensure that young people are healthy and equipped to seize labor market opportunities. First, support for integrated primary health care systems, including community-based interventions, will entail enhanced access to good-quality reproductive, maternal, neonatal, child, and adolescent health and nutrition services (RMNCAH+N), along with services for non-communicable and chronic diseases, especially in rural areas. These will be integrated with behavior change components to shift attitudes that can improve the quality of care for women and men. Second, interventions will focus on improving the quality of care through more, better trained, and more efficiently deployed health workers. Third, support for enhanced sector governance and effectiveness of service delivery will harness and scale up digital health innovations and technologies for informed decision-making, service delivery, training, and monitoring. Fourth, support for pandemic preparedness and response, climate adaptation, and health financing reforms will improve the sustainability of the health system. Finally, interventions will support improved access to health facilities, including accessible roads, digital infrastructure, WASH connections, and solarization of health facilities.

49. **Objective 3: Expanding Access to Safely Managed Water, Sanitation, and Hygiene Services.** WASH is fundamental for a healthy and dignified life, yet access remains low, with significant gaps between rural

¹⁸ In 2020, 68.7 percent of the enrolling cohort managed to graduate from primary education; only 33.2 percent graduated from lower secondary education; and only 0.9 percent of the Tanzania population between the ages of 25 and 64 has at least some tertiary education—among the lowest not just in Africa, but in the entire world.

¹⁹ The overall disease burden was cut by more than half between 2000 and 2019, and life expectancy has increased to 66 years, which is nearly at LMIC levels. Under-five and infant mortality have declined substantially, from 67 to 43 and 43 to 33 per 1,000 live births, respectively, between 2015/16 and 2022.

and urban areas and between women and men.²⁰ In rural communities, women and girls are typically responsible for collecting water and are, therefore, disproportionately affected when water sources are remote or do not function properly. Inadequate WASH access costs Tanzania an estimated US\$2.4 billion each year, or 3.2 percent of its 2022 GDP. Ensuring adequate water resources for competing needs requires attention, as renewable freshwater resources (per capita) have been cut roughly in half over the last 25 years and are becoming increasingly variable due to climate change. The CPF will work to address challenges in ensuring access to safely managed WASH services in rural areas and in burgeoning urban centers. To complement WASH service delivery, interventions to address weaknesses in water resource management will be embedded to support water supply for multiple productive uses. Connectivity to schools and health facilities will be emphasized to maximize human capital impacts. The program will continue to focus on investments to expand access to WASH services, with greater attention to increasing efficiency and sustainability by reducing non-revenue water, improving maintenance of existing facilities, and, where possible, encouraging private sector engagement in line with the government's 2026 Water Sector Development Plan.²¹

50. Objective 4: Supporting Livelihoods through Sustainable, Shock-Responsive Social Protection Systems. Despite rapid economic growth in past decades, the recent post-pandemic surge in poverty and the share of households that fluctuate in and out of poverty are indicative of high levels of vulnerability, which can hold back human capital formation and labor productivity as households navigate the impacts of external shocks. Tanzanians are highly vulnerable to a multitude of covariate and/or idiosyncratic shocks (including natural hazards, pandemics and other health events, and climate change impacts), with a greater impact on the poorest, girls/women, and female-headed households, and with limited systems in place to either mitigate or respond to crises. The CPF will help strengthen the social protection system to build the resilience of poor households to multiple shocks through productive safety nets, enabling them to invest in the human capital of their children, improve productivity, and diversify livelihoods. The CPF will support the implementation of the National Social Protection Policy and medium-term financing framework, the establishment of a unified social registry for more accurate identification and targeting of households across a range of programs, development of dynamic delivery systems to support adaptive/shock-responsive safety nets, and institutionalization of the Productive Social Safety Nets program. As the indirect impacts of floods on infrastructure can be detrimental to livelihoods,²² the World Bank will also support the government in establishing climate-resilient infrastructure systems to protect livelihoods from extreme climatic events.

²⁰ Only 60 percent of the population has access to basic drinking water, 31 percent to basic sanitation, and 29 percent to basic hygiene. About 57 percent of schools in Tanzania have no functional hand washing facilities, and almost 40 percent have no water supply on the premises.

²¹ The Water Sector Development Programme Phase Three 2026 Strategy sets out the following targets by June 2026: nine public and private sector cooperation arrangements in water sources conservation established and implemented; 300 private individuals or companies engaged in the provision of WASH services in public places; five investors from the private sector in the provision of sewerage sanitation services; private sector engagement for investing in three water supply projects; and increased private sector participation in provision of non-sewered sanitation services.

²² Indirect effects—particularly those resulting from disrupted transport infrastructure—prevent employees in up to 40 percent of firms from coming to work and hinder firms' ability to receive supplies on time or to maintain sales. World Bank. 2021. "Floods and Their Impacts on Firms: Evidence from Tanzania." Policy Research Working Paper No. 9774. Washington, DC: World Bank.

HLO 2: Catalyzing Private-Sector-Led Growth

HLO 2

Catalyzing Private
Sector-Led Growth

HLO 2 OBJECTIVES

5. Improved Business Environment and Access to Finance
6. Modernized and Climate-Resilient Agriculture
7. Strategic Infrastructure and Service Connectivity
8. Harnessing Urbanization for Inclusive Growth

51. **Going forward, growth needs to rely heavily on the private sector, broadly dispersing Tanzania's jobs and income.** Despite recent reform attempts, Tanzania's private sector growth is hindered by shortcomings in the business environment. To foster long-term growth and poverty reduction, it is crucial to prioritize a rule-based market mechanism that attracts investors and promotes private investment. Strengthening market institutions, such as a fair competition framework, is essential for efficient resource allocation and social inclusion. A robust financial sector is necessary to address climate-related risks, ensuring the efficiency of resource allocation and facilitating green finance. Urbanization presents opportunities for economic growth, job creation, and improved services, particularly for youth, but must be managed to mitigate vulnerability to natural disasters and climate change. In addition, Tanzania's largely untapped mineral potential can be realized by fostering a more stable investment environment and sufficient investments in geoscience, adequate infrastructure, and skilled workers.

52. **Objective 5: Improved Business Environment and Access to Finance.** The CPF will support private sector growth through catalytic regulatory and institutional reforms for an improved business environment. It will leverage IFC's experience and track record in private sector investment and financing, with a particular focus on strategic areas such as agribusiness, manufacturing, financial services, tourism, and mining. Strengthening the business environment through dispute resolution reforms, investment protections, and streamlined land administration and property registration will be key priorities. To expand access to finance, it will be important to strengthen the resilience and efficiency of the financial sector (including enhancing MSME access to finance, with a focus on women) and innovative startups, support inclusive digital financial services and infrastructure, and develop the capital market. Through IFC, the CPF will support the development of a framework to enable movable collateral/asset-based lending to help small and medium enterprises (SMEs) leverage their assets into capital for investment and growth and assist financial institutions in designing credit products. The CPF will support underserved women, including through "Anaweza," a comprehensive gender program led by the IFC, to help grow women-led businesses and develop non-financial services. Other priority areas include reforms to the PPP regulatory framework and institutional ecosystem to align with international best practices and promote regional integration.²³ Trade facilitation will include efforts to reduce both tariff and non-tariff barriers, such as streamlining customs procedures and adopting policies that facilitate cross-border trade. The CPF will consider supporting private sector engagement to harness the potential of Tanzania's mineral resources.

53. **Objective 6: Modernized and Climate-Resilient Agriculture.** The CPF will enhance the competitiveness and resilience of the agriculture sector to unlock its immense potential in Tanzania. The World Bank will facilitate sustainable productivity growth by promoting smallholder farmers and crowding in private capital. The CPF will promote climate-resilient agriculture through innovation in agriculture

²³ This includes improving market transparency and contestability and establishing a bankable pipeline of PPP projects to sustain market interest and engagement, and incorporating climate change considerations into project selection, preparation, contracting, and management.

services (such as research, extension, irrigation technologies, and seeds) that are accessible to both women and men and will help female farmers close the large productivity gap.²⁴ These efforts will leverage digital tools such as *M-Kilimo*,²⁵ increased investment in irrigation to improve water use efficiency and productivity, and continuing support for agricultural land tenure security, which has enormous spillover effects on women's empowerment. The World Bank will also support mechanisms that promote climate-smart investments in livestock to enhance greenhouse gas (GHG) mitigation and access to carbon finance. IFC will develop agriculture market insights and crowd in private sector investors by facilitating value chain market studies, working with public and private partners to disseminate information on viable commercial opportunities, helping to identify and link potential investors, assisting commercial projects, and promoting regional and international market access for agri-food products by strengthening quality assurance systems and food safety mechanisms. IFC will prioritize support for the design, integration, and rollout of digital information platforms and solutions for agribusinesses and their supply chains and support for smallholder farmers' access to finance through partnerships between agricultural technology companies, mobile network operators, and lenders (including through upstream engagement to develop a pipeline of bankable projects). World Bank interventions to boost agriculture productivity will be complemented by policy reforms to enhance domestic markets for inputs and products as well cross-border facilitation.

54. Objective 7: Strategic Infrastructure and Service Connectivity. The World Bank will support transport, energy, and digital connectivity interventions to foster domestic and regional integration for inclusive growth. In conjunction with objectives 1 and 2 of this CPF, the World Bank will focus on enhancing basic infrastructure services to support sustainable growth and development, including improving transport, energy, and digital access to vital health and education facilities, especially in rural communities. The World Bank will prioritize supporting trade policy reforms and trade facilitation to complement interventions for improved regional connectivity.

55. In *transport*, the CPF will help Tanzania address national and regional transport connectivity and intermodal integration challenges and build resilient infrastructure systems by supporting the development of multimodal transport and logistics strategies, policy and regulatory reforms, infrastructure construction along regional corridors, and capacity building. The World Bank will continue to support the development of maritime gateways and low-carbon railway freight systems, strategically positioning Tanzania to capitalize on burgeoning regional demand for freight transport, while exploring private sector opportunities to support the development of port projects. At the heart of the low-carbon transport agenda is the efficient utilization and further development of railways. Integrated transport corridor development will provide the opportunity to attract private capital through PPPs. Recognizing Dar es Salaam's pivotal role in regional trade and supply chains, the CPF will target key infrastructure gaps to enhance the city's functionality as a trade and logistics hub. In urban areas, the World Bank will prioritize the modernization of urban public transport systems such as BRT for urban connectivity—crucial lifelines for city dwellers, especially women, who typically access essential services for the household.

²⁴ The agricultural productivity gap between women and men is estimated at 25 to 30 percent, driven mostly by women's lower access to services, including farm labor. World Bank. 2022. "Tanzania Economic Update 17: Empowering Women - Expanding Access to Assets and Economic Opportunities." Washington, D.C.: World Bank.

²⁵ *M-Kilimo* is an e-extension platform service developed by the government, which serves about 1.9 million farmers and employs 6,840 extension officers as of 2021. The government plans to merge it with its recently developed digital farmer registry, which was supported by the World Bank's First Inclusive and Resilient Growth Development Policy Operation, and to enrich the platform with additional digital services (such as weather forecasting, rapid identification and monitoring of pest and diseases, and market pricing), with the aim of reaching about 6 million farmers in the next five years.

56. In *energy*, the CPF will focus on “last-mile connectivity” to increase rural household electrification beyond the current low level of 23 percent by encouraging private sector involvement in distribution (including mini-grids) and boosting the use of renewable energy for distributed energy generation. The CPF will support efforts to improve the security of power supply and broader private sector involvement in transmission, distribution, and grid-connected power generation, as investment needs dwarf available public funding. The latter may involve supporting reforms to facilitate private sector participation in power projects, exploring investment models with the Ministry of Energy and the Tanzania Electric Supply Company Limited (TANESCO), engaging private sector players for the development of transmission lines (including dedicated lines for large and industrial off-takers, where feasible), and supporting the government to improve the financial viability of the sector, together with enhancing TANESCO’s operational efficiency and commercial performance. MIGA will engage with private sector investors in the distributed energy sector, specifically targeting rural populations in the south. The CPF will prioritize support for greater regional integration, connecting Tanzania’s power networks to those in neighboring countries to unlock opportunities for power trade and revenue generation and improving the resilience of power supply. Last-mile connectivity is expected to have a transformative impact on women, who make up most of Tanzania’s unpaid domestic labor, on small businesses in need of power to scale their operations, on basic health service provision, and on rural schools that lack access to the national grid.

57. In *digital connectivity*, the CPF will help expand access to high-speed internet through support for regulatory reforms to encourage increased private sector participation in laying fiber and to reduce taxes on rights of way for network development, as well as advancing the universal access agenda through support for rural connectivity initiatives such as subsidized mobile network deployments. The introduction of digital connectivity in education and health facilities, as well as digital services for the private and public sectors, will be promoted, including improving the accessibility of such services in underserved communities. IFC will continue to engage with key private sector players to support the rollout of terrestrial fiber and data center investments, among other enabling digital infrastructure investments, as well as digitalization of health and education facilities. MIGA’s guarantee covering Airtel Mobile Money Tanzania will support digital connectivity and financial inclusion, and MIGA will continue to engage with clients investing in data centers across Africa to support their planned investment in Tanzania.

58. **Objective 8: Harnessing Urbanization for Inclusive Growth.** Tanzania has great potential to harness urbanization for accelerated inclusive growth. Roughly 35 percent of Tanzanians currently live in cities, a share that is set to reach 50 percent by 2050. Though Tanzania’s fast-growing cities can be powerful catalysts for inclusive economic growth, failure to manage rapid urbanization threatens to undermine Tanzania’s potential. Leveraging urbanization for structural transformation requires better-planned, better-serviced, and better-functioning urban spaces that can help overcome distance to markets and economic division. Addressing urban infrastructure gaps, strengthening urban resilience, and improving service delivery to help create more and better jobs and boost city competitiveness will require interventions along three dimensions: (i) strengthening institutions and governance systems to ensure that municipal governments have the mandate and ability to manage the urban space through planning, financing infrastructure, and providing essential services; (ii) increasing access to finance for cities by improving the effectiveness of fiscal transfers, boosting own-source revenue generation, and improving the business environment for private sector investment; and (iii) investing in climate-resilient urban infrastructure in sectors such as electricity, water and sanitation, drainage, solid waste management, roads, affordable housing, and public spaces. With much urbanization yet to occur, there is an opportunity to plan and build cities in ways that create economic opportunities and provide urban services, while ensuring environmental sustainability, reducing GHG emissions, and promoting the prudent management of natural resources. Supporting cities to improve their capacity for planning, mobilizing municipal finance

through innovative financial instruments, and delivering services can set them on a more resilient, low-carbon, and sustainable growth trajectory while attracting more private investment to create formal jobs and provide a more livable environment for urban dwellers.

HLO 3: Enhanced Resilience to Shocks and Climate Impacts

HLO 3 OBJECTIVES

HLO 3

Enhanced Resilience to
Shocks and Climate Impacts

- 9. Increased Climate Resilience**
- 10. Increased Economic Resilience**

59. **Meeting Tanzania’s development goals will be challenging without concerted efforts to strengthen the country’s climate and economic resilience.** Tanzania’s economy is not very diversified, and key income-generating sectors such as agriculture (including livestock), blue economy activities, and tourism are climate-sensitive, making the economy vulnerable to the impacts of climate change. Tanzania’s ability to invest in climate resilience and adaptation is linked to its economic resilience agenda, which should focus on safeguarding the economy from economic shocks to ensure fiscal capacity to invest in development and economic diversification and efficiency in the use of public resources.

60. **Objective 9: Increased Climate Resilience.** While the World Bank has been financing structural and non-structural interventions to strengthen climate resilience, there is a need to scale up this support across all sectors. The CPF will support increased climate resilience through several vehicles: (i) promoting climate-smart agriculture with low GHG emissions; (ii) integrated coastal management and sustainable fisheries development; (iii) scaling up infrastructure for climate-resilient and low-carbon urbanization in primary and secondary cities; (iv) promoting climate-resilient and low-carbon infrastructure (such as railways, roads, water harvesting, ports, schools, and health infrastructure); (v) promoting climate-resilient and disaster-responsive health and education systems; and (vi) supporting the government to develop contingent financing mechanisms by helping establish a climate finance unit under the Ministry of Finance to access the climate finance market and help develop disaster risk financing through a catastrophe-deferred drawdown option (CAT-DDO). The CPF will seek to address climate resilience at the local level as well. This includes support for the continued rollout of adaptive safety nets, such as climate-smart, labor-intensive public works to help build community resilience and other shock-responsive social protection instruments to mitigate shocks at the household level. Integrated into this approach will be support for women’s leadership in disaster risk reduction and response, access to early warning system information, and capacity building. In addition, the CPF will aim to strengthen health systems to support pandemic preparedness and respond to climate-related and other disasters. The World Bank will explore ways in which Tanzania can further green its energy mix and reduce the levelized cost of energy through higher variable renewable energy penetration and the use of batteries. The World Bank will examine the potential of tapping into energy transition minerals and supporting government institutions to better regulate the extractive industries to minimize perverse environmental impacts.²⁶ The World Bank will

²⁶ Tanzania hosts a significant share (over 10 percent) of the world’s natural graphite reserves/resources, a key mineral in the battery chemistry of electric vehicles. Tanzania also has rare earth mineral potential (Lanthanides), which are identified as “critical minerals” by many countries. Tanzania is a key export route from the Central African copperbelt. With improved transportation and production of battery minerals, Tanzania could position itself to add value beyond mining. This, together with the

continue to support sustainable financing through the financial sector and the greening of manufacturing, agriculture, and services.

61. **Objective 10: Increased Economic Resilience.** While Tanzania has been quite successful in managing economic vulnerabilities, its fiscal and external buffers to absorb shocks have narrowed against the background of substantial global risks. The authorities' continued emphasis on maintaining prudence in non-concessional borrowing—which has so far helped to maintain a moderate risk of debt distress, further enhancing the management of risks related to contingent liabilities and fiscal pressures from large infrastructure projects—remains a priority for ensuring healthy fiscal space and adequate external buffers to safeguard growth from economic volatility. Under the CPF, the World Bank will continue its support to the authorities to maintain a balanced mix of macroeconomic policies aimed at fiscal, debt, and external sustainability. Given the difficulties that Tanzania has faced in improving its capacity to mobilize domestic revenue, the World Bank will prioritize support for increasing tax productivity by rationalizing exemptions, expanding the tax base, leveraging digital technologies to enhance tax administration, and improving compliance management. The CPF will also prioritize reforms to improve public expenditures, with a focus on public investment management. Revenue mobilization and public spending efficiency reforms and their implementation will be supported through the full spectrum of World Bank instruments, including policy lending, projects with results-based financing approaches (sectoral PforRs with IPF components), and ASA, given their criticality for Tanzania. Supporting Tanzania's evolving state-owned enterprise reform agenda will also be a priority to safeguard economic resilience, promote domestic competition, and strengthen infrastructure services. In coordination with the International Monetary Fund (IMF), policy dialogue and assistance on external sustainability will aim to enhance Tanzania's capacity to absorb external shocks through adequate monetary and exchange rate policies.

Cross-Cutting Priority 1: More Efficient, Transparent, and Accountable Institutions

62. **Tanzania has made notable strides in institutional development and governance, but significant constraints persist.** Despite recent progress, Tanzania underperforms on most high-level indices of governance, institutional quality, and rule of law. Tanzania continues to face challenges in the institutional capacity to implement reforms, which affects the pace of achieving development objectives across critical reform areas, such as human development, resilience, and the business environment. Although the government has made various efforts to enhance service delivery, more needs to be done. A lack of staff motivation, weak accountability mechanisms, inadequate skills, and overly bureaucratic and inefficient processes greatly affect the quality and value for money of public service delivery. Decentralization policy reforms, for example, could allow for improved local government revenue collection, service delivery arrangements, and new subnational governance modalities (such as integrated metropolitan authorities). The implementation of ongoing reforms is also affected by gaps in cross-institutional coordination, monitoring, and accountability. Fragmented governance and deficits in capacity and empowerment among local government authorities contribute to inadequate accountability for results across sectors. Challenges in access to justice persist, including lengthy procedures and complexity of the legal process, ineffective court management, low rights awareness among citizens, and inadequate court services.

63. **To underpin progress toward all three HLOs, the CPF program will support Tanzania's governance through priority reforms.** Focus areas include public service management, public financial management, state-owned enterprises, access to justice, and the private sector regulatory framework.

development of new mines (and existing gold producers), would provide an opportunity to introduce renewable energy for these facilities and, if done correctly, could help to alleviate rural electricity poverty.

Public service management priorities include strengthening performance through more effective incentives and accountability mechanisms, strengthening meritocracy and leadership, and enhancing institutional responsiveness to better meet the expanded role of the private sector in the economy. The CPF will also help strengthen government capacity in urban and rural areas for planning, financing, building infrastructure, and providing services in an integrated manner. Furthermore, the CPF will aim to support Tanzania in strengthening public service management, enhancing the governance of state-owned enterprises, improving budget credibility, managing cash and commitments effectively, mitigating expenditure arrears, and streamlining the procurement process at the national and local levels. Finally, the CPF will support improved access to and quality of judicial services in both Mainland Tanzania and Zanzibar, including expanding the geographic coverage of courts, streamlining and automating court processes, and strengthening alternative dispute resolution. Alongside these efforts, IDA and IFC will work closely to support governance reforms to strengthen Tanzania's business environment while advising private sector enterprises on their environmental, social, and governance practices and structures.

Cross-Cutting Priority 2: Empowerment of Women and Youth

64. Tanzania has made great progress in enhancing gender equality and women's empowerment, but there is a need to go beyond what has already been achieved. The government is committed to addressing gender inequality in all aspects of women's lives, as expressed in FYDP III and Vision 2025. Policy reforms have already supported greater gender equality and women's empowerment across education, health, employment, access to assets, and protection from GBV. Efforts to improve gender equality in education have shown positive impacts, but further action is needed to enhance girls' retention and completion rates in secondary education, reproductive health outcomes, and women's transition into higher-paid, more productive livelihoods. The CPF program will: (i) promote tailored, evidence-based interventions,²⁷ including supporting adolescent girls' education under HLO 1; (ii) increase women's agricultural productivity by supporting women's security of land tenure, better access to finance, inputs, labor, and mechanization under HLOs 1 and 2; (iii) encourage female entrepreneurship through increased access to loans, credit lines for women-owned enterprises, socio-emotional skills and business skills training, and affordable childcare services under HLOs 1, 2, and 3; and (iv) help change socio-cultural norms for both men and women to reduce women's exposure to GBV by building in efforts to change the prevailing social and cultural norms around gender roles under HLOs 1 and 2.²⁸

65. Tanzania is a young country that is growing rapidly, but opportunities for young people are limited. By 2025, it is estimated that those under the age of 35 will make up 75 percent of the population. Despite these numbers, young people are among the most marginalized and underutilized Tanzanian citizens. Many young people move to cities in search of better opportunities, but urban investments have not kept pace with rapid urban population growth, resulting in a lack of adequate services and jobs. Young people are not educated enough to benefit from the limited productive job opportunities. As a result, most youth in urban areas engage in low-productivity, informal sectors that do not contribute to economic growth, preventing the country from harnessing the energy of its young population while potentially disrupting social cohesion. There is an urgent need to help make youth more productive by supporting human capital development under HLO 1 and linking them to better job opportunities under HLO 2.

²⁷ Policy solutions such as cash transfers, safe-space clubs, education grant programs, and provision of school supplies like uniforms, books, and bicycles have been shown to enhance girls' education outcomes and reduce the incidence of early marriage, childbearing, and risky sexual behaviors ([Bandiera et al 2020](#); [Muralidharan and Prakash 2017](#)).

²⁸ An estimated 32 percent of women aged 15–49 in mainland Tanzania and 10 percent in Zanzibar have experienced physical violence committed by their current husband/intimate partner and harmful gender norms that enable this behavior to persist.

66. **Close alignment between the country’s objectives and global aspirations links many CPF indicators to the World Bank’s Scorecard (Annex 1).** For example, HLO 3 indicators on GHG emissions, deforestation, and damages from climate events mirror Area 6 on a “greener planet.” Many objective-level indicators monitor the number of people provided with access to essential services, infrastructure, and assets, including WASH, energy, digital connectivity, transport, education, safety nets, and land titles—consistent with Areas 1, 3, 4, 10, and 11. Finally, indicators on employment and wage rate gaps under HLOs 1 and 2 feed into Area 8 on jobs.

3.6 Implementing the CPF

67. **The CPF will span three cycles of IDA financing: the final year of IDA20 (FY25), IDA21 (FY26–28), and IDA22 (FY29–32).** With the majority of the IDA20 allocation having been frontloaded in FY23–24, Tanzania’s performance-based allocation (PBA) in FY25 is anticipated to be significantly smaller than in the first two fiscal years of IDA20. Additional resources are expected to be accessed through the IDA20 Regional Window and Scale-up Window.²⁹

68. **Assuming equivalent volumes in IDA21, Tanzania’s PBA for FY26–28 is estimated to be around US\$2.3 billion.** Tanzania will also selectively utilize additional resources from IDA windows. The Crisis Response Window presents an avenue for additional resources should Tanzania suffer a severe natural disaster, health emergency, or economic crisis. IDA resources are expected to be supplemented by funding from recipient-executed trust funds. The World Bank will leverage all IDA, IFC, and MIGA instruments and seek to crowd in the private sector and other development partners to support CPF objectives and results. The World Bank will also leverage additional partnerships and sources of financing to support global public goods. In addition to IDA, the government has indicated an interest in tapping into International Bank for Reconstruction and Development (IBRD) resources for high-profile infrastructure projects in the medium term.

69. **IFC will build on the strong momentum of its growing investment program in Tanzania, which has reached US\$362 million as of June 2024.** Long-term finance commitments rose fivefold, from less than US\$50 million in FY19 to nearly US\$260 million (to date) in FY24, while short-term finance commitments rose nearly eightfold to nearly US\$70 million over the same period. Investments range from the financial sector and manufacturing to the energy sector. IFC’s advisory portfolio amounted to almost US\$12 million in FY24, focused mostly on the financial sector and the business-enabling environment. Going forward, IFC will ramp up its manufacturing, agribusiness, and services advisory program to include financial management, pharmaceutical competitiveness, inclusive agricultural value chains, and green housing in the coming years. This reflects growing market demand and, in turn, the improving business-enabling environment under the 6th administration. In the first seven months of FY24, for each US\$1 of its own resources invested, IFC mobilized an extra US\$2.8 from other creditors, a strategy that will carry forward to leverage greater World Bank impact. Going forward, IFC envisions leveraging partnerships and working with international partners (such as CIDA, EU, GIZ, FCDO, Japan Trust Fund, and USAID) to support and implement private sector development initiatives in Tanzania. IFC’s focus will be on strategic priorities to enhance value addition in agribusiness and light manufacturing, support the development and rollout of digital information platforms and solutions for agribusinesses and their supply chains, improve access to finance, and support the business-enabling environment by promoting regulatory reforms to ease licensing requirements and by building capacity in agribusiness and tourism.

²⁹ As Tanzania is subject to the Sustainable Development Finance Policy (SDFP), its remaining FY25 country allocation will be subject to SDFP set-aside considerations.

70. **During the CPF period, MIGA expects to increase its engagement in Tanzania across multiple sectors, including renewable energy, mobile money, and financial access.** MIGA expects to scale up its engagement during the CPF period, with several transactions already in the pipeline. MIGA will continue to focus on supporting underserved communities (including women and youth, low-income populations, and rural communities) and supporting climate finance investments. MIGA will collaborate with development partners and regional development banks operating in the country to catalyze private sector investment.

71. **The World Bank will continue to support Tanzania in maintaining a stable and sound macro-fiscal framework.** The annual Debt Sustainability Analysis, conducted jointly with the IMF, will help identify areas where the government needs capacity building in macro-fiscal management and will serve as a platform for planning complementary support between the two institutions. The Sustainable Development Financing Policy (SDFP) will further guide the World Bank's dialogue with the government to promote fiscal and debt sustainability reforms and address emerging risks in collaboration with the IMF.

72. **The World Bank will cooperate closely with the government to improve portfolio quality and performance.** The focus will be on prioritizing timely project implementation readiness, enhancing project implementation oversight and capacity building, strengthening fiduciary management and safeguards compliance, and enhancing strategic and technical monitoring of the portfolio. The World Bank will continue to support institutional capacity building and enhance knowledge of World Bank policies and procedures at all levels in government institutions.

73. **The World Bank will use country systems across program and project implementation in Tanzania and contribute to enhancing these systems.** The focus will be on enhancing institutional capacity, efficiency, transparency, and accountability in public resource management by strengthening public procurement management, including specific activities to enhance the e-GP systems of Mainland Tanzania and Zanzibar, strengthen budgeting processes and financial reporting, and enhance accountability through capacity building in external audit and parliamentary oversight.

74. **Under the CPF, the World Bank will support the government to strengthen its capacity to produce, manage, analyze, and use data as an important foundation for evidence-based policymaking.** The World Bank has provided TA to the National Bureau of Statistics (NBS) on poverty measurement and analysis. Surveys and censuses conducted periodically by NBS will support the monitoring and evaluation of the CPF by measuring progress against objectives.

IV. MANAGING RISKS TO THE CPF PROGRAM

75. **The overall risk to this new CPF, based on the likelihood of attaining its objectives once mitigation measures are factored in, is moderate (Table 2).** Political and governance risk is deemed moderate with the current administration. Even with impending general elections, the situation is likely to remain similar. Macroeconomic foundations are stable, and residual risks are deemed moderate. Given the CPF's alignment with government development plans, risks pertaining to sector strategies and the technical design of the program are moderate. Fiduciary risk is moderate, as governance has improved overall. Given the World Bank's continuous and broad outreach with a variety of stakeholders, stakeholder risk is deemed moderate.




76. **Institutional capacity risk is rated substantial.** Institutional capacity for implementation and sustainability is deemed to be a substantial risk, given that the government has had delays in implementing World Bank projects. Slow project implementation is attributable to: (i) slippages in effectiveness and implementation readiness; (ii) protracted procurement processing; (iii) late approval and processing of payments; (iv) staffing constraints; and (v) delayed completion of agreed remedial actions. This risk will be mitigated by strategically using PforRs to incentivize behavioral change, combined with IPF-financed hands-on support from design to implementation; programmatic interventions through a Series of Projects or MPAs that allow frontloading of preparatory activities; and continued support for institutional and governance strengthening.




77. **Environmental and social (E&S) risk is rated substantial,** as the portfolio includes large-scale infrastructure operations that could have significant resettlement and occupational safety implications, as well as activities in protected areas that may generate higher risks and impacts in sensitive ecosystems inhabited by vulnerable groups. Such risks also pose reputational risks for the World Bank. The E&S risk will be mitigated by strengthening the government’s E&S risk management capacity through focused training, supporting the enhancement and use of the government’s own E&S management systems, and close supervision with frequent World Bank field visits for high-risk projects. The ongoing ESF streamlining process will simplify and strengthen World Bank support through increased oversight and the provision of hands-on E&S implementation support. When considering new engagements, the World Bank will consider the level of E&S risks and the possibility of risk mitigation carefully. The World Bank will closely monitor all risks throughout the CPF period, and risk mitigation measures will be reassessed regularly, including at the PLR stage.

Table 2. Risks to CPF Program

Risk Category	Rating (L, M, S, H)
1. Political and Governance	M
2. Macroeconomic	M
3. Sector Strategies and Policies	M
4. Technical Design of Project or Program	M
5. Institutional Capacity for Implementation and Sustainability	S
6. Fiduciary	M
7. Environmental and Social	S
8. Stakeholders	M
OVERALL	M

Annex 1. Results Framework for Tanzania CPF FY25–29³⁰

High-Level Outcome 1 (HLO1): Enhanced Human Capital to Boost Labor Productivity		
<p>This HLO builds on the previous CPF’s Focus Area 2, which sought to boost human capital and social inclusion using a lifecycle approach. Under this CPF, the HLO focuses more squarely on improving the quality of social services to deepen sustainable human capital formation and thereby strengthen labor productivity. In addition to addressing key education and health sector needs, this HLO incorporates efforts to expand access to more efficient water and sanitation facilities in both urban and rural areas and to strengthen social protection systems, recognizing the important impact of safe water and sanitation services and robust safety nets on early childhood development and lifelong health.</p>		
High-Level Outcome Indicators	Data Source	Current Value
<ol style="list-style-type: none"> Human Capital Index Percentage of children who cannot read by end-of-primary-school age  Number of people receiving essential health services  Percentage of people with access to basic drinking water, sanitation, and hygiene (WASH), of which (%) is safely managed  	<ol style="list-style-type: none"> Human Capital Project, World Bank World Bank Scorecard World Bank Scorecard World Bank Scorecard 	<ol style="list-style-type: none"> 0.39 (2020) TBD TBD Drinking water: 60%, of which 11% safely managed (2022) Sanitation: 31%, of which 25% safely managed (2022) Hygiene: 29% (2022)
<p>High-Level Outcome Description</p> <p>Rationale: Human capital, which captures the full potential of a country’s people, is a key factor in spurring economic growth and enhancing competitiveness. Yet, despite advancements in access to health and education, Tanzania’s Human Capital Index (HCI) has remained static, at 0.39, since 2018, placing it among the world’s lowest-performing countries. This HCI score suggests that a child born in 2020 could expect to reach only 39 percent of the earning potential she would have if she enjoyed complete education and full health. While the country has seen important progress in reducing child mortality, increasing equitable access to education, and expanding social protection systems, there is a need to improve the quality of social services to make a sustainable impact on human capital formation.</p> <p>World Bank engagement: The CPF will take a holistic approach to helping Tanzania reap the “demographic dividend,” where a rapid decline in mortality and fertility help produce a smaller, healthier cohort that can be educated and empowered to be productive. World Bank support will combine efforts to strengthen the delivery of good-quality education, health, and water and sanitation services—the foundations of human capital formation. In addition, the</p>		

³⁰ Indicators related to the World Bank’s new Scorecard are denoted by . Indicators that track progress toward the cross-cutting themes of strengthening institutions and inclusion are denoted by the following icons:  for women and youth and  for governance.



CPF portfolio contains several projects with results-based financing (RBF) approaches, including sectoral PforRs, to enhance the efficiency and impact of public resources in education, health, and water and sanitation.



CPF Objective 1: Increasing Access to and Quality of Education

This objective builds on the previous CPF's objective on improving the quality of health care and education, with a narrowed focus on targeted improvements in enrollment, retention, and learning outcomes in both primary and secondary education and in expanding and improving TVET services, with a focus on youth, women, and vulnerable groups.







Intervention Logic


Tanzania's Fee-Free Basic Education Policy, introduced in 2015, has expanded access to basic education and reduced gender disparities. However, inclusive enrollment and retention remain a concern. Those living in rural areas, the poor, and children with disabilities fare the worst. Girls lag behind in retention and completion of upper secondary education, which has proven to reduce adolescent marriage and childbearing. Building on the World Bank's past engagement in the education sector, the CPF will continue to focus on strengthening access to and quality of primary and secondary education, as well as technical and vocational education and training (TVET) and higher education interventions in high-priority areas. The ongoing Boost Primary Student Learning project will continue efforts to improve equitable access to good-quality learning at the preprimary and primary levels. The ongoing Secondary Education Quality Improvement Project (SEQUIP) aims to increase access to secondary education, provide responsive learning environments for girls, and improve completion rates for both girls and boys. The ongoing Higher Education for Economic Transformation (HEET) project aims to increase the number and quality of graduates in high-priority fields to meet labor market demand and promote greater private sector-led growth. A new Zanzibar Improving Quality of Basic Education Project (FY23) focuses on improving teaching competencies and learning outcomes and reducing gender gaps in school transition rates. Potential additional interventions for capturing the demographic dividend and education skills development are under discussion.


CPF Objective Indicators	Supplementary Progress Indicators	World Bank Program
<p>Indicator 1.1: Millions of students supported with better education (number)</p> <p><i>Baseline (2022): 17 million</i> </p> <p><i>Target (2026): 20 million</i></p> <p><i>Source: Basic Education Management Information System (BEMIS) and Annual Education Sector Performance Report (AESPR), 2023</i></p>	<p>SPI 1.1.1: Local Government Authorities implementing cluster- and school-based teacher continuous professional development programs (number)</p> <p><i>Baseline (2023): 52</i></p> <p><i>Target (2026): 184</i></p> <p><i>Source: BOOST</i></p> <p>SPI 1.1.2: Local Government Authorities compliant with good education governance criteria (number)</p> <p><i>Baseline (2023): 0</i> </p> <p><i>Target (2026): 184</i></p> <p><i>Source: BOOST</i></p>	<p style="text-align: center;"><u>IDA</u></p> <p>Ongoing Financing:</p> <ul style="list-style-type: none"> • Boost Primary Student Learning (BOOST, P169380) • Secondary Education Quality Improvement Project (SEQUIP, P170480) • Zanzibar Improving Quality of Basic Education Project (P178157) • Higher Education for Economic Transformation Project (P166415) • East Africa Skills for Transformation and Regional Integration Project (EASTRIP, P163399) <p>Financing Pipeline:</p> <ul style="list-style-type: none"> • Capturing a Demographic Dividend (TBC)



<p>Indicator 1.2: Percentage of Grade 2 students and Grade 2 girls meeting minimum competency in Kiswahili literacy and numeracy (%) <i>Baseline (2022):</i> Literacy - 41.3% overall, 44.2% girls; Numeracy - 19.8% overall, 20% girls <i>Target (2026):</i> Literacy - 50% overall, 50% girls; Numeracy - 35% overall, 35% girls  <i>Source:</i> Boost Primary Student Learning (BOOST) project</p> <p>Indicator 1.3: Average gender gap in Form 4 and Form 6 examination pass rates in mathematics and science (%)³¹ <i>Baseline (2023):</i> 4.85  <i>Target (2025):</i> 8.00 <i>Source:</i> Tanzania Secondary Education Quality Improvement Project (SEQUIP)</p>	<p>SPI 1.2.3: Government primary schools with class sizes at or below standard level in targeted districts in Zanzibar (%) <i>Baseline (2023):</i> 0 <i>Target (2028):</i> 60 <i>Source:</i> Zanzibar Improving Quality of Basic Education Project</p> <p>SPI 1.3.1: Government schools implementing Safe School Program to support girls (number) <i>Baseline (2023):</i> 1,000 <i>Target (2026):</i> 2,000 <i>Source:</i> SEQUIP</p>	<ul style="list-style-type: none"> • Education Skills Development Project (TBC) • AF/Higher Education Project (TBC) • Basic Education Project (TBC) <p>ASA:</p> <ul style="list-style-type: none"> • Education Public Expenditure Review (P501473) • Gender and Disability Inclusion Platform (P177923)
<p>CPF Objective 2: Improving Access to Good-Quality Health Care Services</p>		
<p>This objective builds on the previous CPF's objective on improving the quality of health care and education, with a targeted focus on strengthening health care services in the first 1,000 days of life and improving the quality of reproductive health care services, especially for adolescent girls.</p>		
<p>Intervention Logic</p> <p>While Tanzania has achieved considerable progress on health outcomes and coverage of essential services, low quality of care remains a challenge. With a view to continuing improvements in maternal and neonatal mortality, reducing stunting (still at a high 30 percent), managing fertility, and adapting to the rising burden of non-communicable diseases, the World Bank will provide focused support on strengthening and reshaping health systems through more efficient deployment of more and better-trained health workers, as well as enhanced access to good-quality family planning and reproductive health services, particularly those that address the needs of adolescents. The Tanzania Second Inclusive and Resilient Growth Development Policy Financing operation focuses on operationalizing universal health insurance to boost health outcomes and economic resilience, especially among poor people. The ongoing Maternal and Child Health Investment Program (MCHIP) aims to scale up the provision and improve the quality of essential health care services, especially for women and children. Proposed additional financing will seek to expand the scope of the MCHIP program with respect to maternal and newborn care referral services. Further investment in reproductive, maternal, neonatal, child, and adolescent health and nutrition services (RMNCAH+N) will be considered, along with interventions on the demographic dividend and pandemic preparedness.</p>		

³¹ Form 4 (the final year of lower secondary school) marks the final year of compulsory basic education, as defined by the Education and Training Policy (2024). Results in the Form 4 examination determine whether a student can: (a) continue with upper secondary, (b) proceed to further skills specialization, or (c) enter the labor market. Similarly, the Form 6 examination determines whether a student: (i) enrolls in university, (ii) proceeds to further skills specialization, or (iii) enters the labor market.

CPF Objective Indicators	Supplementary Progress Indicators	World Bank Program
<p>Indicator 2.1: Improved annual delivery of maternal and child health services by LGAs, as measured by average LGA scorecard (%) </p> <p><i>Baseline (2023): 55</i> <i>Target (2027): 80</i> <i>Source: Maternal and Child Health Investment Program (MCHIP)</i></p>	<p>SPI 2.1.1: Share of family planning clients who received modern contraceptive methods (%) <i>Baseline (2023): 65.7</i> <i>Target (2027)</i> <i>Source: MCHIP</i> </p> <p>SPI 2.1.2: Share of pregnant women attending first antenatal care visit in the first trimester (%) <i>Baseline (2023): 42.2</i> <i>Target (2027): 60</i> <i>Source: MCHIP</i> </p> <p>SPI 2.1.3: Share of girls between the ages of 15 and 19 who have experienced pregnancy (%) <i>Baseline (2022): 22</i> <i>Target (2025): 18</i> <i>Source: Tanzania Second Inclusive and Resilient Growth Development Policy Financing (DPF)</i> </p> <p>SPI 2.1.4: Share of population with Universal Health Insurance coverage (%) <i>Baseline (2023): 0</i> <i>Target (2025): 25 percent</i> </p>	<p style="text-align: center;"><u>IDA</u></p> <p>Ongoing Financing:</p> <ul style="list-style-type: none"> • Tanzania Second Inclusive and Resilient Growth Development Policy Financing (P180504) • Maternal and Child Health Investment Program (P170435) <p>Financing Pipeline:</p> <ul style="list-style-type: none"> • Maternal and Child Health Investment Program Additional Financing (P180798) • Tanzania Reproductive Maternal Neonatal Child and Adolescent Health Investment Project: Investing in People • Capturing a Demographic Dividend (TBC) • Pandemic Preparedness (TBC) <p style="text-align: center;"><u>IFC</u></p> <p>Advisory/Upstream:</p> <ul style="list-style-type: none"> • Upstream support to local pharmaceutical manufacturer, whose products include treatment for preeclampsia
<p>Indicator 2.2: Share of dispensaries with at least two qualified/skilled health providers (%)</p> <p><i>Baseline (2023): 60</i> <i>Target (2027): 100</i> <i>Source: MCHIP</i></p>	<p>SPI 2.2.1: Skilled staff recruited and posted to primary health care facilities (number) <i>Baseline (2023): 0</i> <i>Target (2027): 1,000</i> <i>Source: MCHIP</i></p> <p>SPI 2.2.2: Percentage of planned annual capacity building, management, and accountability activities implemented (%) </p> <p><i>Baseline (2023): 46</i></p>	



	Target (2027): 100 Source: MCHIP	
CPF Objective 3: Expanding Access to Safely Managed Water, Sanitation, and Hygiene Services		
This new CPF objective builds on ongoing investments to expand access to safely managed water supply, sanitation, and hygiene services across Tanzania. In alignment with the Global Challenge Program on Water Access and Security, focusing on expanding access to safely managed services will be crucial to addressing significant water, sanitation, and hygiene access gaps in Tanzania.		
Intervention Logic		
Water supply, sanitation, and hygiene (WASH) services are fundamental for a healthy and dignified life, yet only 60 percent of Tanzania’s population has access to basic drinking water services, 31 percent to sanitation services, and 29 percent to basic hygiene services, with significant gaps between rural and urban areas. Inadequate WASH access costs the country an estimated US\$2.4 billion each year, or 3.2 percent of its 2022 GDP. The CPF will address these challenges through investments to expand access to safely managed WASH services, with greater attention to increasing efficiency and sustainability by reducing non-revenue water, improving maintenance of the existing facilities, and, where possible, encouraging private sector engagement. The ongoing Second Tanzania Water Sector Support Project (TWSSP2) is working to strengthen capacity for integrated water resource planning and management and to improve access to WASH services in Dar es Salaam in an operationally efficient manner. At the same time, the Sustainable Rural Water Supply and Sanitation Program for Results (SRWSSP) aims to increase access to rural water supply and sanitation services and to strengthen the capacity of select sector institutions to sustain service delivery.		
CPF Objective Indicators	Supplementary Progress Indicators	World Bank Program
Indicator 3.1: Millions of people provided with water, sanitation, and hygiene, of which % safely managed  <i>Baseline (2023):</i> <ul style="list-style-type: none"> Water: 39.2 (60%), of which 11% safely managed Basic sanitation 20.3 (31 %), of which 25% is safely managed Hygiene: 18.9 (29 %) <i>Target (2028):</i> <ul style="list-style-type: none"> Water: 45.2, of which 15 % safely managed Basic sanitation 25.3, of which 30% is safely managed Hygiene: 23.9 <i>Source:</i> World Bank Scorecard; Sustainable Rural Water Supply and Sanitation Program (SRWSSP); Second Tanzania Water Sector Support Project (TWSSP2)	SPI 3.1.1: Number of sustainably functioning water points in project areas (number) <i>Baseline (2023):</i> 62,723 <i>Target (2025):</i> 80,000 <i>Source:</i> SRWSSP SPI 3.1.2: Number of rural villages that achieve and sustain community-wide sanitation (number) <i>Baseline (2023):</i> 717 <i>Target (2025):</i> 1,746 <i>Source:</i> SRWSSP SPI 3.1.3: Health care facilities and public primary schools with access to improved sanitation and hygiene facilities (number) <i>Baseline (2023):</i> 1,904 health facilities and 1,095 public primary schools	<p style="text-align: center;">IDA</p> Ongoing Financing: <ul style="list-style-type: none"> Second Tanzania Water Sector Support Project (P150361) Sustainable Rural Water Supply and Sanitation Program for Results (P163732) + additional financing (P177140) ASA: <ul style="list-style-type: none"> Water Public Expenditure and Institutional Review (P501016) <p style="text-align: center;">IFC</p> Investment: <ul style="list-style-type: none"> Municipal bonds for WASH in priority urban areas



	<p><i>Target (2025):</i> 2,636 health facilities and 1,853 public primary schools <i>Source:</i> SRWSSP</p> <p>SPI 3.1.4: New piped water connections in Dar es Salaam resulting from project interventions (number) <i>Baseline (2023):</i> 57,828 <i>Target (2025):</i> 100,000 <i>Source:</i> TWSSP2</p>	
CPF Objective 4: Supporting Livelihoods through Sustainable, Shock-Responsive Social Protection Systems		
<p>This objective intensifies the previous CPF’s goal, under Focus Area 2, of promoting social inclusion. The new CPF will shift the focus toward strengthening household productivity and building community resilience through support for the development of a comprehensive, adaptive, and shock-responsive social protection system that can respond nimbly to known risks as well as unexpected shocks.</p>		
<p>Intervention Logic</p> <p>Despite rapid economic growth in past decades, the recent post-pandemic surge in poverty and the share of households that fluctuate in and out of poverty are indicative of high levels of vulnerability to a multitude of shocks, such as natural hazards, pandemics and other health events, and climate change risks, with greater impact on the poorest and on girls and women, and with limited systems in place to either mitigate or respond to crises. The CPF will help strengthen the social protection system to help build the resilience of poor households through productive safety nets, enabling them to invest in the human capital of their children, improve productivity, diversify livelihoods with a view toward building climate resilience, and mitigate the impact of future shocks. The CPF will support the implementation of the National Social Protection Policy (NSPP) and medium-term financing framework, the establishment of a unified social registry for more accurate identification and targeting of households across a range of programs, the development of dynamic delivery systems to support adaptive/shock-responsive safety nets, and institutionalization of the Productive Social Safety Nets (PSSN) program.</p>		
CPF Objective Indicators	Supplementary Progress Indicators	World Bank Program
<p>Indicator 4.1: Households recorded in Tanzania Social Action Fund (TASAF) Productive Social Safety Net (PSSN) registry <i>Baseline (2022):</i> 1.9 million <i>Target (2025):</i> 2.3 million <i>Source:</i> Second Inclusive and Resilient Growth DPF</p>	<p>SPI 4.1.1: National Social Protection Policy approved, including institutionalization of PSSN Program, conversion of TASAF PSSN Registry into unified social registry with expanded coverage, and establishment of a national coordination mechanism for social protection programs <i>Baseline (2023):</i> No <i>Target (2024):</i> Yes <i>Source:</i> DPF</p> 	<p>IDA</p> <p>Ongoing Financing:</p> <ul style="list-style-type: none"> Tanzania Second Inclusive and Resilient Growth Development Policy Financing (P180504) Productive Social Safety Net Project II (PSSN II, P169165) + additional financing (P179701) <p>Financing Pipeline:</p>

<p>Indicator 4.2: Share of project beneficiaries who established or expanded a business with a livelihood grant that is still operational 12 months later <i>Baseline (2023): 0</i> <i>Target (2025): 70</i> <i>Source: Productive Social Safety Net Project II (PSSN II)</i></p>	<p>SPI 4.2.1: Beneficiary households receiving enhanced livelihood support, including appropriate basic and skill training and livelihood grant (number), of which female (%)  <i>Baseline (2023): 44,333, of which 99% female</i> <i>Target (2025): 100,000, of which 90% female</i> <i>Source: PSSN II</i></p> <p>SPI 4.2.2: Person-days of employment created in public works projects each year (thousands) <i>Baseline (2023): 26,782</i> <i>Target (2025): 161,319</i> <i>Source: PSSN II</i></p> <p>SPI 4.2.3: PSSN beneficiaries receiving cash payments through e-payments (%), of which female (%)  <i>Baseline (2023): 34%, of which 89% female</i> <i>Target (2025): 50%, of which 60% female</i> <i>Source: PSSN II</i></p>	<ul style="list-style-type: none"> • Pandemic Preparedness (TBC) • Scaling Up Finance for Locally Led Climate Action (TBC) • Productive Social Safety Net Project III (PSSN III) (TBC) <p>ASA:</p> <ul style="list-style-type: none"> • Support to Statistical Development and Policy-Focused Poverty (P175340) • Gender and Disability Inclusion Platform (P177923) • Tanzania Economic Update (P179610) • Building dynamic and adaptive social protection systems to improve household resilience (TBC) <p style="text-align: right;">IFC</p> <p>Upstream/Advisory:</p> <ul style="list-style-type: none"> • 608001 Women’s Economic Empowerment Program (Anaweza) • Pharmaceutical competitiveness
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High-Level Outcome 2 (HLO2): Catalyzing Private Sector-Led Growth

This HLO zooms in on high-priority elements of the previous CPF’s Focus Area 1, which aimed to enhance productivity and accelerate equitable and sustainable growth, including by strengthening the business environment for job creation, notably in manufacturing, agribusiness, and tourism. Under this CPF, the effort to promote private sector-led growth is placed front and center, with a key focus on improving the business environment, modernizing agriculture, and developing strategic connectivity infrastructure to underpin sustainable, inclusive economic growth.






High-Level Outcome Indicators	Data Source	Current Value
1. Private investment as a percentage of GDP (defined as non-public sector investments) 	1. World Bank Scorecard	1. 24%
2. Agriculture exports (US\$)	2. World Bank Scorecard (based on World Bank World Integrated Trade Solution, or WITS)	2. US\$2 billion (2021, defined as the sum of vegetable, animal, and processed food exports)
3. % of the population with access to electricity 	3. World Bank Scorecard	3. 43%

4. % of the population with reliable access to transport 	4. World Bank Scorecard	4. TBD
<p>High-Level Outcome Description</p> <p>Rationale: Achieving the full benefits of a country’s human capital development depends on a supportive business environment to drive economic transformation, sustain growth, and promote poverty reduction through the generation of more—and more productive—jobs. The solid private investment and growth envisioned by Tanzania must be underpinned by a deep, stable, and resilient financial sector to address climate-related risks, enabling the efficient allocation of resources by the public and private sectors, distribution of risks, and higher financial intermediation, including in green finance. First, improvements are needed in the business environment to open the private sector’s potential and foster market competition. Enhancing the attractiveness of the business environment will entail reducing regulatory burdens and facilitating access to credit, land, good-quality inputs, and supportive technologies. Second, the agriculture sector needs to be modernized, boosting productivity and export potential through sustainable intensification and commercialization. Third, Tanzania can leverage its geographic advantage as a coastal economy bordering eight other countries by making strategic improvements in connectivity in transport, energy, and digital infrastructure. Finally, Tanzania needs to harness its urbanization so that cities can grow, attract the private sector, generate jobs, and improve access to services and livability for the increasing urban population, particularly the youth, while mitigating their vulnerability to natural disasters and climate change impacts.</p> <p>World Bank engagement: The CPF will engage across high-priority sectors to improve the business environment; strengthen urban management; develop modern, climate-resilient solutions in agriculture; and scale up strategic infrastructure to deepen connectivity through roads and maritime transport, energy access, and digital development.</p>		
<p>CPF Objective 5: Improved Business Environment and Access to Finance</p>		
<p>This objective builds on the previous CPF’s efforts, under Focus Area 1, to strengthen the business environment for job creation and enhance access to finance among MSMEs, with a focus on women.</p>		
<p>Intervention Logic</p> <p>Tanzania’s economic ascent can be bolstered by implementing comprehensive reforms to boost foreign and domestic investment, balance the roles of the public and private sectors and bring the latter into the center of development, reduce regulatory burdens, and foster greater competition to create an attractive business environment to promote private sector-led growth and job creation. The CPF program will focus on streamlining business operations, including by reducing business registration costs; simplifying business licensing procedures, particularly in the tourism and agriculture sectors; introducing a more transparent and streamlined tax system; revising the Investment Act to clarify dispute resolution processes and bolster investment protections; streamlining and improving land administration and property registration; and strengthening the resilience and efficiency of the financial sector, including through digital financial services and infrastructure and developing the capital market. The CPF will support improvements in the physical urban environment through better access to urban services and infrastructure to attract the private sector and boost productivity.</p>		
<p>CPF Objective Indicators</p>	<p>Supplementary Progress Indicators</p>	<p>World Bank Program</p>
<p>Indicator 5.1: Foreign direct investment inflows (% GDP) <i>Baseline (2021): 1.6</i> <i>Target (2025): 3.0</i></p>	<p>SPI 5.1.1: Amendment to Tanzania Investment Act (2022) adopting non-discriminatory principles (such as equal treatment of foreign investors) and streamlining access to </p>	<p>IDA Ongoing Financing:</p>

<p><i>Source:</i> Second Inclusive and Resilient Growth DPF</p> <p>Indicator 5.2: Increase in SME financing extended by participating financial institutions (%) <i>Baseline (2024):</i> 12 <i>Target (2029):</i> 25 <i>Source:</i> Financial Access for Sustainable and Transformational (FAST) Growth</p> <p>Indicator 5.3: Microenterprises led by women still in business (number) <i>Baseline (2023):</i> 0 <i>Target (2028):</i> 20,000 <i>Source:</i> Program for Advancing Gender Equality Tanzania (PAMOJA)</p>	<p>investment protection guarantees submitted to parliament <i>Baseline (2023):</i> No <i>Target (2025):</i> Yes <i>Source:</i> DPF</p> <p>SPI 5.1.2: Share of total bank assets meeting Basel II/III requirements for capital adequacy, leverage, liquidity coverage, and net stable funding ratios (%) <i>Baseline (2023):</i> 0 <i>Target (2025):</i> 70 <i>Source:</i> Second Inclusive and Resilient Growth DPF</p> <p>SPI 5.2.1: SMEs with a partial credit guarantee-covered bank loan (number) <i>Baseline (2024):</i> 0 <i>Target (2029):</i> 2,000 <i>Source:</i> FAST</p> <p>SPI 5.3.1: Female entrepreneurs working around/in public markets in Dar es Salaam reporting increased sales of 15% or more (%) <i>Baseline (2023):</i> 0 <i>Target (2028):</i> 70 <i>Source:</i> DMDP2</p>	<ul style="list-style-type: none"> • Tanzania Second Inclusive and Resilient Growth Development Policy Financing (P180504) • Second Dar es Salaam Metropolitan Development Project (P180298) • Tanzania Cities Transforming Infrastructure and Competitiveness Project (TCTICP, P171189) • Tanzania Land Tenure Improvement Project (P164906) • Boosting Inclusive Growth for Zanzibar – Integrated Development Project (P165128) • East Africa Skills for Transformation and Regional Integration Project (EASTRIP, P163399) • Resilient Natural Resource Management for Tourism and Growth (P150523) <p>Financing Pipeline:</p> <ul style="list-style-type: none"> • Project for Advancing Gender Equality in Tanzania (PAMOJA, P118813) • Tanzania Economic Inclusion of Youth and Women in Zanzibar Project (P165414) • Financial Access for Sustainable and Transformational (FAST) Growth (P500471) • Zanzibar Judicial Modernization Project (P500588) <p>ASA:</p> <ul style="list-style-type: none"> • Tanzania Governance and Public Sector PASA (P501890) • Tanzania Economic Update (P179610) • Supporting ICT-based Urban Governance Systems <p style="text-align: center;">IFC</p>
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		<p style="text-align: center;"><u>IFC</u></p> <p>Investment:</p> <ul style="list-style-type: none"> • 37277 DCM TMRC (Bond) • 46156 NMB GB DCM (Gender bond) • 46204 BOP CRDB TZ (SME financing) • 47379 WCS COVID II NMB (Working capital) • 47637 CRDB TZ SB DCM (Sustainability bond) • 47891 BOA-TZ RSF II (Risk-sharing facility) • 48293 GTFP IDA-PSW CRDB (Trade finance) • 48508 NMB SB DCM (Sustainability bond) • 48584 GTFP PSW-II CRDB (Trade finance) <p>Advisory/Upstream:</p> <ul style="list-style-type: none"> • 602257 NBC Tanzania SME Banking AS Project • 606129 MPesa Tanzania Digital Financial Services Advisory • 607838 Development of Housing Microfinance Market in Tanzania
<p>CPF Objective 6: Modernized and Climate-Resilient Agriculture</p>		
<p>This objective builds on the previous CPF's efforts, under Focus Area 1, to add value in agriculture production through support for agribusiness and agro-processing activities.</p>		
<p>Intervention Logic</p>		

The country's agricultural sector, which employs about 70 percent of the population, stands to benefit immensely from comprehensive regulatory reforms and priority investments in innovative methodologies, sustainable intensification of current farming regions, refinement of public irrigation systems, curtailment of land conversion, and propagation of climate-smart agriculture methodologies. The CPF program will continue to enhance agriculture sector competitiveness and resilience by working to maximize the efficiency and effectiveness of public support mechanisms and investment, strengthen the regulatory framework, and eliminate existing regulatory impediments. CPF support will also focus on enhancing the seed registration mechanism and quality assurance system; standardizing export tax and import levies for agricultural products; promoting value addition and helping to promote climate-resilient agriculture through innovation, better research and extension services using digital tools, and increased investment in irrigation and in sustainable livestock.

CPF Objective Indicators	Supplementary Progress Indicators	World Bank Program
<p>Indicator 6.1: Number of farmers accessing e-extension services through M-Kilimo <i>Baseline (2023): 0</i> <i>Target (2025): 1.5 million</i> <i>Source: Second Inclusive and Resilient Growth DPF</i></p> <p>Indicator 6.2: Certificates of Customary Right of Occupancy (CCROs) registered in project areas (number) and the share of certificates issued to women or for joint tenure (%) <i>Baseline (2023): 8,105, of which 31% to women or for joint tenure</i>   <i>Target (2027): 500,000, of which 40% to women or for joint tenure</i> <i>Source: Land Tenure Improvement Project (LTIP)</i></p> <p>Indicator 6.3: Number of farmers adopting resilience-enhancing technologies and practices (number), of which % women  <i>Baseline (2023): 0</i> <i>Target (2028): 300,000, of which 40% (120,000) are women</i> <i>Source: Tanzania Food Systems Resilience Program (TFSRP)</i></p>	<p>SPI 6.1.1: Number of farmers registered by the National Farm Enterprise Registry <i>Baseline (2023): 0</i> <i>Target (2025): 6 million</i> <i>Source: DPF</i></p> <p>SPI 6.2.1: Villages with land certificates (number) <i>Baseline (2023): 0</i> <i>Target (2027): 250</i>  <i>Source: LTIP</i></p> <p>SPI 6.3.1: Total annual turnover of commodities stored in warehouses and managed using new management model for rice and maize (metric tons) <i>Baseline (2024/25): 0</i>  <i>Target (2025/26): 36,000</i> <i>Source: TFSRP</i></p>	<p>Ongoing Financing:</p> <ul style="list-style-type: none"> Tanzania Second Inclusive and Resilient Growth Development Policy Financing (P180504) Land Tenure Improvement Project (P164906) <p>Financing Pipeline:</p> <ul style="list-style-type: none"> Tanzania Scaling-Up Marine Fisheries and Aquaculture Management Project (TASFAM, P179969) Tanzania Food Systems Resilience Program (TFSRP) Tanzania Livestock Resilience and Competitiveness (TBD) <p>ASA:</p> <ul style="list-style-type: none"> Supporting the Blue Economy in Tanzania and Zanzibar (PROBLUE Trust Fund, P176401) <p style="text-align: center;">IFC</p> <p>Investment Pipeline:</p> <ul style="list-style-type: none"> Credit facilities for agribusiness Value addition agribusiness

	<p>SPI 6.3.2: Area provided with new/improved irrigation or drainage services (hectares) This is equivalent to area operated under performance-based operation maintenance and management (OMM) contracts. <i>Baseline (2024): 0</i> <i>Target (2028): 37,000</i> <i>Source: TFSRP</i></p>	<p>Upstream/Advisory:</p> <ul style="list-style-type: none"> • Strengthening the Supply Chain for Non-recyclable Pellet with Kioo Glass (603979) • Value chain market studies • Quality assurance systems and food safety mechanisms • Design, integration, and rollout of digital information platforms for agribusinesses • Technical assistance to agribusiness firms • support for smallholder farmers’ access to finance
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CPF Objective 7: Strategic Infrastructure and Service Connectivity




This objective builds on the previous CPF’s efforts, under Focus Area 1, to increase access to energy services; enhance access to transport, energy, and digital connectivity for improved services to rural areas; and capture Tanzania’s potential as a maritime gateway and regional trade hub.

Intervention Logic

The 2017 SCD emphasized the need for Tanzania to enhance economic connectivity, within the country and with respect to the broader region, but key infrastructure challenges persist, including with respect to all-season roads, electricity access, and digital connectivity. The CPF will support interventions in transport, energy, and digital connectivity to foster domestic and regional integration that can boost economic growth. In *transport*, the World Bank will address national and regional transport connectivity and intermodal integration challenges by supporting road rehabilitation and construction to link productive rural and upcountry regions with markets; upgrading the public transport system in urban centers used by the majority of city dwellers to access jobs, services, and housing; and upgrading maritime gateways and low-carbon railway freight systems to facilitate international trade to Tanzania’s hinterland and land-locked countries by leveraging increased regional demand for freight. The CPF will look to address core infrastructure gaps to improve Dar es Salaam’s functionality as a trade and logistics hub. In *energy*, the CPF will help address the “last-mile connectivity” challenge to increase rural household electrification beyond current low levels (23 percent) by encouraging private sector involvement and boosting the use of renewable energy. The program will support greater regional integration, connecting Tanzania’s power networks to those in neighboring countries to unlock opportunities for power trade and improve the resilience of power supply. The World Bank will also engage in a dialogue with the government on improving the financial viability of the sector, together with enhancing operational efficiency and commercial performance of the utility. In *digital* connectivity, the CPF program will seek to help Tanzania catch up with the world in the digital realm by expanding access to high-speed internet services through support for regulatory reforms to encourage increased participation from the private sector in laying fiber and to reduce taxes on rights of way for network development.

CPF Objective Indicators	Supplementary Progress Indicators	World Bank Program
<p>Indicator 7.1: Average travel time for medium/heavy vehicles along Mtwara–Mingoyo–Masasi road corridor (hours) <i>Baseline (2022): 5.2</i> <i>Target (2027): 3.5</i> <i>Source: Tanzania Transport Integration Project (TTIP)</i></p> <p>Indicator 7.2: Share of rural population within 5 km of road in good condition (%) <i>Baseline (2023): 48</i> <i>Target (2027): 58</i> <i>Source: Tanzania Roads to Inclusion and Socioeconomic Opportunities (RISE) Project</i></p> <p>Indicator 7.3: Throughput capacity at Dar es Salaam port <i>Baseline (2023): 11.63</i> <i>Target (2024): 25</i> <i>Source: Dar es Salaam Maritime Gateway Project (DMGP)</i></p>	<p>SPI 7.1.1: Public–private partnership (PPP) infrastructure projects contracted applying an improved legal framework <i>Baseline (2023): 0</i> <i>Target (2025): 3</i> <i>Source: Second Inclusive and Resilient Growth DPF</i></p> <p>SPI 7.1.2: Web-based Road Asset Management System fully operationalized <i>Baseline (2022): No</i> <i>Target (2027): Yes</i> <i>Source: TTIP</i></p> <p>SPI 7.1.3: Vehicle operating costs on Mtwara–Mingoyo–Masasi road corridor (US\$ per km) <i>Baseline (2022): 0.55</i> <i>Target (2027): 0.41</i> <i>Source: TTIP</i></p> <p>SPI 7.2.1: Length of rural roads in project areas improved with climate-resilient approaches (km) <i>Baseline (2023): 0</i> <i>Target (2027): 535</i> <i>Source: RISE</i></p> <p>SPI 7.3.1: Port Community System and Terminal Operating Systems fully operational <i>Baseline (2023): Partially operational</i> <i>Target (2024): Fully operational</i> <i>Source: DMGP</i></p>	<p>Ongoing Financing:</p> <ul style="list-style-type: none"> • Tanzania Second Inclusive and Resilient Growth Development Policy Financing (P180504) • Tanzania Roads to Inclusion and Socioeconomic Opportunities (RISE) Project (P164920) • Tanzania Transport Integration Project (TTIP, P165660) • Tanzania Cities Transforming Infrastructure and Competitiveness Project (TCTICP, P171189) • Second Dar es Salaam Metropolitan Development Project (P180298) • Dar es Salaam Maritime Gateway Project (DMGP, P150496) • Tanzania Rural Electrification Expansion Program (P153781) + additional financing (P177140) • Zanzibar Energy Sector Transformation and Access Project (P169561) • Tanzania – Accelerating Sustainable and Clean Energy Access Transformation in Eastern and Southern Africa Program (ASCENT, P179631) • Regional Rusumo Falls Hydroelectric Project (P075941) • Tanzania–Zambia Transmission Interconnector (P163752) • Digital Tanzania Project (P160766) <p>Financing Pipeline:</p>



<p>Indicator 7.4: Millions of people provided with access to electricity (through Bank-financed projects, to achieve national targets) <i>Baseline (2023): 0</i> <i>Target (2028): 4.3, 21.2</i> <i>Source: ASCENT and ZESTA, REMP</i></p>	<p>SPI 7.4.1: Private capital mobilized or enabled for clean energy access (US\$) <i>Baseline (2023): \$0</i> <i>Target (2028): \$30 million</i> <i>Source: ASCENT</i></p> <p>SPI 7.4.2: People provided with new and improved electricity services in Zanzibar, of which female <i>Baseline (2023): 0</i> <i>Target (2028): 378,000 (of which female: 192,780)</i> <i>Source: ZESTA</i></p> <p>SPI 7.4.3: Number of female-headed households and women-owned/-led businesses provided with access to electricity through the regional ASCENT program in Tanzania  <i>Baseline (2023): 0, 0</i> <i>Target (2027): 12,000 female-headed households and 6,000 women-owned/-led businesses</i> <i>Source: Tanzania – Accelerating Sustainable and Clean Energy Access Transformation in Eastern and Southern Africa Program (ASCENT)</i></p> <p>SPI 7.4.4: Transmission and distribution lines constructed or rehabilitated in rural project areas (km) <i>Baseline (2023): 28,496</i> <i>Target (2027): 60,000</i> <i>Source: Rural Electrification Expansion Program</i></p>	<ul style="list-style-type: none"> • Dodoma Integrated and Sustainable Transport Project (P176623) • Second Tanzania Intermodal and Rail Development Project (P176682) • Uganda–Tanzania Interconnector Project (Masaka–Mwanza) (P171243) • Project for Advancing Gender Equality in Tanzania (PAMOJA, P118813) <p>ASA:</p> <ul style="list-style-type: none"> • Tanzania Energy Sector Review (P179654) • Tanzania PPP Support Phase 2 (P180517) <p style="text-align: center;"><u>IFC</u></p> <p>Upstream/Advisory:</p> <ul style="list-style-type: none"> • Enabling digital infrastructure investments
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<p>Indicator 7.5: Monthly transactions accessing a public service via internet or mobile phone (number) <i>Baseline (2022): 5,000</i> <i>Target (2026): 500,000</i> <i>Source: Digital Tanzania</i></p>	<p>SPI 7.5.1: Individuals (aged 15 and above) using the internet (number per 100 inhabitants), of which % female  <i>Baseline (2021): 23, of which 46.7% female</i> <i>Target (2026): 35, of which 48% female</i> <i>Source: Digital Tanzania</i></p> <p>SPI 7.5.2: Digital or digitally enabled businesses, registered and operational, that benefitted from activities under Digital Tanzania project and female employees in such businesses (number)  <i>Baseline (2023): 0 businesses, 0 female employees</i> <i>Target (2026): 100 businesses, 100 female employees</i> <i>Source: Digital Tanzania</i></p>	
<p>CPF Objective 8: Harnessing Urbanization for Inclusive Growth</p>		
<p><i>This objective builds on the previous CPF's efforts, under Focus Area 1, to harness urbanization for inclusive growth and job creation.</i></p>		
<p>Intervention Logic</p> <p>Tanzania's urban population grew by 62 percent in the ten years between 2012 and 2022, and with most of this urban growth unplanned, this rapid expansion has been characterized by low-density sprawl, a lack of basic infrastructure, poor access to essential services, a shortage of affordable housing, and increased vulnerability to natural disasters, further exacerbated by climate change. The CPF will work to address urban infrastructure gaps, resilience, and service delivery to help create more and better jobs and boost city competitiveness through interventions along three dimensions: (i) strengthening institutions and governance systems to ensure that municipal governments have the mandate and the ability to manage the urban space in terms of planning, financing infrastructure, and providing essential services; (ii) increasing access to financing for cities by improving the effectiveness of fiscal transfers, boosting own-source revenue generation, and improving the business environment for private sector investment; and (iii) investing in climate-resilient urban infrastructure in electricity, water and sanitation, drainage, solid waste management, roads, affordable housing, public spaces, and others.</p>		
<p>CPF Objective Indicators</p>	<p>Supplementary Progress Indicators</p>	<p>World Bank Program</p>
<p>Indicator 8.1: Share of Dar es Salaam residents with access to the city center with a 60-minute commuting period by public transport through BRT phase 1, 3, and 4 corridors (%) <i>Baseline (2018): 42</i></p>	<p>SPI 8.1.1: Satisfactory rating by users of public transport services along BRT corridors, disaggregated by gender (%)  <i>Baseline (2022): 30% overall users, 52% female users</i></p>	<p><u>IDA</u></p> <p>Ongoing Financing:</p> <ul style="list-style-type: none"> • Dar es Salaam Urban Transport Improvement Project (DUTIP, P150937)




<p><i>Target (2025): 68</i> <i>Source: Dar es Salaam Urban Transport Improvement Project (DUTIP)</i></p> <p>Indicator 8.2: Beneficiaries with access to improved urban infrastructure designed using climate information and tools (Number) <i>Baseline (2023): 0</i> <i>Target (2029): 1.5 million</i> <i>Source: Dar es Salaam Metropolitan Development Project Phase II (DMDP II)</i></p> <p>Indicator 8.3: People provided with improved urban living conditions (number), of which female (%) <i>Baseline (2023): 0</i> <i>Target (2028): 5,500,000, of which 50% female</i> <i>Source: Tanzania Cities Transforming Infrastructure and Competitiveness Project (TACTIC)</i></p>	<p><i>Target (2026): 80% overall and female users</i> <i>Source: DUTIP</i></p> <p>SPI 8.1.2: Completion of BRT phase 3 infrastructure works by value (%) <i>Baseline (2023): 20</i> <i>Target (2024): 100</i> <i>Source: DUTIP</i></p> <p>SPI 8.2.1: Technical staff of government and private sector trained in design skills for infrastructure and planning with climate considerations (number), of which female (%) <i>Baseline (2022): 0</i> <i>Target (2026): 450, of which 25% female</i> <i>Source: DMDP II</i></p> <p>SPI 8.3.1: Change in own-source revenue in participating LGAs (%) <i>Baseline (2023): 0</i> <i>Target (2028): 10</i> <i>Source: TACTIC</i></p>	<ul style="list-style-type: none"> • Second Dar es Salaam Metropolitan Development Project (DMDP II, P180298) • Tanzania Cities Transforming Infrastructure and Competitiveness Project (TACTIC, P171189) • Boosting Inclusive Growth for Zanzibar – Integrated Development Project (P165128) <p>Financing Pipeline:</p> <ul style="list-style-type: none"> • Dodoma Integrated and Sustainable Transport Project (P176623) • Second Tanzania Intermodal and Rail Development Project (P176682) <p>ASA:</p> <ul style="list-style-type: none"> • Supporting ICT-based Urban Governance Systems (P166721) • Governance and Public Sector Programmatic Advisory Services and Analytics (PASA, P501890) <p style="text-align: center;"><u>IFC</u></p> <p>Upstream/Advisory:</p> <ul style="list-style-type: none"> • Technical Assistance to DART for Phase 3 and 4 procurement under PPP • Green Housing
High-Level Outcome 3 (HLO3): Enhanced Resilience to Shocks and Climate Impacts		
<p>This is a new HLO, which builds on the previous CPF’s objective, under Focus Area 1, of managing natural resources for resilient economic growth. The increased emphasis on enhancing resilience to shocks and climate impacts recognizes the significant risks posed by climate change and other shocks to Tanzania’s growth trajectory.</p>		
High-Level Outcome Indicators	Data Source	Current Value

1. Score on ND-GAIN index of vulnerability to climate risks and readiness to successfully implement adaptation solutions	1. Notre Dame Global Adaptation Initiative	1. 40.0 (2023)
2. Risk of debt distress	2. World Bank/IMF Debt Sustainability Analysis	2. Moderate (2021)
High-Level Outcome Description		
<p>Rationale: Sustainable natural resource management and resilience to external shocks are pivotal to ensuring sustainable development, even in the presence of thriving human capital and a robust business environment. The sustainable management of natural resources, including promoting conservation-centric practices like climate-smart agriculture, can mitigate environmental shocks and protect livelihoods that depend on the environment. At the same time, regulations that encourage responsible resource use, fostering environmental stewardship, and investing in eco-friendly technologies further ensures resilience and enhances sustainability, setting a course for continued inclusive growth and prosperity over the longer term. Unexpected events, such as macroeconomic disruptions, natural disasters, and pandemics, can destabilize economic progress and threaten livelihoods. Strengthening societal resilience requires robust, adaptive social protection systems that provide financial aid to those affected by shocks and thus prevent a worsening of poverty and damage to human capital accumulation. An effective emergency disaster management system, inclusive of early warning mechanisms, risk reduction, and post-disaster recovery plans, is also vital. Engaging local communities in this process ensures tailored strategies. Given global experiences like COVID-19, pandemic readiness is also critical, especially as climate change and globalization deepen the risks.</p> <p>World Bank engagement: Meeting Tanzania’s development goals will be challenging without concerted efforts to strengthen the country’s climate and economic resilience. In line with the World Bank’s mission to end extreme poverty and boost shared prosperity on a livable planet, this CPF deepens the World Bank’s emphasis on resilience to shocks and climate impacts. The CPF program will support increased climate resilience by promoting climate-smart agriculture and natural asset-based industries with low GHG emissions; supporting sustainable nature-based tourism development, integrated coastal management, and sustainable fisheries development; promoting climate-resilient and low-carbon infrastructure and scaling up infrastructure for climate-resilient and low-carbon urbanization; and supporting the government to develop contingent financing mechanisms by helping establish climate finance unit under the Ministry of Finance. To deepen economic resilience, the CPF will continue to support the authorities in maintaining a balanced mix of macroeconomic policies aimed at fiscal, debt, and external sustainability through policy dialogue and ASA. In coordination with the International Monetary Fund (IMF), policy dialogue and assistance on external sustainability will aim to enhance Tanzania’s capacity to absorb external shocks through adequate monetary and exchange rate policies.</p>		
CPF Objective 9: Increased Climate Resilience		
<p>This is a new CPF objective, in recognition of the significant potential impact of climate change on Tanzania’s growth prospects, especially considering the country’s swiftly growing population, economic reliance on climate-sensitive sectors, and pronounced vulnerability to the impacts of climate shifts. This predicament intensifies existing vulnerabilities and has sweeping implications for socioeconomic development.</p>		
Intervention Logic		
<p>Climate change poses significant challenges for Tanzania’s economy, threatening livelihoods, health, and nutrition, and opening up the risk of significant internal migration and poverty. While the World Bank has already been financing structural and non-structural interventions to strengthen both national and local governments’ adaptation capacity, improve urban planning, introduce climate-resilient infrastructure and nature-based solutions, and enhance disaster response and preparedness, there is a need to scale up the support across all sectors. The CPF will focus on two sets of sectors that are particularly</p>		

at risk to climate change impacts, highly relevant to inclusive growth and poverty reduction, and aligned with government priorities: (a) renewable natural asset-based sectors, such as agriculture (including livestock), nature-based tourism, and fisheries; and (b) urban development and connective infrastructure. To strengthen climate resilience in Tanzania, the CPF program will support: (i) climate-smart agriculture with low greenhouse gas emissions; (ii) sustainable tourism development, including marine tourism; (iii) integrated coastal management and sustainable fisheries development; (iv) scaling up infrastructure for climate-resilient and low-carbon urbanization; and (v) promoting climate-resilient and disaster-responsive health and education services, including those that are designed to reach women and children, the elderly, and those living with disabilities.

CPF Objective Indicators	Supplementary Progress Indicators	World Bank Program
<p>Indicator 9.1: People benefiting from reduced flood risk in Dar es Salaam (number) <i>Baseline (2023): 0</i> <i>Target (2028): 1 million</i> <i>Source: Dar es Salaam Metropolitan Development Project Phase II (DMDP II)</i></p>  <p>Indicator 9.2: Area of priority protected areas with improved access for basic management (km²) <i>Baseline (2023): 4,439</i> <i>Target (2025): 6,850</i> <i>Source: REGROW</i></p>	<p>SPI 9.1.1: Land area under sustainable landscape management practices (hectares) <i>Baseline (2023): 4,202</i> <i>Target (2025): 10,000</i> <i>Source: Tanzania Resilient Natural Resource Management for Tourism and Growth (REGROW)</i></p> <p>SPI 9.1.2: Area of lower Msimbazi River Basin with low risk of flood damage to infrastructure and settlements (hectares) <i>Baseline (2022): 0</i> <i>Target (2028): 420</i> <i>Source: Msimbazi Basin Development Project (MBDP)</i></p>  <p>SPI 9.2.1: Mercury use in artisanal small-scale gold mining reduced at pilot sites (% reduction) <i>Baseline (2020): 0% reduction</i> <i>Target (2025): 20% reduction</i> <i>Source: Africa Environmental Health and Pollution Management Project (AEHPMP)</i></p> <p>SPI 9.2.2: Demonstration pilots on best environmental practices and cleaner technologies completed and evaluated in Tanzania to help meet Stockholm and Minamata Convention obligations <i>Baseline (2020): 0</i></p>	<p style="text-align: center;">IDA</p> <p>Ongoing Financing:</p> <ul style="list-style-type: none"> • Tanzania Resilient Natural Resource Management for Tourism and Growth (REGROW, P150523) • Msimbazi Basin Development Project (MBDP, P169425) • Tanzania Cities Transforming Infrastructure and Competitiveness Project (TCTICP, P171189) • Second Dar es Salaam Metropolitan Development Project (P180298) • Tanzania Second Inclusive and Resilient Growth Development Policy Financing (P180504) • Africa Environmental Health and Pollution Management Project (AEHPMP, P167788) <p>Financing Pipeline:</p> <ul style="list-style-type: none"> • Tanzania Catastrophe-Deferred Drawdown (CAT-DDO, P501960) • Tanzania Scaling-Up Marine Fisheries and Aquaculture Management Project (TASFAM, P179969) • Scaling Up Finance for Locally Led Climate Action (TBC)

	<p><i>Target (2025): 2</i> <i>Source: AEHPMP</i></p>	<p>ASA:</p> <ul style="list-style-type: none"> Country Climate and Development Report (P180187) <p style="text-align: center;"><u>IFC</u></p> <p>Investment:</p> <ul style="list-style-type: none"> Investments in sustainability bonds issued by leading banks, with the use of proceeds going to green housing projects <p>Advisory/Upstream:</p> <ul style="list-style-type: none"> Climate finance technical assistance to financial service providers
<p>CPF Objective 10: Increased Economic Resilience</p>		
<p>This objective builds on the previous CPF’s goal, under Focus Area 3, on modernizing and improving the efficiency of public institutions, but with an intensified focus on deepening the country’s economic resilience to shocks through fiscal, debt, and tax policy; compliance management; public investment management; financial sector resilience; and external sustainability through adequate monetary and exchange rate policies.</p>		
<p>Intervention Logic</p> <p>While Tanzania has been quite successful in managing economic vulnerabilities, its fiscal and external buffers to absorb shocks have narrowed against the background of substantial global risks. Under the CPF, the World Bank will continue to support the authorities in maintaining a balanced mix of macroeconomic policies aimed at fiscal, debt, and external sustainability and to strengthen financial sector resilience. Through policy dialogue and ASA, the World Bank will continue to prioritize the domestic resource mobilization agenda, helping to increase tax productivity through rationalizing exemptions, expanding the tax base, leveraging digital technologies to enhance tax administration, and improving compliance management. The CPF will also prioritize reforms to improve public expenditures, with a focus on public investment management. In coordination with the IMF, policy dialogue and TA on external sustainability will aim to enhance Tanzania’s capacity to absorb external shocks through adequate monetary and exchange rate policies.</p>		
<p>CPF Objective Indicators</p>	<p>Supplementary Progress Indicators</p>	<p>World Bank Program</p>
<p>Indicator 10.1. Increased percentage of capital expenditures going to appraised public investment management projects, including climate change considerations, by the end of the financial year (%)</p>	<p>Indicator 10.1.1: Stock of verified arrears as a share of expenditures (%) <i>Baseline (2021): 9</i> <i>Target (2025): 4.5</i></p>	<p style="text-align: center;"><u>IDA</u></p> <p>Ongoing Financing:</p>

<p><i>Baseline (2023): 30</i> <i>Target (2028): 52</i> <i>Source: Public Finance Management and Procurement Systems for Service Delivery Program (PFMPSSDP)</i></p> <p>Indicator 10.2: Improved tax-to-GDP ratio (%) <i>Baseline (FY2022/23): 11.8</i>  <i>Target (FY2027/28): 13.3</i> <i>Source: Second Inclusive and Resilient Growth DPF</i></p>	<p><i>Source: Second Inclusive and Resilient Growth DPF</i></p> <p>SPI 10.1.2: Share of new appointments of commercial state-owned enterprise (SOE) board members competitively recruited for selection and nomination (%) <i>Baseline (2023): 0</i>  <i>Target (2026): 100</i> <i>Source: Second Inclusive and Resilient Growth DPF</i></p> <p>Indicator 10.1.3: Share of commercial SOEs publishing key financial information (%) <i>Baseline (2023): 14</i>  <i>Target (2025): 95</i> <i>Source: Second Inclusive and Resilient Growth DPF</i></p> <p>Indicator 10.2.1: Active businesses that are registered to pay taxes (number) <i>Baseline (2023): 1,620,000</i> <i>Target (2028): 1,980,000</i> <i>Source: PFMPSSDP</i></p> <p>Indicator 10.2.2. Payers of value-added tax (VAT) filing VAT returns and making payments on time (%) <i>Baseline (2023): 78</i> <i>Target (2028): 89</i> <i>Source: PFMPSSDP</i></p>	<ul style="list-style-type: none"> • Tanzania Second Inclusive and Resilient Growth Development Policy Financing (P180504) • Eastern Africa Regional Statistics Program-for-Results (P176371) • Citizen-Centric Judicial Modernization and Justice Service Delivery (P155759) <p>Financing Pipeline:</p> <ul style="list-style-type: none"> • Public Financial Management and Procurement Systems for Service Delivery (P180722) • Zanzibar Judicial Modernization Project (P500588) • Pandemic Preparedness (TBC) <p>ASA:</p> <ul style="list-style-type: none"> • Governance and Public Sector PASA (P501890) • Tanzania Economic Update (P179610) • Assessment of Tanzania’s Public Procurement System (P502039)
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Annex 2. Completion and Learning Review

**Document of
The World Bank**

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**INTERNATIONAL DEVELOPMENT ASSOCIATION
INTERNATIONAL FINANCE CORPORATION
MULTILATERAL INVESTMENT GUARANTEE AGENCY**

**COMPLETION AND LEARNING REVIEW
OF THE COUNTRY PARTNERSHIP FRAMEWORK**

**FOR
THE UNITED REPUBLIC OF TANZANIA
FOR THE PERIOD FY18-FY22**

March 15, 2024

**Tanzania Country Management Unit
Eastern and Southern Africa Region**

**International Finance Corporation
Sub-Saharan Africa Region**

**Multilateral Investment Guarantee Agency
Economics and Sustainability Department**

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FISCAL YEAR
July 1 – June 30

CURRENCY EQUIVALENTS
Exchange Rate Effective as of February 28, 2024
Currency Unit: Tanzanian Shilling (TZS)
US\$1.00 = TZS 2,550
SDR 1.00 = US\$1.33

ABBREVIATIONS AND ACRONYMS

AF	Additional Financing
ASA	Advisory Services and Analytics
BRT	Bus Rapid Transit
CAS	Country Assistance Strategy
CCT	Conditional Cash Transfers
CLR	Completion and Learning Review
COMESA	Common Market for Eastern and Southern Africa
CPF	Country Partnership Framework
CRDB	Cooperative Rural Development Bank
CRW	Crisis Response Window
DMFTF	Debt Management Framework Trust Fund
DO	Development Objective
DP	Development Partner
DPF	Development Policy Financing
DPO	Development Policy Operation
ESF	Environmental and Social Framework
FIG	Financial Institutions Group
FSAP	Financial Sector Assessment Program
FY	Fiscal Year
GDP	Gross Domestic Product
GoT	Government of Tanzania
GP	Government Procurement
HIV	Human Immunodeficiency Virus
ICRR	Implementation Completion Report Review
ICT	Information and Communication Technology
IDA	International Development Association
IEG	Independent Evaluation Group
IFC	International Finance Corporation
IP	Implementation Progress
IPF	Investment Project Financing
LCF	Local Currency Facility
LGA	Local Government Authority
LGRCIS	Local Government Revenue Collection and Information System
MAS	Manufacturing, Agribusiness and Services
MDA	Ministries, Departments and Agencies
MIGA	Multilateral Investment Guarantee Agency
MPA	Multi-phase Programmatic Approach
MRV	Measuring, Reporting and Verification
MSME	Micro, Small and Medium Enterprise

MW	Megawatts
ONC	Obstetric and Neonatal Care
OP	Operational Policy
PER	Public Expenditure Review
PFM	Public Financial Management
PforR	Program for Results
PLR	Performance and Learning Review
PPP	Public Private Partnership
PSSN	Productive Social Safety Net
PSW	Private Sector Window
SCD	Systematic Country Diagnostic
SDF	Skills Development Fund
SME	Small and Medium-Sized Enterprise
TANePS	Tanzanian National e-Procurement System
TANESCO	Tanzania Electricity Supply Company
TASAF	Tanzania Social Action Fund
TRA	Tanzania Revenue Authority
TSCP	Tanzania Strategic Cities Project
TVET	Technical, Vocational Education and Training
TVS	Trainee Voucher Scheme
TZS	Tanzanian Shilling
ULGA	Urban Local Government Authority
UN	United Nations
US	United States
VAT	Value Added Tax
WBG	World Bank Group
ZUSP	Zanzibar Urban Services Project

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**TANZANIA FY18-FY22
COMPLETION AND LEARNING REVIEW
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I. INTRODUCTION

1. **This Completion and Learning Review (CLR) assesses the World Bank Group's (WBG) program in the United Republic of Tanzania during FY18-FY22.** The CLR covers the program's design, achievements and lessons learned as well as the WBG's performance and alignment with corporate goals. It reflects on the WBG's engagement in Tanzania since FY22, leading up to the new Country Partnership Framework (CPF) for FY25-FY28, which provides additional context for the CLR, with evidence of the momentum of the FY18-FY22 CPF in its latter years. The CLR has drawn on discussions with staff involved in the delivery of WBG-supported projects and analytical and advisory work, as well as on a range of WBG documents, other reports and discussions with Government of Tanzania (GoT) counterparts.

2. **The FY18-FY22 CPF was discussed by the Board of Executive Directors in March 2018, in a relatively favorable macroeconomic context, but against a backdrop of persistently high poverty.** Implementation of the CPF started off on a positive note with a firm commitment by the Government in 2018 to the CPF's three focus areas. In July 2020, following two decades of sustained growth, Tanzania reached an important milestone, graduating from low-income to lower-middle-income country status. Challenges emerged on several fronts, however, including setbacks on transparency and girls' empowerment, which led to a temporary standstill on new World Bank commitments, although implementation of ongoing programs continued. The outbreak of the COVID-19 pandemic in 2020 was a further setback for program implementation. Tanzania's pandemic policy response was not aligned with scientific evidence and lack of transparency on COVID-19 data increased uncertainty and slowed program implementation. The CPF period also covered the death of President Magufuli in early 2021 and the transition to a new president and administration. The pace of program implementation picked up in the latter part of the CPF, in the wake of these events.

3. **This CLR marks the first assessment of progress under the FY18-FY22 CPF since its approval.** Preparation of a Performance and Learning Review (PLR) began in FY20, but was postponed, initially due to the outbreak of the COVID-19 pandemic, and then by the transition to the new Government in 2021. With the CPF period already expired in FY22, preparation of a PLR at that point would have risked diverting efforts and resources from both the Government and the WBG, just at the point where both parties were focusing on development of a new CPF. A PLR was, therefore, not undertaken.

4. **The overall CPF outcome is rated Moderately Satisfactory and WBG performance in its design and implementation rated as Good.** As detailed in Annexes A and B and through the accompanying CLR account, 12 of the CPF's 15 Objectives were at least partially achieved, including two fully achieved and four mostly achieved, with demonstrably strong development outcomes in several areas. In the absence of a PLR, the opportunity to adapt the Results Framework to the shocks and events that transpired over the CPF period was unavailable. While this impacted on some of the Objectives' ratings, the WBG's ability, overall, to adapt its program to the changing circumstances was a major factor underlying the WBG's positive performance rating. There is a sound program of ongoing activities in place for the next engagement period.

II. PROGRESS TOWARDS CPF DEVELOPMENT OUTCOMES

5. **Progress towards the CPF Objectives was significantly impacted by a series of shocks.** These included: (i) a sharp deterioration in the policy environment during its first 18 months followed by a suspension of World Bank lending for 11 months between October 2018 and September 2019; (ii) the onset of COVID-19 in early 2020 which significantly impacted progress towards Objectives at least through 2021; and (iii) the impact of external shocks which further disrupted the global

macroeconomic environment including through a rise in oil prices.³² Nevertheless, there was substantial progress under each of the three Focus Areas reflecting, in part, the shifts in the Government's stance from 2021 as well as the WBG's ability to adapt to changing circumstances. This performance is evidenced not just by achievements as measured in the Results Matrix but significant additional outcomes as highlighted below.

Focus Area One: Enhance Productivity and Accelerate Equitable and Sustainable Growth

6. **CPF Objective 1.1: 'Strengthen the business environment for job creation, notably in manufacturing, agri-business, and tourism' was not achieved.** In 2019, Tanzania began implementing a Blueprint for Regulatory Reforms and removed approximately 80 percent of duplicatory fees and charges. In practice, however, improvements in the business environment did not translate into concrete gains as measured by the CPF. None of the three indicators (relating to manufacturing exports, agri-business investment and tourist visits) was achieved. While manufacturing exports as a share of total exports fell from a baseline of 27 percent in 2014/15 to 20.4 percent in June 2022, this should also be seen in the context of the 2016 Government decision barring the export of unprocessed coffee beans and centralizing the import of fertilizers, and the 2018 purchase of the entire cashew nut crop at a higher price than the prevailing market price. Similarly, total tourist visits to priority protected areas in the Southern Circuit fell relative to the baseline. A third indicator on new private agri-business investments could not be attributed to WBG support and, hence, was not achieved.

7. **CPF Objective 1.2: 'Put credit within reach, improving access to credit particularly for MSMEs and women' was not achieved.** The Bank of Tanzania introduced several reforms to further promote and better regulate financial inclusion activities throughout the country. These included: enacting the microfinance law and regulations; developing financial consumer protection regulations; launching the financial services registry; launching the Women Affairs Committee for Financial Inclusion; and implementing the first phase of the Tanzania Instant Payment System. The World Bank-IMF Financial Sector Assessment Program (FSAP) Update of 2019 which highlighted gaps contributing to low financial inclusion in the country was instrumental in guiding the Bank of Tanzania to introduce these reforms. Unfortunately, the results of these initiatives cannot easily be measured. A FinScope survey was published in 2023, indicating an improvement in access to finance although it is difficult to attribute this to World Bank support. A World Bank-financed Financial Inclusion Project that was to have supported two indicators was dropped. While none of the four indicators was achieved, International Finance Corporation (IFC) investments are supporting Small and Medium-sized Enterprises (SMEs) and improved access to finance for women-owned SMEs, as detailed further below.

8. **CPF Objective 1.3: 'Manage natural resources for equitable growth' was mostly achieved.** WBG support for natural resource management in Tanzania has focused on improving management of natural resources and tourism assets in priority areas of Southern Tanzania, notably four priority protected areas (Mikumi National Park, Nyerere National Park, Ruaha National Park and Udzungwa National Park) and increasing access to alternative livelihood activities for targeted communities. Targets for projects providing climate co-benefits and land under landscape management were achieved and partially achieved, respectively. Eighty percent of projects provided climate co-benefits against a target of 50 percent. Total land area under sustainable landscape management practices had reached 66 percent of the targeted 9,000 hectares by June 2022. In addition, 3187 ha outside the protected areas were managed in a biodiversity-friendly manner.

9. **CPF Objective 1.4: 'Increase access to energy services' was partially achieved.** With World Bank support, electricity access in Tanzania has increased from seven percent in 2011 to 43 percent

³² Global inflation also stemmed from COVID-19-related fiscal and monetary stimuli.

in 2021³³, one of the fastest access expansion rates in the Sub-Saharan Africa region. Over the CPF period, close to 3 million people gained access to electricity through the Tanzania Rural Electrification Expansion Program (P153781), with new connections for more than 1,600 healthcare facilities, close to 5,900 education facilities and over 14,000 business enterprises. A large disparity remains, however, between electricity access rates in urban (77.3 percent) and rural areas (23.3 percent). Two of the three CPF indicators (households with electricity connections and improved functioning of the power sector) were partially achieved. Underpinning this improving picture of access to electricity, technical and commercial losses in the power sector have fallen from 18 percent to 15.4 percent. While the indicator related to the transmission capacity of the Tanzania-Zambia interconnection has yet to show any improvement and was, thus, not achieved, 28,496 km of transmission and distribution lines were constructed or rehabilitated under the Tanzania Rural Electrification Expansion Program, surpassing the target of 24,000km.

10. **CPF Objective 1.5: ‘Harness urbanization to promote economic growth and job creation’ was mostly achieved.** Tanzanian cities have not realized their full potential to contribute to economic growth and poverty reduction due to infrastructure deficits and inadequate fiscal and management capacity resulting in urban flooding, poor connectivity, and low coverage and quality of urban services. Across 35 urban local Governments, World Bank investments supported a total of 639km of urban roads, 75km of drains, ten bus terminals, 25 markets, eight sanitary landfills, and extensive neighborhood-level upgrading. Fiscal and service management capacity of local authorities was also strengthened. Progress in urban transport has been slower with one transitional bus operations contract in place and five Public Private Partnership (PPP) contracts under preparation for the operation of Dar es Salaam Bus Rapid Transit (BRT) system against a target of five. While not tracked through an explicit indicator, land management information systems were an important dimension of this Objective, with significant achievements. With World Bank support, an Integrated Land Management Information System was established and operational in eight locations by the end of the CPF period. A Local Government Revenue Collection and Information System was also piloted and scaled up to all 185 Local Government Authorities (LGAs) in Tanzania.

11. **CPF Objective 1.6: ‘Enhance transport, energy and digital connectivity for improved services to rural areas’ was partially achieved.** The share of the population benefiting from a greater broadband signal objective met its targets, with 78 percent of Tanzanians now having access. While the CPF indicator for rural population with access to safe and affordable drinking water was not achieved because of definitional changes that prevented reporting against the original indicator, more than 4.75 million people gained access to improved water supply and 6.61 million people to improved sanitation facilities through the Sustainable Rural Water Supply and Sanitation Program (P163732). The Program has also supported sector institutions, incentivizing them to maintain the sustainability of service delivery. In transport, notwithstanding the lack of an indicator, the World Bank was active in enhancing transport connectivity to rural areas through railway rehabilitation under the Intermodal and Rail Development Project (P127241). World Bank support for energy through the Rural Electrification Expansion Program (P153781) is also noteworthy, having resulted in a significant increase in the number of people in rural areas with access to electricity (2.9 million in target areas).

12. **CPF Objective 1.7: ‘Capture Tanzania’s potential as a maritime gateway and regional trade hub’ was partially achieved.** The World Bank has supported Government investment in the efficiency and effectiveness of the port of Dar Es Salaam with mixed success. While port productivity in the capital improved, with an increase in the number of containers moved per hour, berth occupancy rates (a key measure of congestion) barely improved, resulting in the indicator on the latter not being achieved. The World Bank has supported the development of more reliable open access infrastructure on the Dar es Salaam-Isaka rail segment through the Intermodal and Rail Development Project

³³ Energy Sector Management Assistance Program (ESMAP). 2023 Tracking Sustainable Development Goal (SDG) 7 Report.

(P127241). The length of rail track (km) rehabilitated at target capacity has increased, with this indicator mostly achieved. Through the Southern Africa Trade and Transport Facilitation Project (P120370), One-Stop Rest Stops were established along the Dar es Salaam Corridor.

Focus Area Two: Boost Human Capital and Social Inclusion - A Lifecycle Approach to Human Development Challenges

13. **CPF Objective 2.1: ‘Invest in the early years’ was partially achieved.** With World Bank support, the share of the number of children under five years with chronic malnutrition/stunting fell from 34.4 to 30 percent, against a target of 25 percent. Underlining this partial achievement was the fact that the Investing in Early Years Project, which focused on nutrition, did not materialize, and the Strengthening Primary Health Care for Results Program that was implemented had limited interventions focused on nutrition. The second of the Objective’s two indicators could not be verified, as it is not tracked by the Tanzania Social Action Fund and, in the absence of a PLR, could not be adjusted. With World Bank support, access to basic sanitation service for the rural population rose to 53 percent in 2022, a marked increase from this supplementary progress indicator’s 2016 baseline of 12 percent and well beyond its target of 30 percent. Equally notable, is the increase in the number of pregnant, lactating women and children under two years of age reached by nutritional services which surpassed the 2022 target of 7.5 million, with close to 10 million reached as of June 2022. The World Bank also helped expand knowledge of issues related to early years through Advisory Services and Analytics (ASA), notably Supporting Early Learning in Tanzania (FY20).

14. **CPF Objective 2.2: ‘Heighten job relevant labor force skills’ was achieved.** The World Bank helped strengthen the institutional capacity of Tanzania’s skills development system through the Education and Skills for Productive Jobs Program (P152810). It helped to operationalize the Skills Development Fund (SDF), through which: short-term training, apprenticeships and internships have been provided to about 45,700 trainees (49 percent females); six Sector Skills Councils for each of six priority sectors have been established; and 135 programs certified by the National Council for Technical and Vocational Education. The World Bank has also promoted the expansion and quality of labor market driven skills development opportunities in select economic sectors: nearly 46,000 trainees have completed training programs with 80 percent of female and 83 percent of male graduates of short-term programs employed one year after graduation. In addition, through the Higher Education for Economic Transformation Project (P166415), the World Bank has helped the GoT strengthen the learning environments and labor market alignment of priority programs at beneficiary higher education institutions and improve the management of the higher education system.

15. **CPF Objective 2.3: ‘Improve the quality of health care and education’ was mostly achieved.** The World Bank has supported improvements in the quality of primary health care services in Tanzania, with a focus on maternal, neonatal and child health services as well as capacity to respond to COVID-19. Through the Strengthening Primary Health Care for Results Program (P152736): dispensaries with skilled human resources for health increased from 91 percent in 2015 to 99.6 percent; health facilities with continuous availability of tracer medicines in the past year based on an established list of medicines increased from a baseline of 30.6 percent in 2015 to 89.4 percent in 2020; and the number of health facilities with functional Emergency Obstetric and Neonatal Care increased from a baseline of 79 facilities in 2015 to 160 facilities in 2020. World Bank support through the COVID-19 Pandemic Emergency Financing Facility Project (P174366) helped to strengthen capacity for laboratory diagnosis and management of COVID-19 cases. With World Bank support, 66,743 SARS-CoV-2 tests were conducted at the National Public Health Authority (from September 2020 to February 2021), with an average of 1,200 tests performed daily. In addition, seven liquid oxygen generating plants for Amana, Manyara, Geita, Dodoma, Mbeya, Ruvuma and Mtwara hospitals were installed and functioning.

16. **In education, the World Bank has supported more equitable access to quality learning in pre-primary and primary education in mainland Tanzania.** The Boost Primary Student Learning Project (P169380) became effective in April 2022 but has already supported modest improvements in pre-primary gross enrolment rates for the bottom quartile and an increase in the share of Grade 2 students meeting minimum competency in literacy. Through the Secondary Education Quality Improvement Project (P170480), the World Bank has also supported: a 63 percent increase in the number of students enrolled in Form 4 (the last grade of lower secondary education) in Government schools since 2019; a 74 percent increase in the number of girls enrolled in Form 4 between 2019 and 2022; a 42 percent increase in the number of female students enrolled in Form 5 between 2019 and 2022; and a significant reduction in the average gender gap in Form 4 and Form 6 exam pass rates in math and sciences from 11 percent to 4.8 percent. Lower Secondary Completion rates for girls has increased from 20 to 47 percent. In Zanzibar, the World Bank has also supported improvements in the quality of instruction and learning environment in targeted grades and subjects. Completion rates for girls in Lower Secondary School in Zanzibar has increased from 45 to 74 percent, surpassing the target.

17. **CPF Objective 2.4: ‘Accelerate the demographic transition’ was partially achieved.** The World Bank has supported this Objective by enabling increased enrollment and completion rates for girls at upper secondary school levels as outlined above. The number of girls enrolled in secondary schools annually reached 1,476,369 in 2022, far surpassing the target of 1600. The World Bank has not directly supported greater use of modern contraceptive methods as anticipated in the CPF Results Framework. However, through its support for social safety nets (see below), a Tanzania Youth Study showed that the World Bank had positive impacts for youth on knowledge of modern contraceptives, aspirations for higher education, social support among males, and certain forms of empowerment among females, including perceived ability to make household decisions and having control over their own life.

18. **CPF Objective 2.5: ‘Promote Social Inclusion’ was mostly achieved.** The World Bank supported efforts to create a comprehensive, efficient, well-targeted productive social safety net system for the poor and vulnerable sections of the population, with the program expanding across the country and population coverage increasing. Through the Productive Social Safety Net Project (PSSN; P124045), an estimated 1.1 million households benefited from cash transfers (conditional and through public works), and 83 percent of direct recipients of the transfers were women. Through PSSN II (P169165), the World Bank has supported efforts to improve access to income-earning opportunities and socio-economic services for targeted poor households while enhancing and protecting the human capital of their children. Just over 1.36 million households have received payments under PSSN II; 98 percent of children aged zero to two in households supported under PSSN II attend health facilities regularly, and 98 percent of those aged five to 18; and almost 112,000 individuals were classified as severely disabled and cleared for payment. With 70.8 percent of PSSN beneficiaries in the poorest 20 percent of the distribution, the related indicator was partially achieved. The World Bank also supported a Trainee Voucher Scheme for low-income youth under the Education and Skills for Productive Jobs Program (P152810).

Focus Area Three: Modernize and Improve Efficiency of Public Institutions

19. **CPF Objective 3.1: ‘Strengthen public accountability and financial efficiency in delivering services’ was partially achieved.** The World Bank contributed to the Government’s ability to ensure a consistent year-on-year reduction in the variance in budget versus actual expenditure, excluding contingent items, from 16 percent in 2019/20 to 4 percent in 2021/22. While this does not completely meet the CPF indicator, it does so to a significant extent. The CPF also included a commitment to support the establishment of one-stop service centers (“Huduma Express”). This was part of a wider

program of support for increased access to high quality broadband internet services for Government, businesses and citizens. Delays in project implementation, however, resulted in support for this activity being dropped in favor of alternative support for the digital sector. The World Bank has also supported improvements in the quality and efficiency of public sector audits, helping to bring this service in line with the standards endorsed by the International Organization of Supreme Audit Institutions, in turn strengthening oversight over the management of public resources in Tanzania. Through the trust-funded Mainland and Zanzibar National Audit Offices Capacity Building Project (P162538), the World Bank helped train over 160 auditors and build institutional capacity more broadly and enabled at least 11 specialized audits to be carried out.

20. **CPF Objective 3.2: ‘Improve the efficiency and competitiveness of public investments’ cannot be verified and was, thus, not achieved.** The Objective’s indicator related to the return on public assets is not verifiable as Government data on this is not publicly available. The World Bank’s primary contribution under this Objective was through a series of annual Public Expenditure Reviews (PER) as well as lending and ASA support for the country’s procurement systems. The FY19 PER delivered analytical findings relevant for Tanzanian policymakers. The Rapid Budget Analysis, including the FY20 budget bill, were presented and discussed in a high-level forum with development partners (DPs). The FY20 PER informed the Government’s view on tax policy changes, reflecting the joint selection of topics addressed. Of additional note, the value of private sector finance committed to PPPs through open competitive bidding reached US\$9.7 million in 2022, up from zero in 2017.

21. **CPF Objective 3.3: ‘Better leverage ICT to modernize public sector’ was achieved.** Under the Digital Tanzania Project (P160766), the World Bank has supported increased access to high quality broadband internet services for Government, businesses and citizens, and an improvement in the GoT’s capacity to deliver digital public services. As a result of this support, the number of Ministries, Departments and Agencies (MDAs) and of LGAs benefiting from broadband internet services increased from 72 and 77, to 88 and 149, respectively, by 2022, as targeted. In addition, 488 out of 500 Government entities, or 718 entities including delegated authorities, were connected to the Electronic Government Procurement (e-GP) system, the Tanzanian National e-Procurement System (TANePS).

22. **Given the significant events that took place during the latter half of the FY18-FY22 CPF, progress towards the CPF’s Objectives which materialized during FY23-FY24 merits consideration.** The Tanzania Inclusive and Resilient Growth Development Policy Financing (DPF) series which materialized in FY23-FY24 resulted from the dialogue between the World Bank and GoT on policy lending support which reopened in the context of the new administration. The growing IFC program stems, in large measure, from the more conducive policy environment towards the private sector that emerged under the new Government. The new Government’s positive steps towards women’s empowerment and gender equality, including the decision to ensure equal access to education for pregnant girls and young mothers, enabled the CPF to deepen its integration of gender in both its lending and nonlending portfolios. A US\$100 million IDA Program to Advance Gender Equality in Tanzania, scheduled for delivery in FY24, was initiated towards the end of the CPF period. The Tanzania Gender and Disability Inclusion Platform was also initiated during this period, to strengthen the World Bank’s efforts to address gender and inclusion across the portfolio. The new Government’s strong focus on climate change issues also facilitated a deepening of the World Bank’s support for Tanzania’s climate change agenda. The World Bank has initiated preparation of a Catastrophe Deferred Drawdown Option operation, for instance, to help strengthen the Government’s legal and institutional framework for climate adaptation, mitigation, and financing.

23. **The program emerging from the latter part of the FY18-FY22 CPF will continue to flow into the next CPF period, reflecting the sustainability of the progress achieved.** The lending portfolio that materialized within the first six months after the CPF’s end date also reflects the incremental scale-up

approach that guided the WBG program under the CPF. The following operations took shape in the latter part of the CPF, helping to deepen and scale up support in the areas of basic education, health, urban development, climate resilience, and private sector-driven growth: Zanzibar Improving Quality of Basic Education Project (P178157); Maternal and Child Health Investment Program (P170435); Msimbazi Basin Development Project (P169425); and First Inclusive and Resilient Growth DPF (P178156). Similarly, the FY24 pipeline of projects are rooted in the CPF, with operations designed to advance gender equality, clean and sustainable energy, transformational growth, urban development, and connectivity.

III. WBG PERFORMANCE

24. **Overall WBG implementation performance is rated as ‘Good’.** The design of the CPF generally reflected a good alignment with GoT objectives. It incorporated lessons from the FY12-FY16 Country Assistance Strategy (CAS), and instruments were appropriate, taking account of the policy environment in the early part of the CPF. The Results Framework did contain an exceptionally large number of objectives (15) and indicators (34). Risks were generally well set out with appropriate mitigation measures identified. Implementation was broadly satisfactory, including overall portfolio performance, supervision of projects, collaboration across the WBG and with DPs and delivery of knowledge products. The WBG demonstrated considerable flexibility in adapting the program to respond to changing circumstances and priorities, as engendered most notably by the COVID-19 pandemic and the change in Government. Supporting the GoT’s development efforts in the context of the COVID-19 pandemic was complicated by the GoT’s initial posture on COVID-19 and decision not to request assistance under the WBG’s COVID-19 Multi-phase Programmatic Approach (MPA).³⁴ There is a sound program of ongoing activities in place for the next engagement period.

Design and Relevance

Relevance – Alignment of the CPF with Tanzania’s Needs

25. **The Objectives set out in the CPF were well-aligned with those of the GoT.** The Government’s medium-term plans for socioeconomic development during the CPF period and beyond were laid out in the Tanzania Development Vision 2025, approved in 1999, which sets out a people-centered vision for the country’s development in the first 25 years of this millennium. Tanzania’s Second Five Year Development Plan, which operationalized the Tanzania Development Vision 2025 for the period FY16/17 to FY20/21, articulates the concept that industrialization and human development, underpinned by effective policy action, can drive the country’s growth and improvements in human welfare. The CPF’s three Focus Areas were, thus, well-aligned with GoT’s objectives at the CPF’s outset.

26. **The Objectives were also fully aligned with the findings of the Systematic Country Diagnostic (SCD).** The 2017 SCD for Tanzania had identified three pathways to leverage the country’s advantages to achieve its national development goals: (i) structural transformation to leverage Tanzania’s natural assets and capture latent comparative advantage to create more jobs; (ii) spatial transformation to build on Tanzania’s geographic advantages and maximize benefits from spatial integration and agglomeration; and (iii) upgrading public institutions and organizations, underpinned by expanding human capital, gender equity, and macroeconomic stability. The CPF’s Focus Area 1 responded well to Pathways 1 and 2; Focus Area 2 responded to Pathway 3 and its Foundation 1, Human Capital and Gender; while Focus Area 3 also responded to Pathway 3 as well as its Foundation 2, Macroeconomic Stability.

³⁴ Tanzania also delayed applying to access the COVAX Facility, a global effort aimed at delivering COVID-19 vaccines to low- and middle-income countries, as advised by World Health Organization and UNICEF. The Government’s posture evolved after the change in Government.

Incorporation of Lessons from the Previous CAS

27. **The FY18-FY22 CPF generally responded well to the lessons of the previous CAS.** The WBG heeded lessons highlighting the importance of strong community engagement as well as the potential for greater use of results-based lending. An extensive, but focused, program of ASA provided important policy insights and helped underpin project design and implementation. Coordination with other development partners was another strength in the CPF. Further detail of the extent to which lessons were incorporated is included in Annex E.

Appropriateness – Selecting the Right Instruments

28. **The CPF anticipated calling upon the full range of WBG instruments and financial products to respond to Tanzania's needs.** These included policy-based lending, results-based lending, investment project financing (IPF), IFC and MIGA investments, and analytical and advisory work. It became clear soon after the start of the CPF, following a change in Government stance, that a DPF series would not be possible.

29. **A programmatic PER and DPF series focused on growth and service delivery were initiated.** This was intended to support Government efforts to enhance fiscal policy, support growth through an improved business environment and improve delivery of public services. Preparation of the DPF series, which preceded the start of the CPF, took place in a rapidly evolving policy context. Identification of first Development Policy Operation (DPO) was completed in July 2017, as the Government committed to a clear pro-business stance by initiating the Blueprint for Regulatory Reforms to Improve the Business Environment. However, also in July 2017 the Government abruptly introduced new mining legislation which radically increased its powers in relation to the mining sector and dampened foreign investor interest in the country. By May 2018, the Government published the Blueprint and completed all other prior actions for DPO-1, but the series was cancelled by September 2018 as the broader policy environment deteriorated. Key issues included the Government introducing amendments to the Statistics Act that restricted public criticism of official statistics and banning girls who become pregnant from returning to public school. In October 2018, all World Bank lending in Tanzania was suspended. In September 2019, reflecting the GoT's efforts to address the causes of the suspension by amending the Statistics Law (2018), as well as a commitment to enable all girls to complete their education, lending resumed with the approval of PSSN II (P169165). Discussions between the World Bank and the GoT regarding policy lending support would reopen in the latter years of the CPF, in the context of a new administration, paving the way for a new DPF series to materialize in FY23-FY24.

30. **In addition to policy-based lending, the CPF planned to build on the success of the Program for Results (PforR) instrument in Tanzania.** The CPF noted that Tanzania had significant experience using the PforR instrument including in the urban, energy, health, education, skills, and water sectors, and a generally positive track-record with country systems able to support implementation. PforRs remained a strong feature of the WBG program in Tanzania during the CPF period. As noted in the lessons section below, the experience was largely positive although conditional on such factors as Government support, accurate results measurement and availability of financing on achieving results.

31. **Greater private sector investment opportunities emerged with an improved business environment.** While the business environment remained challenging early in the CPF period, and this was compounded by the COVID-19 pandemic, the World Bank and IFC responded to the improved business environment emerging in 2021 with the new Government and the availability of COVID-19 relief funding. A joint WBG-Government Tanzania Private Sector Assessment was carried out in 2021 that helped restart WBG engagement on addressing private sector challenges as a cornerstone of economic recovery and more sustained and inclusive growth. This engagement fed into new policy

dialogue, technical assistance and lending preparation by the World Bank and IFC. Key areas included strengthening the legal framework for investment, reducing costs to regulatory compliance, enhancing financial sector stability and resilience, and improving VAT refunds and payment arrears. Identification of a new DPO series was initiated by the end of 2021. New IFC transactions included: a gender bond with NMB Bank Tanzania Limited; a SME Finance Facility with Cooperative Rural Development Bank (CRDB) PLC; and a financing facility for the glass manufacturing plant, Kioo. A MIGA guarantee of US\$22.6 million continued to support agricultural sustainability in Tanzania.³⁵

Results – Strength of Results Framework Design

32. **The indicators contained in the Results Framework generally provided relevant measures of progress towards the Objectives.** The majority of the Objectives contained indicators that were completely relevant to the overarching objective, while a few included one indicator that was not completely relevant. The latter includes Objective 1.4 ('Increase access to energy services') in which one indicator, 'Improved operational efficiency and financial sustainability of the power sector - technical and commercial losses', was only indirectly relevant to access. Objective 1.6 ('Enhance transport, energy and digital connectivity for improved services to rural areas') included 'Proportion of rural population with access to safe and affordable drinking water' as an indicator which is not discernibly relevant. Objective 2.4 ('Accelerate the demographic transition') included 'Transition to upper secondary school (percent)' which would have been more relevant if focused on girls. Two indicators were not verifiable due to a lack of data or other evidence, while several indicators were not achieved on account of definition or attribution issues. It is likely that a PLR would have refined and streamlined the Results Framework had the COVID-19 pandemic not made this effectively impossible.

Anticipation and Mitigation of Risks

33. **The WBG's identification and mitigation of risks to the CPF program were broadly appropriate.** The WBG had explicitly identified several risks pertinent to the FY18-FY22 period. Risks overall were rated as moderate. However, risk related to institutional capacity was rated substantial. The CPF highlighted a considerable risk in the management of WBG-financed programs and projects given inadequate capacity in some line ministries. Risks were also identified in relation to World Bank-financed operations at the local Government level. Weak institutional capacity has been a significant factor negatively affecting portfolio performance. Issues have included: weaknesses in inter-sectoral coordination, project governance structures and management oversight; insufficient coordination between regional and national management units in regional integration projects; limited capacity of project staff in terms of headcount and skills and recurring project staff redeployment slowing project implementation; and implementing agencies' limited knowledge of World Bank operational policies and procedures leading to slippages in project preparation, effectiveness, and implementation. Mitigation measures to counteract weak coordination and communication included enhanced discussion between relevant steering and management units, establishing these where necessary. Measures to mitigate weak project staff capacity included the recruitment and deployment of adequate technical and other staff, including staff with knowledge of World Bank procedures and fiduciary management experts.

34. **Environmental and social risks had been rated as substantial in the CPF.** Safeguards risks were felt to have increased due to the growth in lending, larger size of projects, relative complexity of anticipated engagements, and potential increase in project-induced resettlement. On the other hand, overall client capacity to manage environmental and social safeguard risks had increased modestly over the last CAS period. The roll-out of the World Bank's new Environmental and Social Framework

³⁵ This guarantee was issued under the previous CAS.

(ESF) was an opportunity to address previous issues regarding the application of Operational Policy (OP) 4.10 in Tanzania. A Country Social Assessment was already underway to help guide the application of ESS7³⁶. In practice issues included: insufficient integration of safeguards/ESF elements into project cycle and budget planning processes leading to insufficient staff and resource allocation for safeguards planning and monitoring of mitigation measures; and lack of ownership of various safeguard instruments³⁷ with a consequent lack of implementation of mitigation measures and failure to develop or implement environmental and social risk management instruments for subprojects. Project environmental and social safeguards requirements have also not always taken sufficient account of implementing agency capacity. Mitigation has included adopting a more proactive stance on environmental and social risk management safeguards, reviewing the legal and regulatory environment in relation to safeguards and ensuring sufficient staff and resources.

35. **Macroeconomic risks had been identified as moderate in the CPF and, in practice, the external shocks, including the COVID-19 pandemic, have had a relatively modest economic impact.** In the two decades prior to the CPF, Gross Domestic Product (GDP) growth averaged 6.5 percent annually, accompanied by strong macroeconomic fundamentals. After dropping to 2 percent in 2020, following the outbreak of COVID-19, Tanzania's economy emerged from the pandemic in relatively good shape given its strong macroeconomic conditions: relatively low and stable inflation and manageable external and fiscal balances. The economic recovery has, however, been relatively subdued by the strong headwinds associated with external shocks and the weak domestic business environment which reduced private investment, including foreign direct investment.

Program Implementation

Implementing the CPF

36. **The WBG made use of different sources of funding, as anticipated in the CPF.** The CPF highlighted the possibility of accessing additional resources through four vehicles: (i) the IDA18 Regional Window to bolster regional integration efforts; (ii) the Scale-Up Facility providing non-concessional borrowing for high-impact projects; (iii) the Private Sector Window (PSW) to mobilize private capital, de-risk investments and promote private-sector-based growth; and (iv) the Crisis Response Window (CRW) in the event of severe natural disasters, health emergencies, or an economic crisis. Both IDA18 and IDA19 Regional Window resources supported the East Africa Skills for Transformation and Regional Integration Project (P163399), the Tanzania-Zambia Transmission Interconnector Project (P163752) and the Eastern Africa Regional Statistics PforR (P176371). The Scale Up Window served the Dar es Salaam Maritime Gateway Project (P150496) and the Second Water Sector Support Project (P150361). PSW resources enabled IFC to support Lexo Energy on greening initiatives. The PSW Local Currency Facility (LCF) facilitated IFC support for the first gender bond issuance by Tanzania's largest bank, NMB Bank PLC, whose proceeds would contribute to improved access to finance for women-owned MSMEs. The PSW LCF also supported IFC's investment in the Tanzania Mortgage Refinancing Company, designed to enable long-term support for the growth of Tanzania's mortgage financing market. CRW resources were not requested during the CPF period. IDA's Window resources supplemented its Performance Based Allocation for Tanzania. Overall, and as detailed in Annex C, the actual IDA lending program for FY18-FY22 amounted to US\$4.782 billion, with Focus Area 1 absorbing the majority of the financing at US\$2.66 billion. Lending totals for Focus Areas 2 and 3 amounted to US\$1.95 billion and US\$172 million, respectively. The delay in the DPF series accounted in large measure for the lower than anticipated IDA funding for Focus Area 3.

³⁶ Environmental and Social Standards 7 covers Indigenous Peoples/Sub-Saharan African Historically Underserved Traditional Local Communities.

³⁷ Environmental and Social Management Frameworks, Environmental and Social Impact Assessments, Environmental and Social Management Plans, Resettlement Policy Frameworks, Resettlement Action Plans.

Supervision of the Portfolio

37. **The World Bank continued to monitor portfolio performance in collaboration with the Ministry of Finance.** As of June 2022, the active portfolio had 24 national and six regional projects and combined both IPFs and PforRs. All but one of these national projects were rated between Satisfactory and Moderately Satisfactory in implementation progress (IP), with two of the regional projects rated Moderately Unsatisfactory for IP. Eleven national and two regional projects were under preparation in June 2022. Key issues affecting portfolio performance during the CPF included: limited institutional coordination; bureaucratic impediments to compliance with financial, procurement and safeguards management requirements; and lack of sufficient and timely provision of Government contributions necessary for effective safeguards risk management and implementation readiness. Annual Country Portfolio Performance Review workshops were held during the CPF with project implementing agencies, in collaboration with the Ministry of Finance, to discuss implementation progress and bottlenecks. The sessions helped address disbursement bottlenecks, among others, and contributed to the solid portfolio performance. Proactivity increased markedly over the CPF, rising from 67 percent in FY18 to 100 percent in FY22 and impacting positively on portfolio performance.

38. **Overall portfolio performance was moderately satisfactory.** Fifteen national (including projects extended through additional financing) and two regional projects were completed during the FY18-FY22 CPF period. Most of the completed national projects were rated as either Satisfactory (six projects) or Moderately Satisfactory (six projects) for progress towards Development Objective (DO). Ratings for IP were also mostly either Satisfactory (three projects) or Moderately Satisfactory (eight projects). Three national projects were rated Moderately Unsatisfactory for progress towards DO and four for IP. Of the two regional projects that closed during FY18-FY22, ratings for progress towards both DO and IP were all Moderately Satisfactory. Broadly satisfactory implementation progress was reflected in the disbursement ratio, which fluctuated during the CPF period, largely reflecting the COVID-19 pandemic, but ended the period at 22.6 percent, up slightly from 21.1 percent in FY18.

Alignment with Country Systems

39. **The World Bank has continued to work through and provide support to Tanzania's country systems in implementation of World Bank-financed operations in Mainland and Zanzibar.** In addition to fiduciary support for supervision and implementation of projects, the World Bank has provided advisory services and technical assistance. All World Bank-supported operations consider public financial management (PFM) capacity building by way of training, on-site support, and close cooperation with Government staff. The World Bank assesses the adequacy of project financial management arrangements for both new and ongoing projects, monitors compliance with World Bank audit and fiduciary requirements, and ensures that operations adhere to all relevant PFM policies and procedures. In 2020, Tanzania introduced TANePS, an e-GP system designed to improve procurement efficiency and transparency. TANePS did not, however, have the capability to undertake online bid evaluation, approval, contract award, contract management, payment, or recording and monitoring of key procurement performance data, all essential for improving efficiency, transparency and effectiveness of the procurement system and ensuring legislative compliance. The system was also not connected to other PFM systems like budget, financial management, and asset management systems. GoT is in the process of developing a new e-GP system covering the entire cycle of procurement and contract management.

Flexibility – Responsiveness to Changing Circumstances

40. **Despite the lack of a PLR, the FY18-FY22 CPF generally responded well to changing circumstances in Tanzania.** During the COVID-19 pandemic, the Productive Social Safety Net Project

(P124045) demonstrated the importance of emergency response preparedness with respect to social assistance programs, and of having a well-established information system or registry to adapt programs to rapidly changing circumstances. The Education PforR (P147486) provided a framework that gave DPs flexibility to focus their support on specific aspects aligned with their own strategic priorities. In the Strengthening Primary Health Care for Results Program (P152736), the inclusion of “Base Components” where donors could allocate resources unconditionally, provided additional flexibility.

41. The WBG assembled a suite of support to help limit the impact of COVID-19 in Tanzania.

GoT did not seek financing from the WBG’s COVID-19 MPA.³⁸ World Bank COVID-19 support comprised: (i) the COVID-19 Pandemic Emergency Financing Facility Project (P174366), to strengthen capacity for laboratory diagnosis and management of COVID-19 cases, financed under the Pandemic Emergency Financing Facility; and (ii) the Strengthening Primary Health Care for Results Program (P152736). The World Bank also contributed to the Health Basket Fund which provided US\$6.5 million to support provision of personal protective equipment to primary health care facilities nationwide. In addition, the Tanzania Urban Resilience Program (P159779) supported risk awareness in urban areas including through animated videos and posters carrying messages on COVID-19. In June 2022, IFC’s CRDB SME Finance Facility committed US\$100 million to CRDB Bank Plc, for on-lending to Tanzania’s SMEs and to support the recovery from the COVID-19 pandemic by increasing long-term financing. Up to 25 percent of the loan in Tanzania is dedicated to women-owned businesses. The WBG, in coordination with participating DPs, agreed to temporarily suspend the health and education conditionalities linked to the payment of cash transfers for poor households beyond supporting, on an exceptional basis, a double payment for PSSN Project (P169165) beneficiaries, to provide an extra buffer during a time of crisis. All projects’ Implementation Status and Results Reports included a consideration of COVID-19 impacts, while pipeline operations, additional financing, and restructurings were also screened for potential COVID-19 response focus.

42. The World Bank also leveraged its ASA portfolio to support the Government’s pandemic response,

including a note outlining the impact of COVID-19 from a social protection perspective, with policy options designed to protect poor and vulnerable households. The biannual Tanzania Economic Update included special issues addressing COVID-19, including one on Addressing the Impact of COVID-19, another on Transforming Tourism and a third, Raising the Bar, which focused on development prospects in the context of the pandemic.

Knowledge – Strength of Identification and Response to Knowledge Gaps

43. The WBG’s ASA aimed to inform policy decisions, fill knowledge gaps and bolster project design and decision-making.

Forty-four ASA products were produced between FY18 and FY22. While identifying real influence achieved through ASAs is difficult, the WBG’s ASAs over the CPF period did actively engage senior policy makers and support evidence-based policy discussions. The use and impact of the ASAs, including linkages to project lending, are detailed further in Annex F, along with reflections on the value that collaboration with DPs, national academia and civil society brought to multiple ASAs. Most ASAs were rated as Satisfactory or better: of those with Activity Completion Summaries, 11 were considered ‘Highly Satisfactory’ for development effectiveness, 22 ‘Satisfactory’ and 11 ‘Moderately Satisfactory’. There were no ASAs rated Moderately Unsatisfactory or worse.

³⁸ Tanzania reported its first COVID-19 case on March 16, 2020, but ceased reporting data on April 29, 2020. The Government’s response was not aligned with the global scientific approach. By December 2021, just 2.4 million vaccine doses had been administered in Tanzania, a slow pace by global standards. The Government’s posture evolved with the new Government, and vaccinations accelerated.

44. **The most frequently covered themes were macroeconomics, trade and investment, governance, agriculture and food, and finance, competitiveness and innovation.** These ASAs therefore responded well to the binding constraints on Tanzania’s development outlined in the SCD. Several ASAs responded to specific Government agendas, such as urban planning and housing, and water supply and sanitation. The inauguration of a new Government in early 2021, and the ensuing increase in the demand for evidence-based policy, were quickly followed by an increase in more strategic ASA products including a Country Economic Memorandum, an Education and Health Public Expenditure Review and a Diagnostic Study to Enhance Public Service Governance which would be delivered in FY23.

45. **IFC also had a diverse advisory portfolio during this period, spanning key sectors including: financial institutions; manufacturing, agribusiness and services; infrastructure and natural resources; trade and competitiveness; the business environment; and gender.** While some initiatives, such as Lighting Africa Tanzania, were cut short by a challenging policy and business environment, others led to important follow-on work, such as: (i) the Business Enabling Environment Support Program (602161); (ii) the Livestock Micro Reforms in Agribusiness Program (600828) designed to boost the competitiveness of Tanzania’s dairy and poultry sectors; and (iii) Finance2Equal (603470) which sought to close gender gaps in Tanzania’s financial services sector. The US\$450,000 project recruited leading financial institutions to a 3-year peer learning journey, with additional company-specific commitments to be supported by IFC co-investment. A US\$10 million umbrella program would be launched in May 2023, building on the work of Finance2Equal.

Joint Working – Collaboration Across the WBG and Beyond

46. **IFC and the World Bank collaborated closely to support Government efforts to strengthen the business environment for private sector recovery.** The resumption of discussions between the World Bank and GoT on policy lending support benefited from World Bank and IFC collaboration on the Joint Assessment of Tanzania's Private Sector being undertaken with GoT and in engagements with the private sector. The IFC and World Bank also collaborated to maximize finance for development in the housing sector. By its closure in June 2019, the World Bank-supported US\$100 million Tanzania Housing Finance Project (P117242) had substantially realized its objective of facilitating the development of the housing finance market through the provision of medium and long-term liquidity to lenders. Building on the project’s success, IFC invested in the Tanzania Mortgage Refinancing Company to bolster the growth of Tanzania’s mortgage financing market.

47. **Overall, between 2018 and 2022 IFC invested US\$350 million in Tanzanian companies, with additional investments in regional conglomerates with Tanzanian subsidiaries.** While investment was constrained from 2018-2020 due to the difficult private sector environment and the pandemic, there was a rapid uptick in investments from 2021, spurred by both COVID-19 relief funding and the improved operating environment under the new Government. Signature transactions included IFC’s April 2022 investment in the NMB Gender Bond, Sub-Saharan Africa’s first Gender Bond issued by NMB Bank Tanzania Limited, one of Tanzania’s largest banks. The issuance raised US\$32 million, and IFC subscribed 31 percent, equivalent to US\$10 million in Tanzanian shillings. Proceeds from the bond would fund more than 2000 women-owned SMEs to help them grow and create jobs. IFC's investment in the bond was supported by IDA’s PSW LCF. IFC’s CRDB SME Finance Facility, supporting the COVID-19 recovery, was an additional transaction of note.

48. **During the CPF period, MIGA’s guarantee of US\$22.6 million continued to support agricultural sustainability in Tanzania.** The guarantee was issued in 2014 to the Overseas Private Investment Corporation in support of private investments in Silverlands Tanzania Limited to expand two existing agribusinesses by increasing the land under cultivation, improving management

processes and skills, and increasing livestock production. In addition, Tanzania (as a member of COMESA) could benefit from a MIGA guarantee issued in FY20, covering loans to Eastern and Southern African Trade and Development Bank (TDB) to support the expansion of TDB's trade finance portfolio throughout the COMESA region.

49. **Collaboration with development partners over the course of the CPF helped to maximize the WBG's impact across various sectors.** As noted in the CPF, Tanzania established a new overarching framework for coordinating the development partnership following the end of the previous framework driven by the General Budget Support in 2015. Sector working groups have continued to be effective in some sectors. The WBG has been actively engaged and often led coordination in such areas as fiscal management, governance, statistics and poverty monitoring, energy, transport, agriculture, private sector development, health and education, and ICT. As noted further above, the WBG coordinated closely with DPs in its support to the GoT during the COVID-19 pandemic. The Dar es Salaam BRT also exemplifies the impact of collaboration: the IDA-funded Dar es Salaam Urban Transport Improvement Project (P150937) facilitated parallel financing of additional lines by the African Development Bank and French Development Agency. Both DPs were able to utilize analytical studies from the World Bank-financed project to prepare their respective support for BRT-2 and BRT-5, which are fully integrated with the IDA-supported BRT-1, BRT-3 and BRT-4.

IV. ALIGNMENT WITH CORPORATE GOALS

50. **Poverty: While Tanzania made only marginal progress during the CPF on reducing poverty and increasing shared prosperity, the CPF supported several objectives that contributed to these goals.** The pace of poverty reduction in Tanzania has been slow, decreasing by only 6.4 percent from 2012 to 2018, even as GDP per capita rose by 21 percent. Post-pandemic data suggests a surge in both poverty and inequality during the pandemic. Only a minor reduction in the international poverty rate occurred in 2022, with the rate for mainland Tanzania falling from 44.3 in 2021 to 44.0 percent in 2022, 0.3 percentage points below pre-pandemic levels. Non-monetary poverty metrics have improved but have not translated into proportional household income gains. Boosting poverty reduction requires strengthening human capital, raising smallholder agricultural productivity, and creating quality jobs. Other priority reforms include strengthening the efficiency of public investment. The WBG supported these agendas in parts. Under the CPF's Focus Area 2 on boosting human capital and social inclusion, the WBG made good progress under two of the objectives relating to job relevant labor force skills and improving the quality of health and education services, and notable progress under the social inclusion objective. Improvements in the business environment did not translate into concrete gains as measured by the CPF (Objective 1.1), and WBG support for improving the efficiency of public investment (under Focus Area 3) was modest. Overall, the WBG was able to support only limited progress on poverty and inequality, with much of the progress that has been made neutralized by global challenges, including the impacts of COVID-19.

51. **Climate change: The World Bank supported Tanzania's efforts to address climate-related challenges through some important initiatives.** Multiple shocks have been affecting African food systems, including in Tanzania, with extreme weather, pest and disease outbreaks, and political and market instability becoming more frequent. Global challenges have exacerbated these impacts by disrupting global food, fuel, and fertilizer markets. Tanzania remains vulnerable to climate change shocks. Floods in 2019/20 wiped out most of the rice production gains in Zanzibar. Droughts were also problematic in some years, reducing rice production and yields. The COVID-19 pandemic compounded these climate-related vulnerabilities, impacting food supply chains which adversely affected smallholder farmers. The World Bank supported the GoT to address these challenges in several ways. The Expanding Rice Production Project (P144497) provided increased area under irrigation and drainage, helping to mitigate the impact of droughts. The Resilient Natural Resources Management

for Tourism and Growth Project (P150523) helped Tanzania to improve the management of natural resources and tourism assets in priority areas of Southern Tanzania and to increase access to alternative livelihood activities for targeted communities. The South West Indian Ocean Fisheries Governance and Shared Growth Project (P132123) helped eliminate destructive dynamite/blast fishing practices in Tanzanian coastal waters through effective monitoring, control, and surveillance.

52. **Gender: While the CPF could have more comprehensively integrated gender considerations into its Results Framework, gender and women's empowerment issues were increasingly mainstreamed in the program.** The CPF set out to 'Promote gender inclusion to narrow the economic and social gaps between men and women', proposing support for women in entrepreneurship, wage work and agriculture, and human capital, including improvements in antenatal care and institutional deliveries and incentivising local Government to support girls' transition from primary to secondary school. Objective 1.2 included two indicators focused on the financial exclusion of women, and Objectives 2.1 and 2.3 also included one indicator each relating to under-five malnutrition and neonatal and maternal mortality. While some gender-focused supplementary progress indicators were included, additional primary indicators focused on gender would have more fully aligned with the CPF's goal of promoting gender inclusion. The program's support for women's empowerment and gender matters deepened in the latter part of the CPF, facilitated by the new administration's commitment to women's empowerment, and included a Country Gender Assessment and Evaluation of the Tanzania National Plan of Action on Gender and a Tanzania Economic Update edition focused on women's economic empowerment. Additional analytical work and platforms to deepen the attention to gender gaps and opportunities were pursued, and a lending program to advance gender equality was initiated. IFC's Finance2Equal initiative and investment in the NMB Gender Bond complemented IDA support.

V. LESSONS LEARNED

53. **Capacity building requirements vary across sectors and interventions need to be adapted accordingly.** In urban infrastructure, for instance, the complexity of projects requires strong project management and specialist technical teams. For social safety nets, limited national capacity to help the creation of cooperatives, voluntary savings groups, and micro-business practice to assist community and other beneficiary groups can be a constraining factor. In the development of the mortgage market, there is a need to boost in-house capacity to leverage housing finance products: frontline staff and risk management teams need more training on how to conduct outreach to underserved segments, market new financial products, and manage a growing portfolio. In primary health, an overly ambitious initiative may impose unsustainable demands on the system in terms of technical and institutional capacity as well as financial resources. For the Star Rating assessment initiative, for example, a less resource-intensive approach may have been more appropriate.

54. **Community engagement is essential for effective targeting and sustainability.** In the Kihansi Catchment Conservation and Management Project (P126361), communities were actively engaged from the outset and developed a clear appreciation of the importance of conservation. Their receptiveness to the training in integrated pest management and land use practices was greatly influenced by the perceived economic benefits of applying new agricultural techniques and crops. To ensure the proper and sustainable operation of the Kibele landfill under the Zanzibar Urban Services Project (P111155), an Operations and Maintenance Plan was developed with all stakeholders, including the Zanzibar Urban Municipal Council, Ministry of Finance and Planning, and community representatives even before the landfill was constructed. The PSSN Project (P124045) engaged facilitators trained to use locally developed poverty criteria to identify beneficiary households, increasing community confidence in the program.

55. **Development interventions in one sector or sub-sector often depend on successful outcomes in another sector or sub-sector, requiring active coordination and management.** In the Expanding Rice Production Project (P144497), irrigation infrastructure investments were only impactful when accompanied by improved seeds and good agronomic practices. Likewise, in the Primary Health Care for Results Program (P152736), nutrition interventions benefited from a strengthened primary health care system and improvements in maternal care and health outcomes. The Housing Finance Project (P117242) underscored the close interaction housing finance markets have with other related markets, such as the land market, which are also in need of reform. Strong management is needed to ensure that complementary activities are well coordinated.

56. **The COVID-19 pandemic underscored the importance of a program's flexibility to adapt to changed circumstances.** The COVID-19 pandemic demonstrated the need for a wide range of adjustments in approach for successful emergency programming. Lowering expectations with respect to the outcomes that emergency operations can achieve over a short duration may be required, and abbreviated implementation timelines may necessitate reduced outputs for some project activities. COVID-19 also highlighted the importance of flexibility in the design of social safety nets, the coverage, and the ability to scale up rapidly when needed. Having a well-established information system or social registry to adapt social assistance programs to rapidly changing circumstances is important.

57. **The success of performance-based lending is conditional on Government support, accurate measurement of results and availability of financing upon their achievement.** Political commitment, ownership, and alignment are fundamental. In the Education Program for Results (P147486), all levels of Government, from the President to LGAs, were aware of the Program. A senior management team met bi-annually to review progress and provide solutions. The PforR counted on strong DP support for technical assistance to support instruments that were critical to results such as the Independent Verification Agents and Basic Education Management Information System. In the Strengthening Primary Health Care for Results Program (P152736), results-linked disbursements helped focus the efforts of Government agencies on the achievement of results while a clearly defined, results-oriented framework of assistance at the sector level facilitated donor coordination.

58. **Political commitment is needed at different levels and to differing degrees.** High level commitment is needed over the long term, as demonstrated by the Kihansi Catchment Conservation and Management Project (P126361) where frequent leadership changes in the Project's final years led to delays in decision-making. Long-term conservation activities also needed a guaranteed budget within the relevant agencies to sustain efforts. For the Strengthening Primary Health Care for Results Program (P152736), changes in Government priorities undermined its effectiveness and sustainability. Challenging endeavors, such as the process of opening up the power sector to foreign investment through PPPs, also need the Government's full buy-in as shown by the Energy Sector Capacity Building Project (P126875) which failed to achieve most of its objectives due largely to the lack of a consistent Government champion to drive the overall agenda of developing Tanzania's Gas to Power Market.

59. **A structured approach to selectivity is important.** The CPF set out six principles to guide selectivity: (i) address the determinants of poverty reduction; (ii) lead to spatial connectivity and agglomeration; (iii) located in the Government's program and demanded by Government; (iv) leverage the broader portfolio to deliver results; (v) WBG comparative advantage; and (vi) grounded in knowledge and solid analytics. The majority of these principles were broadly followed in practice, providing for a structured approach to selectivity. Moving forward the country partnership will continue to benefit from a structured approach which considers project interconnections when selecting interventions and which prioritizes strategic analytics that support evidence-based policymaking as well as project design and implementation. Results frameworks should reflect the program's selectivity.

Annex A: Status of Tanzania – FY18-22 CPF Results Matrix (Summary Table)

Description	Status at CLR	Overall Rating
CPF FOCUS AREA 1: ENHANCE PRODUCTIVITY AND ACCELERATE EQUITABLE AND SUSTAINABLE GROWTH		PARTIALLY ACHIEVED
CPF Objective 1.1: Strengthen the business environment for job creation, notably in manufacturing, agri-business, and tourism		Not achieved
1 Manufactured exports (including agro-processing products) as percent of total exports	Not achieved	
2 New private agri-business investments registered by TIC in the Southern Corridor (number)	Not achieved	
3 Total tourist visits to the priority Protected Areas (PAs) (in the Southern Circuit)	Not achieved	
CPF Objective 1.2: Put credit within reach, improving access to credit, particularly for MSMEs and women		Not achieved
4 Share of adult Tanzanians who are financially excluded (percent)	Not achieved	
5 Share of adult female Tanzanians who are financially excluded (percent)	Not achieved	
6 Increase percent of SMEs with line of credit	Not achieved	
7 Increase percent of woman-owned SMEs with line of credit	Not achieved	
CPF Objective 1.3: Manage natural resources for equitable growth		Mostly achieved
8 Land area under sustainable landscape management practices (hectare)	Partially achieved	
9 Percentage of projects providing climate co-benefits.	Achieved	
CPF Objective 1.4: Increase access to energy services		Partially achieved
10 Households with electricity connections (percent)	Partially achieved	
11 Improved operational efficiency and financial sustainability of the power sector (percent)	Partially achieved	
12 Transmission capacity of Tanzania-Zambia interconnection (MW)	Not achieved	
CPF Objective 1.5: Harness urbanization to promote economic growth and job creation		Mostly achieved
13 Landfills and cells constructed or rehabilitated (number)	Achieved	
14 PPP contract awarded for operation of Dar es Salaam Bus Rapid Transit (BRT) system	Partially achieved	

Description	Status at CLR	Overall Rating
CPF Objective 1.6: Enhance transport, energy and digital connectivity for improved services to rural areas		
15 Proportion of rural population with access to safe and affordable drinking water (percent)	Not achieved	Partially achieved
16 Tanzanians covered by Greater broadband signal (percent)	Achieved	
CPF Objective 1.7: Capture Tanzania's potential as a maritime gateway and regional trade hub		
17 Berth Occupancy percentage	Not achieved	Partially achieved
18 Length of rail track-km rehabilitated at target capacity	Mostly achieved	
CPF FOCUS AREA 2: BOOST HUMAN CAPITAL AND SOCIAL INCLUSION - A LIFECYCLE APPROACH TO HUMAN DEVELOPMENT CHALLENGES		
CPF Objective 2.1: Invest in the early years		
19 Chronic malnutrition / stunting in children under 5 years (percent)	Partially achieved	Partially achieved
20 Households with children < 2 years benefiting from safety nets programs (percent)	Not verified	
CPF Objective 2.2: Heighten job relevant labor force skills		
21 Trainees completing alternative, TVET and university training programs in key economic sectors (supported by SDF and TVS) (number)	Achieved	Achieved
22 Trainees who did an internship, apprenticeship or entrepreneurship training employed or self-employed one year after training completion (by gender; percent)	Achieved	
CPF Objective 2.3: Improve the quality of health care and education		
23 National average for correct reading in Grade two in Kiswahili improved (words per minute)	Mostly achieved	Mostly achieved
24 Lower Secondary Completion Rate for girls (percent)	Achieved	
25 Zanzibar Lower Secondary Completion Rate (percent)	Achieved	
26 Health facilities with CEmONC capability (percent)	Partially achieved	
CPF Objective 2.4: Accelerate the demographic transition		
27 Modern contraceptive use (percent)	Not achieved	Partially achieved
28 Transition to upper secondary school (percent)	Mostly achieved	
CPF Objective 2.5: Promote social inclusion		
29 Cash transfer benefits reaching the poorest 20 percent of population) (percent)	Partially achieved	Mostly achieved

Description	Status at CLR	Overall Rating
30 Trainee Voucher Scheme for low-income youth operational	Achieved	
CPS FOCUS AREA 3: MODERNIZE AND IMPROVE EFFICIENCY OF PUBLIC INSTITUTIONS		PARTIALLY ACHIEVED
CPF Objective 3.1: Strengthen public accountability and financial efficiency in delivering services		Partially achieved
31 Variance in budget vs actual expenditure composition in the last three years, excluding contingent items	Partially achieved	
32 One-stop service centers for businesses and citizens ("Huduma Express") operational (number)	Not achieved	Not achieved
CPF Objective 3.2: Improve the efficiency and competitiveness of public investments		
33 Average return on assets of state-owned enterprises (business oriented public and statutory corporations) (percent)	Not verified	
CPF Objective 3.3: Better leverage ICT to modernize public sector		Achieved
34 All MDAs, LGAs connected to high-speed internet	Achieved	

Annex B: Tanzania FY18-FY22 CPF Results Matrix Evaluation

Objective	Overall Rating	Indicators	Baseline/ Target	Status at CLR	Lessons Learned	WBG Program Instruments
Focus Area 1: Enhance productivity and accelerate equitable and sustainable growth						
CPF Objective 1.1: Strengthen the business environment for job creation, notably in manufacturing, agri-business, and tourism	Not achieved	Indicator 1: Manufactured exports (including agro-processing products) as percent of total exports	Baseline: 27 (2014/15) Target: 35 (2020/21) Data source: UN Comtrade, Tanzania's Second Five Year Development Plan	Not achieved Manufacturing exports as percent of total exports was only 20.4 percent in June 2022. Source: BoT Monthly Economic Review.	<ul style="list-style-type: none"> • Deepening market activities like warehouses helps farmers to improve storage and defer sales to when prices are high, while mobilizing farmers in groups and linking them to off takers provides an opportunity for bargaining prices. This contrasts with farmers (especially in Zanzibar) who were selling rice at farm gate, not organized and fetching lower prices. 	Projects <ul style="list-style-type: none"> • Tanzania First Inclusive and Resilient Growth Development Policy Financing (P178156) • Boosting Inclusive Growth for Zanzibar: Integrated Development Project (P165128) • Private Sector/MSME Competitiveness – AF (P085009) • Sustainable Management of Mineral Resources AF (P096302) • Eastern and Southern Africa Higher Education Centers of Excellence (P151847) • South West Indian Ocean Fisheries Governance and Shared Growth Project (P132123)
		Indicator 2: New private agri-business investments registered by TIC in the Southern Corridor (number)	Baseline: 0 (2016) Target: 50 (2021)	Not achieved (not attributable to WBG support)		
		Indicator 3: Total tourist visits to the priority Protected Areas (PAs) (in the Southern Circuit)	Baseline: 98,504 (2017) Target: 117,000 (2022)	Not achieved By June 30, 2021 (latest available information) there were 72,709, less than the baseline in 2017. The project was subsequently restructured. Source: Resilient Natural Resource Management for		

Objective	Overall Rating	Indicators	Baseline/ Target	Status at CLR	Lessons Learned	WBG Program Instruments
				Tourism and Growth (P150523)		<ul style="list-style-type: none"> Southern Agricultural Growth Corridor of Tanzania Investment Project (P125728) Expanding Rice Production Project (P144497)
		<p>SP Indicator 1. Women farmers who have adopted an improved agric. technology. Data source: Impact Monitoring and Evaluation Surveys</p>	<p>Baseline: 0 (2016) Target: 140,625 (2021)</p>	<p>Partially achieved 26,500 women farmers adopted improved technology by January 2021. Source: Expanding Rice Production (P144497) - additional indicators monitored by Global Agricultural and Food Security Program.</p>		<p>IFC Advisory</p> <ul style="list-style-type: none"> Tanzania ICAS11 Economy Competitiveness (FY16) TZ ICAS 2 Industry Competitiveness (FY18) Tanzania Tax Business Environment (FY18) East African Community IC Phase 2 (FY13) MAS AS (Agribusiness): WFP Tanzania (FY17)
		<p>SP Indicator 2. MSMEs receiving services inside industrial clusters/zones (number) Data source: Export Processing Zone Authority.</p>	<p>Baseline: 113 (2012/13) Target: 500 (2022)</p>	<p>Not achieved 60 companies operating in industrial zones (2022). Source: TTL meeting with EPZA</p>		<p>Investment</p> <ul style="list-style-type: none"> Tourism: IFA Zanzibar Agribusiness: ETC Tanzania Projects; East Africa Coffee
		<p>SP Indicator 3. National public-private dialogue forum convened at least once a year.</p>	<p>Baseline: No (2017) Target: Yes (Every year)</p>	<p>Achieved Public Private Dialogue forum was supported by IFC through Business Enabling Support project in 2021-2022. One</p>		<p>ASAs</p> <ul style="list-style-type: none"> Climate Technology Innovation Program (FY20)

Objective	Overall Rating	Indicators	Baseline/ Target	Status at CLR	Lessons Learned	WBG Program Instruments
		Data source: Tanzania National Business Council		meeting per year is held (except for 2020, due to COVID-19 no meetings were organized). Source: World Bank meeting with Tanzania National Business Council		<ul style="list-style-type: none"> • Tanzania State Owned Enterprises Competitiveness Review (FY20) • Zanzibar Tourism Integrated Strategy Action Plan (FY20) • Dialogue on Tanzania's Agriculture Commercialization (FY20) • Joint Assessment of Tanzania's Private Sector (FY22) • Unleashing the Potential for Agriculture Commercialization: The Case for Agri-Industrial Parks and Jobs in Tanzania (FY21) • Leveraging technology and the private sector to meet the increasing demand for quality higher education in Tanzania (FY22) • Assessment of domestic pharmaceutical manufacturing in Tanzania (FY23)

Objective	Overall Rating	Indicators	Baseline/ Target	Status at CLR	Lessons Learned	WBG Program Instruments
						<ul style="list-style-type: none"> Tanzania Post FSAP Financial Sector Reform Closing the Potential-Performance Divide in Tanzanian Agriculture (FY19) Resilient, Inclusive, Sustainable and Efficient Irrigated Agriculture in Tanzania (FY23)
CPF Objective 1.2: Put credit within reach, improving access to credit particularly for MSMEs and women	Not achieved	Indicator 4: Share of adult Tanzanians who are financially excluded (percent) <i>Data source: Finscope</i>	Baseline: 26.8 (2017) Target: 20 (2022)	Not achieved (not attributable to WBG support)	<ul style="list-style-type: none"> Both consumers and financial institutions need capacity building to participate more effectively in the housing finance market. Consumer education is necessary to ensure borrowers make well-informed decisions. For financial institutions, frontline staff and risk management teams would benefit from more training on how to conduct outreach to underserved segments, market new 	Projects <ul style="list-style-type: none"> Housing Finance (P117242) Private Sector/MSME Competitiveness (P085009) IFC Advisory <ul style="list-style-type: none"> FIG AS: Aikba DFS MCF (FY17) FIG AS: Bank M Tanzania (FY17) FIG AS: Tanzania MFS Scheme Rules (FY14) FIG AS: AccessBank Tanzania TA (FY13) F&M: Tanzania Credit Reporting Project - Phase 2 (FY15)
		Indicator 5: Share of adult female Tanzanians who are financially excluded (percent) <i>Data source: Finscope</i>	Baseline: 30.29 (2017) Target: 18 (2022)	Not achieved (not attributable to WBG support)		
		Indicator 6: Increase percent of SMEs with line of	Baseline: 17 (2013) Target: 23 (2022)	Not achieved (not attributable to WBG support)		

Objective	Overall Rating	Indicators	Baseline/ Target	Status at CLR	Lessons Learned	WBG Program Instruments
		credit			financial products, and manage a growing portfolio. <ul style="list-style-type: none"> • Along with expansion in national ID registration for individuals, credit infrastructure data collection needs to capture information not just from banks but from mobile money users, Fintech and others to help individuals and MSMEs build credit history. • Increasing trust in banks, requires enhanced consumer protection and financial literacy. 	Investment <ul style="list-style-type: none"> • AMSME BOA – Tanzania • Access TZ RI • National Microfinance Bank Plc (35968) • NMB Bank Tanzania (39511) • Tanzania Mortgage Refinance Company Limited (37277) • CRDB Bank (46204) • Working Capital Solutions Covid NMB Bank (44080) ASAs <ul style="list-style-type: none"> • Tanzania FSAP Update (FY19)
		Indicator 7. Increase percent of woman-owned SMEs with line of credit	Baseline: 4 (2013) Target: 15 (2022)	Not achieved (not attributable to WBG support)		
		SP Indicator 4. People participating in savings groups (number) <i>Data source: Bank of Tanzania</i> Project(s):	Baseline: 25,130 (2017) Target: 35,000 (2022)	Not verified as per original indicators However, 30,031 community savings groups were formed during the CPF through June 2022, with support from PSSNII, with 402,916 members. Source: Tanzania Productive Social Safety Net Project II (P169165)		
CPF Objective 1.3: Manage natural resources for equitable growth	Mostly Achieved	Indicator 8. Land area under sustainable landscape management practices (hectare)	Baseline: 0 (2017) Target: 9000 (2022)	Partially achieved 5900 ha (June 2022) Source: Resilient Natural Resource Management for Tourism and Growth (P150523)	<ul style="list-style-type: none"> • Institutional capacity for sustainable landscape management hinges on the mainstreaming of governance arrangements, digital 	Projects <ul style="list-style-type: none"> • Lake Victoria Environmental Management Project Phase II (P100406) • Kihansi Catchment Conservation and

Objective	Overall Rating	Indicators	Baseline/ Target	Status at CLR	Lessons Learned	WBG Program Instruments
		Indicator 9. Percentage of projects providing climate co-benefits.	Baseline: 31% (FY11-FY17) Target: At least 50% (2022)	Achieved 80 percent in FY22. Source: World Bank (Climate Change Operations)	and GIS-based systems, continuous information flow that facilitates accountability and citizen engagement down to the community level. • Reintroduction of rare species (such as the Kihansi Spray Toad) is a long-term process that requires dedicated resources, careful monitoring and continued research.	Management Project (P126361) • Msimbazi Basin Development Project (P169425) • Land Tenure Improvement Project (P164906) • Zanzibar Urban Services Project (P1111555) • Resilient Natural Resource Management for Tourism and Growth (P150523) • Second Tanzania Water Sector Support Project (P150361) • Southern Agricultural Growth Corridor of Tanzania Investment Project (P125728) • Sustainable Management of Mineral Resources AF (P096302) • Tanzania Food Systems Resilience Program (P179818) • First South West Indian Ocean Fisheries Governance and Shared
	SP Indicator 5. New areas outside protected areas managed as biodiversity-friendly (hectare)	Baseline: 0 (2016) Target: 4000 (2018)	Mostly achieved 3187 ha (2019)			
	SP Indicator 6. Number of cities/communities/districts/provinces with development plans that integrate climate/disaster risk considerations in forest/land/coastal management	Baseline: 0 (2017) Target: TBD (at PLR stage)	Not achieved There was no PLR to establish the Target. However, 3 districts are using 3 Fisheries Management Plans that integrate marine and coastal zone climate change adaptation measures (2022). Source: South West Indian Ocean Fisheries 1 (P132123)			

Objective	Overall Rating	Indicators	Baseline/ Target	Status at CLR	Lessons Learned	WBG Program Instruments
						<p>Growth Project (P132123)</p> <ul style="list-style-type: none"> • Sustainable Management of Mineral Resources (P096302) • Expanding Rice Production Project (P144497) <p>Trust Funds</p> <ul style="list-style-type: none"> • Extractive Industries Accountability and Governance Enhancement Project (P162493) • Tanzania Urban Resilience Program (P161529) <p>ASAs</p> <ul style="list-style-type: none"> • Msimbazi Basin Flood Mitigation and Participatory Planning (FY19) • Tanzania Country Environmental Analysis (FY21) • Closing the Potential-Performance Divide in Tanzanian Agriculture (FY19)

Objective	Overall Rating	Indicators	Baseline/ Target	Status at CLR	Lessons Learned	WBG Program Instruments
						<ul style="list-style-type: none"> • Freshwater Resilience Analytics in Tanzania (FY21) • Economic impact of mining sector regulatory changes in Tanzania (FY22) • Tanzania Country Environmental Analysis Report (FY19) • Sustainable Charcoal and Beyond - Ensuring Sustainable Charcoal Production and Use as Tanzania Transitions to Cleaner Fuels (FY21) • Tanzania E-governance for Land Administration (FY23) • Resilient, Inclusive, Sustainable and Efficient Irrigated Agriculture in Tanzania (FY23)

Objective	Overall Rating	Indicators	Baseline/ Target	Status at CLR	Lessons Learned	WBG Program Instruments
CPF Objective 1.4: Increase access to energy services	Partially Achieved	Indicator 10. Households with electricity connections (percent)	Overall: - Baseline: 33 (2016) - Target: 52 (2022) Rural: - Baseline: 17 (2016) - Target: 35 (2022) Urban: - Baseline: 65 (2016) - Target: 90 (2022)	Partially achieved Overall (42.7 percent), Rural (23.3 percent) and Urban (77.3 percent) in 2021. Source: 2023 Tracking SDG7 Report	<ul style="list-style-type: none"> The achievements of GoT's program for Rural Electrification underscore the significance of: (i) a least-cost geospatial electrification plan to guide access investments; (ii) reduction in household connection fees; (iii) introduction of petroleum levy to cross subsidize electrification; and (iv) strong political commitment. It is important to ensure that generation capacity grows in parallel to expanding access. Capacity building in the areas of procurement and environmental and social safeguards is imperative to advance implementation of key 	<p>Projects</p> <ul style="list-style-type: none"> Rural Electrification Expansion Program and AF (P153781) Regional Rusumo Falls Hydroelectric Project (P075941) Tanzania-Zambia Transmission Interconnector (P163752) Zanzibar Energy Sector Transformation and Access Project (P169561) Energy Sector Capacity Building Project (P126875) <p>Trust Funds</p> <ul style="list-style-type: none"> Renewable Energy Carbon Development Mechanism Program of Activities (P127585) <p>IFC Investment</p> <ul style="list-style-type: none"> Lexo Energy (43838) <p>Advisory</p> <ul style="list-style-type: none"> Tanzania Minigrids (SREP) Lighting Africa Tanzania
		Indicator 11. Improved operational efficiency and financial sustainability of the power sector (percent)	Technical and commercial losses: - - Baseline: 18 (2016) - Target: less than 15 (2022) Profitability of TANESCO: - Baseline: Net Loss (2016) – - Target: Net profit (2022)	Partially achieved 15.43 in 2021 Net Profit Margin: -10% in 2022. Source: Energy and Water Utilities Regulatory Authority Regulatory Electricity Sub-sector Regulatory Performance Report (2021/22)		
		Indicator 12. Transmission capacity of Tanzania-Zambia	Baseline: 0 (2017) Target: 1600 (2022)	Not achieved 0 MW (2022)		

Objective	Overall Rating	Indicators	Baseline/ Target	Status at CLR	Lessons Learned	WBG Program Instruments
		interconnection (MW)		Source: TANESCO Progress Report	infrastructure projects.	
		SP Indicator 7. Generation capacity of renewable energy constructed under the Program (MW)	Baseline: 0 (2016) Target: 33 (2022)	Not achieved Project delayed to FY23.		
		SP Indicator 8. Transmission and distribution lines constructed or rehabilitated under Tanzania Rural Electrification Expansion Program (km)	Baseline: 0 (2017) Target: 24,000 (2022)	Achieved 28,496 (2022) Source: REA Database		
CPF Objective 1.5 Harness urbanization to promote economic growth and job creation	Mostly Achieved	Indicator 13. Landfills and cells constructed or rehabilitated (number)	Baseline: 5 (2016) Target: 7 (2020)	Achieved As of 2020, 7 landfills were completed under TSCP. In 2021, another in Zanzibar was completed under ZUSP. Source: TSCP and ZUSP ICRRs	<ul style="list-style-type: none"> While most ULGAs have urban plans in place, effective land use regulations and enforcement are necessary to realize urban plans. Performance-based grants for infrastructure can be an appropriate mechanism to incentivize improved 	Projects <ul style="list-style-type: none"> Tanzania Cities Transforming Infrastructure & Competitiveness Project (P171189) Zanzibar Urban Services Project (ZUSP) – AF (P111155) Urban Local Government Strengthening Program (P118152)
		Indicator 14. PPP contract awarded for operation of Dar es Salaam Bus	Baseline: One (Interim Service provider) (2017) Target: Five (Three additional Bus Operators, One fare	Partially achieved Since 2016, one transitional bus operations contract in		

Objective	Overall Rating	Indicators	Baseline/ Target	Status at CLR	Lessons Learned	WBG Program Instruments
		Rapid Transit (BRT) system	Collector and one fund Manager) (2021)	place by June 2022 for first corridor (the fund manager) with bidding completed on a second by August 2022 and five public private partnership contracts under preparation for the operation of Dar es Salaam Bus Rapid Transit (BRT) system Source: Dar es Salaam Urban Transport Improvement Project (P150937)	institutional performance at the local level and address urban infrastructure deficits. • Infrastructure investments can be maximized by tying selection criteria to risk-informed land use planning, with local economic development/climate action planning as a requisite basis for capital investments selections.	<ul style="list-style-type: none"> • Tanzania Strategic Cities Project (TSCP) AF (P111153) • Dar es Salaam Urban Transport Improvement Project (P150937) • Dar es Salaam Metropolitan Development Project (P123134) • Private Sector Competitiveness Project (P085009) • Land Tenure Improvement Project (P164906) • Strategic Cities Project (P111153)
		SP Indicator 9. Integrated Land Management Information System established	Baseline: No (2016) Target: Yes (2018)	Achieved Integrated Land Management Information System was established in two pilot locations in Dar es Salaam in 2019, and operational in a further six offices by the end of the CPF period. Source: Private Sector Competitiveness Project (P085009)	<ul style="list-style-type: none"> • Digitalization of revenue collection can substantially increase local Government revenue (457 percent over 10 years in the case of Tanzania). 	<p>ASAs</p> <ul style="list-style-type: none"> • Tanzania Urban Resilience Program (FY23) • Risk Evaluation and Info Management (FY23) • Strengthening Emergency Planning and Response in Tanzanian Cities (FY23) • Urban Resilience

Objective	Overall Rating	Indicators	Baseline/ Target	Status at CLR	Lessons Learned	WBG Program Instruments
		SP Indicator 10. The Local Government Revenue Collection and Information System (LGRCIS) to be fully operational in project municipalities.	Baseline: N (2016) Target: Y (2020)	Achieved Under TSCP the LGRCIS system was piloted in all 8 project cities and, as of 2021 has been scaled up to all 185 LGAs in Tanzania Source: TSCP ICRR		Academy (FY23) <ul style="list-style-type: none"> Shifting the Mobility Paradigm of Intermediate Cities in Tanzania (FY21) Tanzania: Impact Evaluation of the Dar es Salaam BRT System (FY21) Tanzania E-governance for Land Administration (FY23)
CPF Objective 1.6 Enhance transport, energy and digital connectivity for improved services to rural areas	Partially Achieved	Indicator 15. Proportion of rural population with access to safe and affordable drinking water (percent)	Baseline: 52 (2015) Target: 65 (2022)	Not achieved Definition used by the Joint Monitoring Program (data source for baseline) changed between 2015 and 2022 rendering it difficult to report the indicator using their data. Nevertheless, by 2022, through the World Bank-financed program, more than 4.75 million people gained access to improved water supply and 6.61 million people to improved sanitation	<ul style="list-style-type: none"> Regional projects which rely on international agreements for their implementation or sustainability bear substantial risk which may be beyond the project's ability to influence. The integration of multi-sectoral components into a corridor project can greatly expand its potential impact, but delivery requires 	Projects <ul style="list-style-type: none"> Tanzania Transport Integration Project (P165660) Southern Africa Trade and Transport Facilitation Project (P120370) Digital Tanzania Project (P160766) Tanzania Intermodal & Rail Development Project (P127241) Dar es Salaam Urban Transport Improvement Project (P150937) Second Water Sector Support Project

Objective	Overall Rating	Indicators	Baseline/ Target	Status at CLR	Lessons Learned	WBG Program Instruments
				services in 17 regions that have high poverty and stunting ratio with low access level to the water services.	managing additional complexity.	(P150361) <ul style="list-style-type: none"> • Sustainable Rural Water Supply and Sanitation Program (P163732) • Roads to Inclusion and Socioeconomic Opportunities Project (P164920) • Rural Electrification Expansion Program (P153781) • Zanzibar Energy Sector Transformation and Access Project (P169561)
		Indicator 16. Tanzanians covered by greater broadband signal (percent)	Baseline: 28 (2015) Target: 75 (2022) Mobile voice signal (percent): Baseline: 80 (2016) Target: 100 (2022)	Achieved 78% and 98% (2022) Source: Digital Tanzania Project (P160766)		
		SP Indicator 11. Connectivity between urban centers and rural areas improved as evidenced by kilometers of secondary and rural roads constructed/ rehabilitated	Baseline: 0 (2017) Target: TBD ³⁹	Not achieved (not attributable to WBG support)		Trust Funds <ul style="list-style-type: none"> • Accelerating Solar Water Pumping via Innovative Financing (P161757) IFC <ul style="list-style-type: none"> • Lexo Energy (43838) ASAs <ul style="list-style-type: none"> • Support to Open Data in Tanzania (FY18) • Diagnostic Trade Integration Study

³⁹ The target value encompasses the secondary and feeder roads in a number of programs – SAGCOT, LTTP, LVTP, as well as the proposed Rural Roads PforR. The target will be determined when all contributing projects have completed concept stage.

Objective	Overall Rating	Indicators	Baseline/ Target	Status at CLR	Lessons Learned	WBG Program Instruments
						Update (FY17)
CPF Objective 1.7 Capture Tanzania's potential as a maritime gateway and regional trade hub	Partially achieved	Indicator 17. Berth Occupancy percentage	Baseline: 55 (2016) Target: 40 (2022)	Not achieved 53 percent by 2022 Source: Tanzania Port Authority records	<ul style="list-style-type: none"> Rail projects require strong buy-in from different levels of Government when implementing challenging institutional reforms. Intermediate targets that indicate reform progress help monitor and make timely adjustments as may be required. 	Projects <ul style="list-style-type: none"> Tanzania-Zambia Transmission Interconnector (P163752) Southern Africa Trade and Transport Facilitation Project (P120370) Tanzania Intermodal & Rail Development Project (P127241) Tanzania Transport Integration Project (P165660) Dar es Salaam Maritime Gateway Project (P150496)
		Indicator 18. Length of rail track-km rehabilitated at target capacity	Baseline: 0 (2016) Target: 970 (2019)	Mostly achieved 602 (2021) Source: Intermodal & Rail Development Project (P127241)		
		SP Indicator 12. Establishment of One Stop Rest Stops along the Dar es Salaam Corridor	Baseline: No (2016) Target: Yes (2018)	Achieved OSRS are operational (June 2022) Source: Southern Africa Trade and Transport Facilitation Project (P120370)		

Objective	Overall Rating	Indicators	Baseline/ Target	Status at CLR	Lessons Learned	WBG Program Instruments
		SP Indicator 13. Five-year Business Plan for TRL in place	-Baseline: No (2014) -Target: Yes (2019)	Not achieved (by end-CPF period) TRC (Tanzania Railways Corporation) was formed upon the dissolution of TRL (Tanzania Railways Limited). TRC's Business Plan was finalized and approved in February 2023. Source: Tanzania Intermodal & Rail Development Project (P127241)		ASAs <ul style="list-style-type: none"> Tanzania: Impact Evaluation of the Dar es Salaam BRT System (FY21) Lake Victoria & Eastern Africa Regional Corridors/Ports - Freight Flow Logistic Study – Tanzania (FY23)
Focus Area 2: Boost human capital and social inclusion - a lifecycle approach to human development challenges						
CPF Objective 2.1 Invest in the early years	Partially achieved	Indicator 19. Chronic malnutrition / stunting in children under 5 years (percent)	Baseline: 34.4 (2015) Target: 25 (2022)	Partially achieved 30 percent of children under age five are stunted (short for their age), and 9 percent are severely stunted (2022) Source: Tanzania Demographic Health Survey. <i>Note:</i> The Investing in Early Years project, which focused on	<ul style="list-style-type: none"> Project designs need to take client capacity into account. The Star Rating assessment initiative, for instance, may have been overly ambitious, as the demands it imposed on the system in terms of technical and institutional capacity as well as financial 	Projects <ul style="list-style-type: none"> Zanzibar Improving Quality of Basic Education Project (P178157) Maternal and Child Health Investment Program (P170435) Productive Social Safety Nets Project (P124045) PSSN II (P169165) Boost Primary Student

Objective	Overall Rating	Indicators	Baseline/ Target	Status at CLR	Lessons Learned	WBG Program Instruments
				nutrition, was cancelled. Instead, the Strengthening Primary Health Care for Results program was implemented, but with limited interventions focused on nutrition.	resources proved to be unsustainable. A less resource-intensive approach may have been more appropriate.	Learning Project (P169380)
		Indicator 20. Households with children < 2 years benefiting from safety nets programs (percent)	Baseline: 8 (2016) Target: 10 (2022)	Not verified This indicator is not tracked by Tanzania Social Action Fund.	<ul style="list-style-type: none"> Adequate and reliable financial incentives are essential for results-based financing. The systemic delays and eventual interruption of results-based payments to health care facilities (including payments that had already been verified) proved detrimental to success. Smooth fund flows to implementing agencies under SRWSSP has been instrumental to its success. 	<ul style="list-style-type: none"> Sustainable Rural Water Supply and Sanitation Program (SRWSSP) (P163732) Strengthening Primary Health Care for Results (P152736) East Africa Public Health Laboratory Networking Project (P111556)
		SP Indicator 14. Pregnant/ lactating women, and children < 2 years reached by nutrition services (number)	Baseline: 3,599,636 (2015) Target: 7,472,138 (2022)	Achieved 9,911,837 (as of June 2022; 10,505,373 by December 2022) Source: Data source District Health Information System (DHIS2)		Trust Funds <ul style="list-style-type: none"> Global Financing Facility Power of Nutrition Strengthening Pandemic Preparedness in the Eastern, Central and Southern Africa Health Community Project (P176300) Africa Environmental Health and Pollution Management Program (P167788) COVID-19 Pandemic Emergency Financing Facility Project (P174366)
		SP Indicator 15. Rural population with access to improved sanitation (percent)	Baseline: 12 (2016) Target: 30 (2022)	Achieved 53 percent of the rural population (mainland) has access to at least basic sanitation service (2022).		

Objective	Overall Rating	Indicators	Baseline/ Target	Status at CLR	Lessons Learned	WBG Program Instruments
				<p>Source: Tanzania Demographic Health Survey (2022)</p> <p>Note: Indicator changed due to SDG indicator definition changing but is technically comparable. World Bank contribution to this achievement provided through SRWSSP: 6.61 million people have gained access to improved sanitation facilities through the Program.</p>		<p>ASAs</p> <ul style="list-style-type: none"> Supporting early learning in Tanzania (FY20) Tanzania Education Sector Governance and Institutional Assessment (FY21)
<p>CPF Objective 2.2 Heighten job relevant labor force skills</p>	<p>Achieved</p>	<p>Indicator 21. Trainees completing alternative, TVET and university training programs in key economic sectors (supported by SDF and TVS) (number)</p>	<p>Baseline: 0 (2015) Target: 25,500 (2021)</p>	<p>Achieved 45,718 trainees had completed programs in key sectors by October 2022 (over 40,000 by 2021). Source: Education & Skills for Productive Jobs (P152810)</p>	<ul style="list-style-type: none"> Training should be demand-responsive and prioritized. Where relevant, private sector validation of training programs can be helpful. Tracer studies can help to motivate both implementors and recipients of prospective training programs. 	<p>Projects</p> <ul style="list-style-type: none"> Higher Education for Economic Transformation Project (P166415) Education and Skills for Productive Jobs Program (P152810) East Africa Skills for Transformation and Regional Integration Project (P163399) Eastern and Southern
		<p>Indicator 22. Trainees who did an internship,</p>	<p>Baseline: Not available (2016)* Target: 50 (2022)</p>	<p>Achieved The employment rate for graduates of short-</p>		

Objective	Overall Rating	Indicators	Baseline/ Target	Status at CLR	Lessons Learned	WBG Program Instruments
		apprenticeship or entrepreneurship training employed or self-employed one year after training completion (by gender; percent)	*database being set-up; to be firmed up at PLR stage.	term programs one year after graduation for the years 2019/20; 2020/21, and 2021/22 were 81.9% (80.0% female), 80.7% (80.1% female) and 78.4% (82.1% female) respectively. Source: Education & Skills for Productive Jobs (P152810)	<ul style="list-style-type: none"> Timely course correction is important, as exemplified by the evolution of the voucher scheme which, with TASAF collaboration, reached 3,932 vulnerable youth with short programs in priority sectors. 	<p>Africa Higher Education Centers of Excellence (P151847)</p> <p>ASAs</p> <ul style="list-style-type: none"> Let's Work Program in Tanzania (FY19) Evolution and Disparity of Poverty, and Jobs in Tanzania (FY21) Addressing Governance Concerns in Tanzania: Studies in Skills Training and the Power Sector (FY20) Zanzibar: Opportunities and Challenges of Long-Term Job Growth (FY21) Tanzania Urban Resilience Program
		SP Indicator 16. Training vouchers provided to trainees for training in key economic sectors (number)	Baseline: 0 (2016) Target: 10,000 (2021)	Not achieved The Government decided not to proceed with a training voucher scheme. It was transformed at MidTerm Review into a bursary scheme for vulnerable youth in collaboration with TASAF.		
CPF Objective 2.3 Improve the quality of health care and education	Mostly Achieved	Indicator 23. National average for correct reading in Grade two in Kiswahili improved (words per minute)	Baseline: 18 (2016) Target: 28 (2022)	Mostly achieved 27.49 correct words per minute (2022). Source: The latest 3R assessment 2021/22 (adapted from Early	<ul style="list-style-type: none"> Nutrition support can be effectively integrated into broader Maternal, Newborn and Child Health strengthening. 	<p>Projects</p> <ul style="list-style-type: none"> Maternal and Child Health Investment Program (P170435) Strengthening Primary Health Care for Results

Objective	Overall Rating	Indicators	Baseline/ Target	Status at CLR	Lessons Learned	WBG Program Instruments
				Grade Reading Assessment/Early Grade Mathematics Assessment). Boost Primary Student Learning (P169380).	<p>Nutrition interventions benefit from: (i) a strengthened primary health care system, which is essential for delivery of nutrition interventions; and (ii) improvements in maternal care and health outcomes that synergistically contribute to improved nutrition outcomes.</p> <ul style="list-style-type: none"> • A sustained multi-pronged approach, embracing access and quality improvement strategies and buttressed by strong Presidential commitment, enabled significant gains in girls' education in Tanzania. For Tanzania, this has included: taking secondary schools closer to communities 	(P152736)
		Indicator 24. Lower Secondary Completion Rate for girls (percent)	Baseline: 20 (MRV) Target: 40 (2022)	Achieved The survival to Form 4 girls' performance is 47 percent (2022). Source: Secondary Education Quality Improvement Project (P170480)		<ul style="list-style-type: none"> • Education Program for Results & AF (P147486) • East Africa Public Health Laboratory Networking Project – AF (P111556) • Sustainable Rural Water Supply and Sanitation Program (P163732) • Secondary Education Quality Improvement Project (P170480) • Boost Primary Student Learning (P169380)
		Indicator 25. Zanzibar Lower Secondary Completion Rate (percent)	Baseline: 45 (2016) Target: 65 (2022)	Achieved The survival to Form 4 girls' performance is 74.2 percent (2022). Source: MoEST Education Management Information System		<ul style="list-style-type: none"> • Zanzibar Improving Quality of Basic Education Project (P178157) • Higher Education for Economic Transformation Project (P166415)
		Indicator 26. Health facilities with CEmONC capability (percent)	Baseline: 26.8 (2015) Target: 50 (2020)	Partially achieved While measurement as per the CPF indicator is not fully possible, the number of health centers providing CEmONC services		<ul style="list-style-type: none"> • Zanzibar Improving Student Prospects Project (P153277) • Education and Skills for Productive Jobs Program (P152810) • Eastern and Southern

Objective	Overall Rating	Indicators	Baseline/ Target	Status at CLR	Lessons Learned	WBG Program Instruments
				increased from 79 to 160 between 2015 and 2020 with support from Strengthening Primary Health Care for Results (P152736). Source: Tanzania Service Readiness and Availability Report (SARA2020)	(expanding the secondary education network); promotion of safe learning environments through the Safe School Program; and tracking dropouts at school and community levels to improve access. Importantly, this has been coupled with the supply of instructional material for students and teachers, and in-service teacher training to enhance the quality of instruction.	Africa Higher Education Centers of Excellence (P151847) Trust Funds <ul style="list-style-type: none"> Strengthening Pandemic Preparedness in the Eastern, Central and Southern Africa Health Community Project (P176300) Africa Environmental Health and Pollution Management Program (P167788) COVID-19 Pandemic Emergency Financing Facility Project (P174366) ASAs: <ul style="list-style-type: none"> Supporting Early Learning in Tanzania (FY18) ASA to support Universal Health Coverage in Tanzania (FY21) Investing in Human Capital in Tanzania (FY20) Re-positioning Health
		SP Indicator 17. Pupil teacher ratio in the primary cycle	Baseline: 1:55 (MRV) Target: 1:45 (2022)	Not achieved Target was not realistic. Actual ratio by June 2022 was 1:67. The increase in student population interfaced with the slow teacher recruitment to prevent the achievement of this target.		
		SP Indicator 18. Health providers with minimum level of diagnostic skills (correctly diagnosed tracer conditions) (percent)	Baseline 60.2 (MRV) Target 80 (2022)	Not verified No Service Delivery Indicators survey conducted.		

Objective	Overall Rating	Indicators	Baseline/ Target	Status at CLR	Lessons Learned	WBG Program Instruments
						<p>Services Delivery in Tanzania for the Future (FY22)</p> <ul style="list-style-type: none"> • Zanzibar Education and Health Public Expenditure Review (FY23) • Leveraging technology and the private sector to meet the increasing demand for quality higher education in Tanzania (FY22) <p>IFC</p> <ul style="list-style-type: none"> • Investment (Education) • Braeburn
<p>CPF Objective 2.4 Accelerate the demographic transition</p>	<p>Partially Achieved</p>	<p>Indicator 27. Modern contraceptive use (percent)</p>	<p>Baseline: 32 (MRV) Target: 40 (2022)</p>	<p>Not achieved</p> <p>31 percent of women used any modern method (36 percent of unmarried women). (H1 2022)</p> <p>Source: Demographic and Health Survey (2022). Data collection took place February to July 2022.</p>	<ul style="list-style-type: none"> • Strong political commitment, ownership, and alignment are crucial for the success of projects. The involvement of all levels of Government as well as establishment of a Strategic Management Team are central in reviewing progress 	<p>Projects</p> <ul style="list-style-type: none"> • Education Program for Results & AF (P147486) • East Africa Public Health Laboratory Networking Project – AF (P111556) • Zanzibar Improving Quality of Basic Education Project (P178157)

Objective	Overall Rating	Indicators	Baseline/ Target	Status at CLR	Lessons Learned	WBG Program Instruments
		<p>Indicator 28. Transition to upper secondary school (percent)</p>	<p>Baseline: 14(2016) Target: 24 (2021)</p>	<p>Mostly achieved 22 percent by 2020. Data for 2021 and 2022 not available. Source: Tanzania Secondary Education Quality Improvement Project (P170480).</p>	<p>and providing solutions.</p> <ul style="list-style-type: none"> While measuring learning outcomes is essential, careful consideration is needed when selecting education outcomes for Project Development Outcome indicators. It is important to consider the dynamics of rapidly rising enrollment and the inclusion of lower-performing students in the education system. 	<ul style="list-style-type: none"> Secondary Education Quality Improvement Project (P170480) Eastern and Southern Africa Higher Education Centers of Excellence (P151847) Strengthening Primary Health Care for Results (P152736) <p>ASAs</p> <ul style="list-style-type: none"> ASA to support Universal Health Coverage in Tanzania (FY21) Re-positioning Health Services Delivery in Tanzania for the Future (FY22) Zanzibar Education and Health Public Expenditure Review (FY23) Tanzania Country Social Analysis on Vulnerable and Marginalized Groups (FY20) Research Program on Poverty and Disaster (FY20)
		<p>SP Indicator 19. Girls enrolled in secondary school annually (numbers)</p>	<p>Baseline: 0 (2017) Target: 1600 (2022)</p> <p>Zanzibar: Baseline: 63,692 (2016) Target: 68,349 (2022)</p>	<p>Achieved 1,476,369 in 2022. Source: MoEST, Education Management Information System</p> <p>Zanzibar: 61,000 girls enrolled in secondary education in 2022 (Target 89.6%)</p>		

Objective	Overall Rating	Indicators	Baseline/ Target	Status at CLR	Lessons Learned	WBG Program Instruments
						<ul style="list-style-type: none"> Tanzania Country Gender Assessment and Evaluation of the Tanzania National Plan of Action on Gender (FY22)
CPF Objective 2.5 Promote social inclusion	Mostly Achieved	Indicator 29. Cash transfer benefits reaching the poorest 20 percent of population) (percent)	Baseline: 60 (2017) Target: 85 (2022)	Partially achieved 70.8 percent of World Bank-supported beneficiaries are in the poorest 20 percent of the distribution. (88.1% are in the bottom 40 percent). (June 2022) Source: PSSN and AF (P124045); PSSN II (P169165); Impact Evaluation of PSSN II Baseline Report (Data collected April-June 2022).	<ul style="list-style-type: none"> ASA can support lending in multiple respects. The Evolution and Disparity of Poverty and Jobs in Tanzania (FY21), for instance, was used by the World Bank Social Protection team to identify the spatial distribution of pockets of poverty in Tanzania and assess the coverage of its social cash transfer program managed by TASAF. 	Projects <ul style="list-style-type: none"> Roads to Inclusion and Socioeconomic Opportunities Project (P164920) Productive Social Safety Net and AF (P124045) Productive Social Safety Net Project II (P169165) Education and Skills for Productive Jobs Program (P152810) ASAs <ul style="list-style-type: none"> RESPECT Study for women at high risk of HIV infection in Dar-es-Salaam, Tanzania (FY23) Tanzania Country Social Analysis on Vulnerable and Marginalized Groups (FY20) Research Program on Poverty and Disaster (FY20)
		Indicator 30. Trainee Voucher Scheme for low-income youth operational	Baseline: N (2016) Target: Y (2022)	Achieved By May 2022, Trainee Voucher Scheme Operationalized under the management of the Higher Education Students Loans Board and later changed to Bursary Scheme for the		

Objective	Overall Rating	Indicators	Baseline/ Target	Status at CLR	Lessons Learned	WBG Program Instruments
				Vulnerable operated by the Skills Development Fund. The bursary scheme for the vulnerable supported 3,932 (31% female) of the targeted 4,000 beneficiaries. Source: Skills Management Information System Tanzania Education and Skills for Productive Jobs Program (P152810)		<ul style="list-style-type: none"> • Tanzania Inclusive Growth Analysis (FY20) • Making Innovations in Livelihood Services work for the Poor (FY21) • Blueprint for developing unified social registry in Tanzania (FY21) • Tanzania: Stakeholder Engagement Diagnostic (FY21) • Tanzania Country Gender Assessment and Evaluation of the Tanzania National Plan of Action on Gender (FY22) • Enhancing the Application of the ESF and Stakeholder Engagement in Tanzania (FY23) • Process Evaluation of the Second Phase of PSSN (FY23)
		SP Indicator 20. Proportion of eligible households receiving cash transfers (total and by component) (Percent; Conditional Cash Transfers- CCT; Public Works-PW; Livelihood Enhancement-LE)	Baseline: (2017) CCT: 95 PWs: 30 LE: 10 Target: (2022) CCT: 95 PWs: 50 LE: 25	Achieved By 2019: CCT: 100 percent PW 89 percent LE 100 percent Source: PSSN and AF (P124045)		
		SP Indicator 21. People reporting reduced	Baseline: 0 (2018) Target: 75 (2020)	Not achieved (no project)		

Objective	Overall Rating	Indicators	Baseline/ Target	Status at CLR	Lessons Learned	WBG Program Instruments
		vulnerability to attacks on people with Albinism (percent)				
FOCUS AREA 3: MODERNIZE AND IMPROVE EFFICIENCY OF PUBLIC INSTITUTIONS						
CPF Objective 3.1 Strengthen public accountability and financial efficiency in delivering services	Partially achieved	Indicator 31. Variance in budget vs actual expenditure composition in the last three years, excluding contingent items	Baseline: >15 percent in two of the last three fiscal years (2016/17) Target: < 10 percent in only one of the last three fiscal years (2020/21)	Partially achieved The variance was 4 percent in 2021/22; 11 percent in 2020/21; and 16 percent in 2019/20. The indicator is interpreted to mean that variance should not be > 10 percent (not < 10 percent) in more than one year. Hence this indicator is partially achieved (>10 percent in two of three years). Source: MOFP	<ul style="list-style-type: none"> Governments can monitor total administrative costs of social safety nets by estimating their in-kind (and often somewhat invisible) contributions to programs (e.g. salaries of staff supporting implementation beyond the implementing agency, office spaces at different levels of the Government, facilities). This allows for a more informed assessment of a program's efficiency and value for money. 	<p>Projects</p> <ul style="list-style-type: none"> Judicial Modernization Project (P155759) Citizen-Centric Judicial Modernization and Justice Service Delivery (P155759) Develop National Statistical System for Tanzania (P107722) <p>Trust Funds</p> <ul style="list-style-type: none"> Mainland and Zanzibar National Audit Offices Capacity Building Project (P162538) Tanzania Mainland Household Budget Survey (P158448) <p>ASAs</p> <ul style="list-style-type: none"> Risk Mitigation Planning (FY23) Macroeconomic and
		Indicator 32. One-stop service centers for businesses and citizens ("Huduma Express") operational (number)	Baseline: 0 (2017) Target: 20 (2021)	Not achieved Project delayed and one-stop service center idea dropped		

Objective	Overall Rating	Indicators	Baseline/ Target	Status at CLR	Lessons Learned	WBG Program Instruments
		<p>SP Indicator 22. Payment arrears as share of central govt expenditures (percent)</p>	<p>Baseline: 10.6 (2015/16) Target: 2% (2021/22)</p>	<p>Partially achieved The ratio of payment arrears to central Government expenditures was 9 percent in June 2022. Source: Ministry of Finance and Planning Revised Strategy for Management of Arrears</p>		<p>Fiscal Management Capacity Building TA (FY18)</p> <ul style="list-style-type: none"> • Tanzania Procurement Value Chain Analysis Follow up Activities (FY20) • Tanzania Programmatic Public Expenditure Review FY20-22 (FY22) • Tanzania Economic Update (FY22) • Tanzania Agriculture Public Expenditure Review (FY22)
		<p>SP Indicator 23. Percentage reduction of the number of cases older than three years in the court system</p>	<p>Baseline: 5,000 (2015/16) Target: 3,000 (2020/21)</p>	<p>Achieved There are 648 cases in the court system older than three years, an 87% decrease from the baseline in 2015/2016. (June 2022) Source: JoT E-Case Management System.</p>		
<p>CPF Objective 3.2 Improve the efficiency and competitiveness of public investments</p>	<p>Not achieved</p>	<p>Indicator 33. Average return on assets of state-owned enterprises (business oriented public and statutory corporations) (percent)</p>	<p>Baseline: 2 (2014) Target: 3.5 (2021)</p>	<p>Not verified Data are not available publicly.</p>	<ul style="list-style-type: none"> • The process of opening up the power sector to foreign investment through PPPs is both technically and politically challenging. The process is not 	<p>Projects</p> <ul style="list-style-type: none"> • Urban Local Government Strengthening Program (P118152) • Development of a National Statistical System for Tanzania (P107722)

Objective	Overall Rating	Indicators	Baseline/ Target	Status at CLR	Lessons Learned	WBG Program Instruments
		<p>SP Indicator 24. Value of private sector finance committed to PPPs through open, competitive bidding since 2017 (US \$)</p>	<p>Baseline: US\$0 million (2017) Target: US\$25 million (2022)</p>	<p>Partially achieved US\$9.7 million (2022). Source: PowerGen Tanzania Mini-Grids Portfolio. Greenfield energy generation project: PPI US\$8.5 million. Mwenga wind farm, Greenfield energy generation project: PPI US\$1.2 million.</p>	<p>straightforward, and there are usually many temporary hurdles and setbacks. Achieving financial closure of a PPP requires full Government participation.</p>	<ul style="list-style-type: none"> • Eastern Africa Regional Statistics Program-for-Results (P176371) <p>Trust Funds</p> <ul style="list-style-type: none"> • Mainland and Zanzibar National Audit Offices Capacity Building Project (P162538) • Development Support for Tanzania Statistics (P159954) • Tanzania PPP Support Program (FY17; FY22) <p>ASAs</p> <ul style="list-style-type: none"> • Own source revenue collection in Tanzania (FY20) • Tanzania Public Expenditure Review (FY19) • Tanzania Economic Updates (FY18; FY20) • Zanzibar Diagnostic Study to Enhance Public Service Governance (FY23) • Tanzania State Owned Enterprises Competitiveness Review (FY20)

Objective	Overall Rating	Indicators	Baseline/ Target	Status at CLR	Lessons Learned	WBG Program Instruments
CPF Objective 3.3 Better leverage ICT to modernize public sector	Achieved	Indicator 34. All MDAs, LGAs connected to high-speed internet	Baseline: 72 of 88 MDAs (2016) 77 of 149 LGAs (2016) Target: All 88 MDAs (2022) All 149 LGAs (2022)	Achieved 88 MDAs and 149 LGAs in 2022. Source: Regional Communications Infrastructure Program-3; Digital Tanzania (P160766)	<ul style="list-style-type: none"> Increasing access to high quality broadband services for Government, businesses and citizens bolsters a Government's capacity to deliver digital public services. 	Projects <ul style="list-style-type: none"> Regional Communications Infrastructure Program-3; Digital Tanzania (P160766) Trust Funds <ul style="list-style-type: none"> Tanzania Mainland Household Budget Survey (P158448) Digital Tanzania Project (P160766) Development Support for Tanzania Statistics (P159954) ASAs <ul style="list-style-type: none"> Tanzania PPP Support Program (FY22) Procurement Value Chain Analysis (FY19) Tanzania Economic Update (FY19) Tanzania Country Economic Memorandum (FY23) Tanzania Assessment of Governance and Institutions of Service Delivery in Irrigation Sector (FY23)
		SP Indicator 25. Government entities using eProcurement system (number)	Baseline: 0 of 500 (20) Target: 400 of 500 (2022)	Achieved 488 out of 500 Government entities, or 718 entities including delegated authorities connected to TANEPS by 2022. Source: Regional Communications Infrastructure Program-3; Digital Tanzania (P160766)		

Annex C: IDA Lending Program FY18-FY22: Planned vs. Actual

Planned projects		Status		
Focus Area 1: Enhance Productivity and Accelerate Equitable and Sustainable Growth				
Name	Commitment (US\$ million)	Name	FY approved	Commitment (US\$ million)
Energy Sector Support (PforR, transmission, distribution, rural electrification, regional integration (RI) engagement)	900	Regional: Tanzania-Zambia Transmission Interconnector	2018	465
		Zanzibar Energy Sector Transformation and Access Project	2021	117
<i>Subtotal</i>	900			582
Transport and ICT (economic corridors, connectivity)	1,000 - 1,200	Digital Tanzania Project	2021	150
		Roads to Inclusion and Socioeconomic Opportunities Project	2021	300
		Tanzania Transport Integration Project	2022	550
<i>Subtotal</i>	1,000 - 1,200			1,000
Agriculture Sector Support	100 – 200			
<i>Subtotal</i>	100 – 200			0
Natural Resources Management Support (environment, tourism, climate change, mining, land)	275	Resilient Natural Resource Management for Tourism and Growth	2018	150
		Land Tenure Improvement Project	2022	150
<i>Subtotal</i>	275			300
Zanzibar Urban Services and Connectivity Project	100	Boosting Inclusive Growth for Zanzibar: Integrated Development Project	2021	150
		Tanzania Cities Transforming Infrastructure & Competitiveness Project	2022	278
<i>Subtotal</i>	100			428

Rural Water, Sanitation and Water Resource Management	250	Sustainable Rural Water Supply and Sanitation Program	2018	350
<i>Subtotal</i>	250			350
Financial Inclusion Project	150			
<i>Subtotal</i>	150			0
Industrialization and Trade Facilitation Interventions	100 – 130			
<i>Subtotal</i>	100 – 130			0
Subtotal (Focus Area 1)	2,875 – 3,205			2,660
Focus Area 2: Boost Human Capital and Social Inclusion				
Name	Commitment (US\$ million)	Name	FY approved	Commitment (US\$ million)
Secondary Education Quality Improvement Project	300	Secondary Education Quality Improvement Project	2020	500
<i>Subtotal</i>	300			500
Higher Education Reform	300	Higher Education for Economic Transformation Project	2021	425
<i>Subtotal</i>	300			425
Investing in the Early Years	200	Boost Primary Student Learning	2022	500
<i>Subtotal</i>	200			500
Sustainable Social Safety Nets	200	Productive Social Safety Net Project II	2020	450
<i>Subtotal</i>	200			450
Additional actuals		East Africa Skills for Transformation and Regional Integration Project	2019	75
<i>Subtotal</i>				75
Subtotal (Focus Area 2)	1,000			1,950

Focus Area 3 Modernize and Improve Efficiency of Public Institutions				
Name	Commitment (US\$ million)	Name	FY approved	Commitment (US\$ million)
Growth and Service Delivery DPO series	200 - 300			
<i>Subtotal</i>	200 – 300			0
Public Service Modernization Project	100 - 150	Citizen-Centric Judicial Modernization and Justice Service Delivery (FY17) - Additional Finance	2022	90
<i>Subtotal</i>	100 – 150			90
Statistics PforR	50	Regional: Eastern Africa Regional Statistics PforR	2022	82
<i>Subtotal</i>	50			82
<i>Subtotal (Focus Area 3)</i>	350 - 500			172
Total	4,225 – 4,705			4,782

Annex D: Advisory Services and Analytics FY18-FY22: Planned vs. Actual

FOCUS AREA	CPF PLANS	STATUS ⁴⁰
<p>1: Enhance Productivity and Accelerate Equitable and Sustainable Growth</p>	<ul style="list-style-type: none"> • Let’s Work Program in Tanzania • Evolution and Disparity of Poverty and Jobs in Tanzania • Closing the Potential Performance Gap in Tanzania Agriculture • ICAS Industry Competitiveness • Country Environment Assessment • Water Analyses • Power Sector Review • Zanzibar Tourism and Economic Development • Urban Resilience Program • Gender-based Violence Assessment (all projects) • Analytics on the Central Corridor • Drivers of Inclusive Growth • Climate Technology Innovation Program 	<p><u>Planned and delivered:</u></p> <ul style="list-style-type: none"> • Let’s Work Program in Tanzania (2019) • Closing the Potential Performance Gap in Tanzania Agriculture (2019) • Country Environment Assessment (2019) • Climate Technology Innovation Program (2020) • Drivers of Inclusive Growth (2020) • Evolution and Disparity of Poverty and Jobs in Tanzania (2021) • Urban Resilience Program (2023) • Water Analyses: Freshwater Resilience Analytics in Tanzania (2021) • Urbanization Review: Transforming Tanzania’s Cities (2021) <p><u>Planned and not delivered:</u></p> <ul style="list-style-type: none"> • ICAS Industry Competitiveness • Zanzibar Tourism and Economic Development • Gender-based Violence Assessment (all projects). However see below: Tanzania country gender assessment and evaluation of the Tanzania National Plan of Action on Gender (2022) • Analytics on the Central Corridor • Power Sector Review <p><u>Not planned and delivered:</u></p> <ul style="list-style-type: none"> • Msimbazi Basin Flood Mitigation and Participatory Planning (2019) • Tanzania Country Environmental Analysis Report (2019) • Zanzibar Tourism Integrated Strategy Action Plan (2020) • Addressing Governance Concerns in Tanzania: Studies in Skills Training and the Power Sector (2020)

⁴⁰ 2023 deliveries are included for ASAs that were active and/or initiated during the FY18-FY22 CPF period.

FOCUS AREA	CPF PLANS	STATUS ⁴⁰
		<ul style="list-style-type: none"> • Investing in Human Capital in Tanzania (2020) • Dialogue on Tanzania's Agriculture Commercialization (2020) • Zanzibar: Opportunities and Challenges of Long-Term Job Growth (2020) • Shifting the Mobility Paradigm of Intermediate Cities in Tanzania (2021) • Tanzania: Impact Evaluation of the Dar es Salaam BRT System (2021) • Sustainable Charcoal and Beyond - Ensuring Sustainable Charcoal Production and Use as Tanzania Transitions to Cleaner Fuels (2021) • Unleashing the Potential for Agriculture Commercialization: The Case for Agri-Industrial Parks and Jobs in Tanzania (2021) • Economic impact of mining sector regulatory changes in Tanzania (2022) • Tanzania country gender assessment and evaluation of the Tanzania National Plan of Action on Gender (2022) • Tanzania Agriculture Public Expenditure Review (2022) • Building a Supportive Environment for Operation and Maintenance in the Tanzanian Rural Water Supply Subsector (2023) • Strengthening Emergency Planning and Response in Tanzanian Cities (2023) • Urban Resilience Academy (2023) • Lake Victoria & Eastern Africa Regional Corridors/Ports - Freight Flow Logistic Study – Tanzania (2023) • Tanzania E-governance for Land Administration (2023) • Resilient, Inclusive, Sustainable and Efficient Irrigated Agriculture in Tanzania (2023) • Tanzania Assessment of Governance and Institutions of Service Delivery in Irrigation Sector (2023) • Assessment of domestic pharmaceutical manufacturing in Tanzania (2023) • Translating Plans to Development: Impact and Effectiveness of Urban Planning in Tanzania Secondary Cities (2018)

FOCUS AREA	CPF PLANS	STATUS ⁴⁰
<p>2: Boost Human Capital and Social Inclusion</p>	<ul style="list-style-type: none"> • Review of Early Stimulation Programs and Practices • Fertility Transition and Demographic Dividend • Supporting Early Learning • Service Delivery Indicators Survey • Support to Universal Health Coverage • Social Safety Net Impact Evaluation • Gender Diagnostic • TA for Reforming Higher Education Loans Board • Enhancing Sustainable Livelihoods and Graduation from Social Assistance in Tanzania 	<p><u>Planned and delivered:</u></p> <ul style="list-style-type: none"> • Supporting Early Learning (2020) • Support to Universal Health Coverage (2021) • Social Safety Net Impact Evaluation: Productive Social Safety Net I endline (2020) and Productive Social Safety Net 2 baseline (2023) • Enhancing Sustainable Livelihoods and Graduation from Social Assistance in Tanzania <p><u>Planned and not delivered:</u></p> <ul style="list-style-type: none"> • Review of Early Stimulation Programs and Practices • Fertility Transition and Demographic Dividend • Service Delivery Indicators Survey • Gender Diagnostic. However, see above: Tanzania Country Gender Assessment and Evaluation of the Tanzania National Plan of Action on Gender (2022) • TA for Reforming Higher Education Loans Board <p><u>Not planned and delivered:</u></p> <ul style="list-style-type: none"> • Tanzania Inclusive Growth Analysis (2020) • Blueprint for developing unified social registry in Tanzania (2021) • Tanzania Education Sector Governance and Institutional Assessment (2021) • Re-positioning Health Services Delivery in Tanzania for the Future (2022) • Leveraging technology and the private sector to meet the increasing demand for quality higher education in Tanzania (2022) • RESPECT Study for women at high risk of HIV infection in Dar-es-Salaam, Tanzania (2023) • Zanzibar Education and Health Public Expenditure Review (2023)

FOCUS AREA	CPF PLANS	STATUS ⁴⁰
3: Modernize and Improve Efficiency of Public Institutions	<ul style="list-style-type: none"> • State-Owned Enterprise Competitiveness Review • Programmatic PER • Debt Management TA (DMFTF) • Procurement Value Chain Analysis • Macro-fiscal Capacity Building TA • Programmatic Institutional and Governance Review Sub-sovereign PPPs (DfID TF) 	<p><u>Planned and delivered:</u></p> <ul style="list-style-type: none"> • State-Owned Enterprise Competitiveness Review (2020) • Procurement Value Chain Analysis (2019) • Tanzania Urban Resilience Program (2016-2022) <p><u>Planned and not delivered:</u></p> <ul style="list-style-type: none"> • Programmatic PER • Debt Management TA (DMFTF) • Macro-fiscal Capacity Building TA • Programmatic Institutional and Governance Review Sub-sovereign PPPs (DfID TF) <p><u>Not planned and delivered:</u></p> <ul style="list-style-type: none"> • Tanzania Public Expenditure Review (2019) • Public Expenditure Review (2020) • Own source revenue collection in Tanzania (2020) • Tanzania PPP Support Program (2022) • Tanzania Programmatic Public Expenditure Review FY21-22 (2022) • Zanzibar Diagnostic Study to Enhance Public Service Governance (2023) • Tanzania Country Economic Memorandum (2023)
Cross-cutting	<ul style="list-style-type: none"> • Tanzania Economic Updates • Programmatic Poverty Work 	<p><u>Planned and delivered:</u></p> <ul style="list-style-type: none"> • Tanzania Economic Updates • Programmatic Poverty Work: Research Program on Poverty and Disaster (2020) <p><u>Not planned and delivered:</u></p> <ul style="list-style-type: none"> • Tanzania Country Social Analysis on Vulnerable and Marginalized Groups (2020) • Tanzania: Stakeholder Engagement Diagnostic (2021)

FOCUS AREA	CPF PLANS	STATUS ⁴⁰
		<ul style="list-style-type: none"> • Making Innovations in Livelihood Services work for the Poor (2021) • Joint Assessment of Tanzania's Private Sector (2022) • Risk Evaluation and Info Management (2023) • Risk Mitigation Planning (2023) • Enhancing the Application of the ESF and Stakeholder Engagement in Tanzania (2023)

Annex E: Reflection of Lessons from FY12-FY16 CAS in the FY18-FY22 CPF

FY12-FY16 Lesson	Comment
<p>The WBG-supported portfolio can build off the areas of strength with respect of the Government’s capacity to absorb and execute activities to a high level of quality. Programs will benefit from being more targeted and taking an incremental scale-up approach.</p>	<p>Areas of particular strength according to the IEG evaluation of the CAS included energy, education and social protection. These were all included in the FY18-FY22 CPF. So too were sectors where progress was weaker during FY12-FY16, including: agriculture; financial intermediation; business environment; water, sanitation and hygiene (WASH); transport and public management. There is evidence of increased support for capacity building in sectors where performance had previously been relatively weak. For example, in the WASH sector, capacity building was provided to improve overall project management. In agriculture, capacity building was largely focused on farmer capacities. There is also evidence of programs being more targeted and taking an incremental scale-up approach. The Urban Local Government Strengthening Project (ULGSP; P118152), a PforR project, used a limited number of Disbursement Linked Indicators which allowed the operation to focus on both building urban local Government capacity and facilitating urban infrastructure investments. Its follow-on, the Tanzania Cities Transforming Infrastructure and Competitiveness Project (P171189), continues to support the 18 ULGAs supported under ULGSP, and scale up to include 27 other ULGAs.</p>
<p>Projects can better incorporate political economy considerations and have an adaptive design to stay engaged in policy through the project cycle. Planning for, and undertaking, sector policy notes or other ASA alongside lending activities can help anticipate changes.</p>	<p>The Tanzania Economic Update series addressed a range of policy issues and did not shy away from issues that may have been contentious during certain periods of the CPF, such as girls’ education. Other ASAs which included political economy issues included: Addressing Governance Concerns in Tanzania: Studies in Skills Training and the Power Sector (P165086), completed in June 2020, and a Stakeholder Engagement Diagnostic (P175873), completed in June 2021. In the energy sector, by contrast, a conducive political economy environment for PPPs was assumed rather than verified prior to the project.</p>
<p>Strong community engagement throughout the project yields better development outcomes.</p>	<p>This has been a strong feature of the WBG program in Tanzania during the FY18-FY22 CPF as further detailed under the Lessons Learned section.</p>
<p>While coordination with other external partners is both desirable and necessary for large infrastructure operations, differences in procedures among agencies means that joint financing may not always be practical.</p>	<p>There were examples of joint financing during the FY18-FY22 CPF in the infrastructure sector, but, as noted in the lesson, this may not always be appropriate or possible. Thus, for example, while the Rural Electrification Expansion Program (P153781) included financing from multiple partners and a loan from the Scaling up Renewable Energy Program, the Zanzibar Energy Sector Transformation and Access Project (P169561) was, beyond a contribution from the Clean Energy Trust Fund, largely financed by the World Bank. The Dar Es Salaam Maritime Gateway Project (P150496), which included a significant physical infrastructure</p>

	<p>component, benefited from the complementarity of DFID grant financing and the IDA Scale Up Facility Credit, which increased the concessionality of the total package.</p>
<p>Implementation delays often occurred because of inadequate capacity with regards to World Bank requirements - project readiness was sometimes a factor.</p> <p>The CLR recommended: (i) more attention to up-front planning for procurement; (ii) resolution of any land issues and securing financing for compensation before project effectiveness; (iii) closer coordination with line and central ministries to ensure inclusion of adequate funding for projects in the budget; and (iv) stronger M&E systems that enable timely feedback and corrective actions.</p>	<p>The PSSN Project (P124045) demonstrated the importance of a smooth application of World Bank fiduciary processes. Common, well-integrated Management Information Systems and financial management systems were key for the efficiency and effectiveness of this project. Overall, the project provided good coordination and links among systems of financial management and procurement at various levels of the Government.</p> <p>The World Bank took several steps to improve implementation issues upfront. It provided significant support to strengthen procurement systems, notably the introduction of a new e-GP system covering the entire cycle of procurement and contract management with a view to strengthening overall effectiveness of procurement including planning. There was also a proactive approach to the resolution of land issues, for example in the Strategic Cities Project (P111153), where there was close follow up to ensure land issues were resolved in compliance with resettlement procedures. M&E was also satisfactory in a majority of projects with the quality of M&E rated as substantial in approximately two thirds of completion reviews for projects, with one third rated as modest.</p>
<p>Tanzania has utilized well the PforR instrument - future PforRs should also be used to support the sector policy dialogue. There is space for future operations to address policy demands.</p>	<p>PforRs have been a strong feature of the WBG program in Tanzania during the FY18-FY22 CPF as further detailed under the Lessons Learned section.</p>
<p>Knowledge products facilitated and deepened policy dialogue, and informed design and implementation of Government programs. It is recommended to keep the products to a manageable level that matches Government capacity.</p>	<p>Forty-four ASAs were completed during the FY18-FY22 CPF covering the following sectors: Agriculture and Food; Digital Development; Education; Environment and Natural Resource Management; Finance, Competitiveness and Innovation; Governance; Health, Nutrition and Population; Infrastructure; Jobs; Macroeconomics, Trade and Investment; Poverty and Equity; Social Protection and Jobs; Urban, Resilience and Land; and Water. This was broadly in line with the number of ASA products during the FY12-FY16 CAS.</p>
<p>A strong M&E system should be a priority, complemented by a realistic results framework with Specific Measurable Achievable Realistic Timebound (SMART) indicators and relevant human resources</p>	<p>While the FY12-FY16 CAS' Results Framework suffered from overly aggregated objectives, with multiple goals rolled into single objectives, the FY12-FY18 CPF was overly elaborate. The FY18-FY22 CPF contained 15 objectives and 34 indicators, compared with 4 objectives and 23 indicators in the FY12-FY16 CAS. Unfortunately, and for reasons explained in the text, there was no PLR during the FY18-FY22 CPF and hence no opportunity to streamline the M&E framework.</p>

Annex F: Advisory Services and Analytics

1. **Policy influence.** This is difficult to establish given the non-linear and sometimes discontinuous manner in which interventions influence policy and the fact that interventions are often just one of many influences that create change, making attribution difficult to establish. The Tanzania Economic Updates tackled some key policy issues, such as girls' education, women's empowerment, water resource management, investing in human capital and transforming agriculture. Senior policy makers actively engaged with multiple ASAs. Workshops held during preparation of the Sustainable Charcoal and Beyond - Ensuring Sustainable Charcoal Production and Use as Tanzania Transitions to Cleaner Fuels (FY21), for instance, included Government representatives, capturing views on different aspects. It is unclear, however, whether this impacted policy. Similarly, the Shifting the Mobility Paradigm of Intermediate Cities in Tanzania (FY21) ASA recognized that the absence of pushback, or even superficial support, is not the same as genuine influence on policy and highlighted the need to challenge stakeholders to understand tradeoffs. This ASA did, however, enable the GoT and the World Bank to have an evidence-based discussion around transport policy.

2. **ASA linkage to project lending.** There were several examples of ASA shaping World Bank project design and delivery. For example, the Evolution and Disparity of Poverty and Jobs in Tanzania (FY21) was used by the World Bank Social Protection team to identify the spatial distribution of pockets of poverty in Tanzania and assess the coverage of its social cash transfer program managed by the Tanzania Social Action Fund, under the PSSN II Project (P169165). The Making Innovations in Livelihood Services work for the Poor (P168520) ASA was also used by the Social Protection team to help design innovative livelihood services that are being delivered under the same project. Leveraging Technology and the Private Sector to Meet the Increasing Demand for Quality Higher Education in Tanzania (FY22) was also closely linked to lending, focusing on issues that were revealed as under-studied during the preparation process of the Higher Education for Economic Transformation Project (P166415). Closing the Potential-Performance Divide in Tanzanian Agriculture (FY20) was in direct response to requests from the Ministries of Finance and Planning, Agriculture, Livestock and Fisheries, and Industry and Trade, for advisory work to support the implementation of Tanzania's Agriculture Sector Development Program. In some instances, however, ASAs that were closely tied to planned lending were affected when the planned lending failed to develop. For example, the Let's Work Program (FY19) was conceived to feed into a Growth Poles project, but the latter was dropped.

3. **Demonstration effects.** ASAs can achieve influence through demonstration effects. For example, the Climate Technology Innovation Program (2020) identified drones as a key technology in 2016. This led to a series of demonstration activities, a drone forum and competition across East Africa, and in January 2018, the African Union identified drones as a key technology for accelerating digitization. Eventually the program focus grew beyond Tanzania into an African Drone Forum. Similarly, Supporting Early Learning in Tanzania (FY20) developed tools to measure child development and preschool classroom quality, which have now been used in more than 25 countries.

Conditions for influence

4. **Government champions.** Having one or more Government champions can be a critical success factor for ASA influence. The Zanzibar Tourism Integrated Strategy Action Plan (FY20) was commissioned by a small number of reform champions in the Ministry of Finance and the Planning, but its final configuration and acceptance required the involvement of multiple ministries, Government agencies and private sector stakeholders to ensure its formalization as a Government instrument of reform.

5. **Local partners.** Involving local partners can not only enhance the quality of ASA but help ensure its impact. The Country Environmental Analysis Report (FY19) was prepared with support from the University of Dar es Salaam through the Embassy of Sweden and its Environment for Development initiative. The benefits of such collaboration included increased access to localized data, strengthened capacity on environmental and natural resources issues, and increased ownership of the key messages. The Blueprint for developing unified social registry in Tanzania (FY21) also successfully drew on local counterparts in the production of the ASA. By contrast, analysis for the poverty assessment, Evolution and Disparity of Poverty (FY21), was conducted by staff and consultants based at the World Bank in Washington DC with limited involvement of staff from the National Bureau of Statistics, national academia or local think tanks. Involving these groups could have contributed to the national capacity for policy analysis.

6. **Consultation.** Effective consultation is an important condition for successful ASAs and can range from the highly structured to more opportunistic modes of engagement. The Tanzania Citizen Engagement Platform, launched in May 2021, provided regular opportunities for civil society and Government, facilitated by the World Bank, to address issues of common concern. The Msimbazi Basin Flood Mitigation and Participatory Planning (FY19) successfully used a ‘charette’ process in which small groups discuss the same question in sequence. The approach was found to be transaction-intensive and require high quality facilitators, excellent preparation and planning, and communications that follow strategies to develop trust and collaboration. In the Inclusive Growth Analysis (FY20), a series of workshops were postponed because of COVID-19. However, engagement with the Minister of Investment resulted in a request for a follow-up institutional assessment of the national investment promotion agency (TIC). The World Bank also prepared a just-in-time note on near-term actions.

7. **Dissemination.** Effective dissemination using a range of media is also a necessary condition for ASA influence. In Closing the Potential-Performance Divide in Tanzanian Agriculture (FY21), the World Bank produced a series of 10 short policy notes, in response to Government demand, under each of the three key pillars under the ASA, namely: Incentives and Spending; Investment Climate; and Natural Resource Management and Landscapes. The launch of the Tanzania Country Environmental Analysis Report (FY19) included a live twitter campaign, with over 80,000 impressions during the launch alone, and enabling key messages of the Country Environmental Analysis to be broadcast to younger people, a key target audience. Short video clips were also developed, and an executive summary was translated into Kiswahili.

8. **Flexibility.** Several ASAs benefited from flexibility in budget, time, and design. The Climate Technology Innovation Program (FY20) benefited from a broad and flexible scope and several pivots as well as Trust Fund replenishments after each milestone. Similarly, in the face of delays, a global pandemic, and challenging political developments, Making Innovations in Livelihood Services Work for the Poor (FY21) benefited from the ability to quickly refocus activities and a switch to more operational and hands-on support at a critical time for social assistance in the country.

9. **Political economy.** Political economy considerations complicated several ASAs. The impact of Addressing Governance Concerns in Tanzania: Studies in Skills Training and the Power Sector (FY20), which included analysis of corruption and integrity issues, depended on finding suitably discrete and appropriate ways of delivering sensitive messages. The State-Owned Enterprises Competitiveness Review (FY20) found the political context unfavorable for public discussion of issues relating to state-owned enterprises.

Annex G: World Bank Portfolio during the CPF period (FY18–FY22)

As of June 30, 2022

Project ID	Project	Approval Date	Closing Date	Net Commitments (US\$M)	Lending Instrument Type	Trust Fund
National IDA Projects						
P085009	Private Sector/MSME Competitiveness	15-Dec-2005	31-Jul-2018	168.05	IPF	
P096302	Sustainable Management of Mineral Resources	09-Jun-2009	31-Dec-2018	72.30	IPF	
P117242	Housing Finance Project	09-Mar-2010	28-Jun-2019	99.16	IPF	
P111153	Strategic Cities Project	27-May-2010	26-Nov-2020	342.76	IPF	
P107722	Development of a National Statistical System for Tanzania	24-Mar-2011	30-Jun-2018	29.87	IPF	
P118152	Urban Local Government Strengthening Program	23-Oct-2012	31-Dec-2020	254.98	PforR	
P126875	Energy Sector Capacity Building Project	26-Mar-2013	31-Dec-2018	14.42	IPF	
P126361	Kihansi Catchment Conservation and Management Project	02-Dec-2013	31-Dec-2019	5.96	IPF	Trust Funded
P127241	Tanzania Intermodal and Rail Development Project	24-Apr-2014	30-Sep-2022	270.76	IPF	
P147486	Education Program for Results	10-Jul-2014	31-Jan-2022	185.59	PforR	
P123134	Dar es Salaam Metropolitan Development Project	02-Mar-2015	02-Jan-2023	300.00	IPF	
P144497	Expanding Rice Production Project	12-Mar-2015	31-Jan-2021	22.22	IPF	Trust Funded
P152736	Strengthening Primary Health Care for Results	28-May-2015	30-Jun-2021	242.90	PforR	
P111155	Zanzibar Urban Services Project	24-Feb-2016	31-May-2021	90.65	IPF	
P125728	Southern Agricultural Growth Corridor of Tanzania Investment Project	10-Mar-2016	31-Jan-2019	6.94	IPF	
P155759	Citizen-Centric Judicial Modernization and Justice Service Delivery	06-Apr-2016	30-Jun-2025	155.00	IPF	
P153277	Zanzibar Improving Student Prospects Project	13-Jun-2016	31-Jan-2023	35.00	IPF	
P124045	Productive Social Safety Net Project	16-Jun-2016	31-Dec-2019	420.00	IPF	
P152810	Education and Skills for Productive Jobs Program	16-Jun-2016	31-Dec-2022	118.78	PforR	
P153781	Tanzania Rural Electrification Expansion Program	21-Jun-2016	15-Jun-2026	535.00	PforR	
P150361	Second Tanzania Water Sector Support Project	23-Jan-2017	31-Dec-2024	325.00	IPF	

Project ID	Project	Approval Date	Closing Date	Net Commitments (US\$M)	Lending Instrument Type	Trust Fund
P150937	Dar es Salaam Urban Transport Improvement Project	08-Mar-2017	31-Dec-2023	425.00	IPF	
P150496	Dar es Salaam Maritime Gateway Project	30-Jun-2017	30-Jun-2024	345.00	IPF	
P150523	Resilient Natural Resource Management for Tourism and Growth	28-Sep-2017	28-Feb-2025	150.00	IPF	
P163732	Sustainable Rural Water Supply and Sanitation Program	26-Jun-2018	31-Jul-2025	650.00	PforR	
P159954	Development Support for Tanzania Statistics	14-Aug-2018	31-Dec-2022	8.10	IPF	Trust Funded
P169165	Tanzania Productive Social Safety Net Project II	12-Sep-2019	30-Sep-2023	450.00	IPF	
P170480	Secondary Education Quality Improvement Project	31-Mar-2020	31-Jan-2026	500.00	IPF	
P174366	COVID-19 Pandemic Emergency Financing Facility Project	01-Sep-2020	28-Feb-2021	3.79	IPF	Trust Funded
P160766	Digital Tanzania Project	27-May-2021	31-Oct-2026	150.00	IPF	
P164920	Roads to Inclusion and Socioeconomic Opportunities (RISE) Project	27-May-2021	30-Jun-2027	300.00	IPF	
P166415	Higher Education for Economic Transformation Project	27-May-2021	31-Jul-2026	425.00	IPF	
P169561	Zanzibar Energy Sector Transformation and Access Project	03-Jun-2021	31-Aug-2027	117.00	IPF	
P165128	Boosting Inclusive Growth for Zanzibar: Integrated Development Project	10-Jun-2021	30-Jun-2026	150.00	IPF	
P164906	Land Tenure Improvement Project	21-Dec-2021	31-Jan-2027	150.00	IPF	
P169380	Boost Primary Student Learning	17-Dec-2021	31-Dec-2026	500.00	PforR	
P165660	Tanzania Transport Integration Project	24-May-2022	30-Sep-2027	550.00	IPF	
P171189	Tanzania Cities Transforming Infrastructure & Competitiveness Project	13-Jun-2022	30-Jun-2028	278.00	IPF	
Regional IDA Projects						
P100406	Lake Victoria Environmental Management Project Phase II	03-Mar-2009	31-Dec-2017	110.23	IPF	
P120370	Southern Africa Trade and Transport Facilitation Project	21-May-2013	31-Dec-2020	193.47	IPF	
P075941	Regional Rusumo Falls Hydroelectric Project	06-Aug-2013	30-Jun-2024	347.50	IPF	

Project ID	Project	Approval Date	Closing Date	Net Commitments (US\$M)	Lending Instrument Type	Trust Fund
P132123	South West Indian Ocean Fisheries Governance and Shared Growth Project 1	27-Feb-2015	30-Sep-2022	31.00	IPF	
P151847	Eastern and Southern Africa Higher Education Centers of Excellence	26-May-2016	31-Dec-2023	24.00	IPF	
P163752	Tanzania-Zambia Transmission Interconnector	18-Jun-2018	28-Jun-2024	465.00	IPF	
P163399	East Africa Skills for Transformation and Regional Integration Project	30-Oct-2018	31-Dec-2024	75.00	IPF	
P167788	Africa Environmental Health and Pollution Management Program	09-Jul-2020	31-Jul-2025	7.34	IPF	Trust Funded
P176300	Strengthening Pandemic Preparedness in the Eastern, Central and Southern Africa Health Community Project	28-Jan-2022	31-Dec-2023	5.00	IPF	Trust Funded
P176371	Eastern Africa Regional Statistics Program-for-Results	13-May-2022	30-Jun-2027	82.00	PforR	

Annex H: IFC Portfolio during the CPF period (FY18–FY22)

Tanzania Historical Investment Program Commitments by Fiscal Year (US\$ millions; as of June 30, 2022)

	FY17	FY18	FY19	FY20	FY21	FY22 YTD	FY17- FY22
Long Term Finance	71.3	76.0	47.9	5.0	100.0	120.0	420.2
<i>of which IFC Own Account</i>	46.0	76.0	47.9	5.0	100.0	120.0	394.9
<i>of which Core Mobilization</i>	25.3	0.0	0.0	0.0	0.0	-	25.3
Short Term Finance	10.4	8.2	8.7	8.6	13.3	13.9	63.1

Tanzania Investment Portfolio by Industry Group (US\$ millions; as of June 30, 2022)

Industry Group	FIG	MAS	INR	CDF	Total
Committed Exposure	274.7	43.1	55.2	-	373.1
<i>Portfolio Outstanding</i>	167.6	43.1	55.2	-	266.0
<i>of which Loan Outstanding</i>	150.4	35.6	55.2	-	241.2
<i>of which Equity Outstanding</i>	17.2	7.5	-	-	24.7
<i>Undisbursed</i>	107.1	-	-	-	107.1
Non-Performing Loans (NPLs)	-	-	-	-	-
NPL Ratio (%)	0.0%	0.0%	0.0%	0.0%	0.0%

Top 5 Portfolio Clients by Committed Exposure in Tanzania (US\$ millions; as of Jun 30, 2022)

Client	Industry	Industry Group Sector	Committed Exposure	Portfolio Outstanding
NMBTZ	FIG	Financial Markets	132.4	132.4
CRDB Bank	FIG	Financial Markets	100.0	-
PAET	INR	Oil, Gas & Mining	55.2	55.2
Kioo Ltd	MAS	Manufacturing	21.2	21.2
CRJE Estate Ltd	MAS	Tourism, Retail, Construction & Real Estates	14.4	14.4

Tanzania Advisory Services Portfolio by Industry (US\$ millions; as of June 30, 2022)

Industry	Total Funds Managed by IFC
FIG	5.6
MAS	2.3
Regional Advisory	4.6
ESG-Gen	0.5
Total AS Portfolio in Tanzania	13.0

Annex I: MIGA Portfolio during the CPF period (FY18–FY22)

As of June 30, 2022

Project name	Effective date	Expiration date	Investor	Sector	Gross Exposure (US\$ million)
Silverlands Tanzania Ltd	10/27/2014	01/26/2023	United States International Development Finance Corporation	Agribusiness	US\$22.6
Total					US\$22.6

Annex 3. Selected Indicators of Bank Portfolio Performance and Management

(As of May 13, 2024)

Indicator	FY21	FY22	FY23	FY24
Portfolio Assessment				
Number of Projects Under Implementation ^a	19.0	22.0	22.0	27.0
Average Implementation Period (years) ^b	3.4	3.5	3.1	3.3
Percent of Problem Projects by Number ^{a, c}	10.5	4.5	4.5	11.1
Percent of Problem Projects by Amount ^{a, c}	12.0	7.0	2.1	7.0
Percent of Projects at Risk by Number ^{a, d}	10.5	4.5	4.5	11.1
Percent of Projects at Risk by Amount ^{a, d}	12.0	7.0	2.1	7.0
Disbursement Ratio (%) ^e	13.9	18.5	19.8	24.2
Portfolio Management				
CPPR during the year (yes/no)				
Supervision Resources (total US\$)				
Average Supervision (US\$/project)				
Memorandum Item		Since FY80	Last Five FYs	
Proj Eval by IEG by Number		162	11	
Proj Eval by IEG by Amt (US\$ millions)		10,998.2	1,928.6	
% of IEG Projects Rated U or HU by Number		42.6	9.1	
% of IEG Projects Rated U or HU by Amt		38.5	14.0	

a. As shown in the Annual Report on Portfolio Performance (except for current FY).

b. Average age of projects in the Bank's country portfolio.

c. Percent of projects rated U or HU on development objectives (DO) and/or implementation progress (IP).

d. As defined under the Portfolio Improvement Program.

e. Ratio of disbursements during the year to the undisbursed balance of the Bank's portfolio at the beginning of the year: Investment projects only.

* All indicators are for projects active in the Portfolio, with the exception of Disbursement Ratio, which includes all active projects as well as projects which exited during the fiscal year.

Annex 4. Operations Portfolio (IBRD/IDA and Grants)

As of 04/30/2024

Closed Projects	196
<u>IBRD/IDA*</u>	
Total Disbursed (Active)	4,541.01
of which has been repaid(1)	18.60
Total Disbursed (Closed)	12,718.05
of which has been repaid	1,740.91
Total Disbursed (Active + Closed)	17,259.06
of which has been repaid	1,759.51
Total Undisbursed (Active)	4,255.92
Total Undisbursed (Closed)	0.00
Total Undisbursed (Active + Closed)	4255.918102

Active Projects

Project ID	Project Name	<u>Last PSR</u>			Fiscal Year	<u>Original Amount in US\$ Millions</u>				Undisb.	Difference Between Expected and Actual	
		Supervision Rating		IBRD		IDA	Grants	Cancel.	Disbursements ^a /		Orig.	Frm Rev'd
		<u>Development Objectives</u>	<u>Implementation Progress</u>									
P179631	ASCENT Tanzania	#	#	2024	0.0	300.0		0.0	300.0	0.0	0.0	
P169380	BOOST	MS	MS	2022	0.0	500.0		0.0	297.0	71.5	0.0	
P150496	Dar es Salaam Maritime Gateway Project	MS	MS	2017	0.0	345.0		0.0	18.3	246.3	30.3	
P160766	Digital Tanzania	MS	MS	2021	0.0	150.0		0.0	93.2	54.4	0.0	
P180298	DMDP 2	#	#	2024	0.0	385.0		0.0	390.6	0.0	0.0	
P166415	HEET	MS	MS	2021	0.0	425.0		0.0	274.8	130.7	0.0	
P169425	Msimbazi Basin Development	S	S	2023	0.0	200.0		0.0	167.7	50.0	0.0	
P178813	PAMOJA	#	#	2024	0.0	100.0		0.0	100.0	0.0	0.0	

P170480	Secondary Education Quality Improvement	#	#	2020	0.0	500.0	0.0	53.2	-54.2	-104.9
P150361	Second-TZ-Water Sector Suport Project	MS	MS	2017	0.0	225.0	0.0	40.2	40.0	38.2
P171189	TACTIC	S	S	2022	0.0	278.0	0.0	215.5	73.5	0.0
P165660	TanTIP	S	S	2022	0.0	550.0	0.0	425.9	-17.1	0.0
P180504	Tanzania 2nd inclusive & resilient DPF	#	#	2024	0.0	750.0	0.0	250.0	0.0	0.0
P165128	Tanzania: BIG-Z Project	MS	MU	2021	0.0	150.0	0.0	123.4	69.2	0.0
P170435	Tanzania Investing in People Project	S	S	2023	0.0	250.0	0.0	212.1	29.7	0.0
P164906	Tanzania land project	MS	MU	2022	0.0	150.0	0.0	110.8	11.4	0.0
P180722	Tanzania PFMPSD	#	#	2024	0.0	50.0	0.0	50.0	0.0	0.0
P164920	Tanzania RISE	MS	MU	2021	0.0	300.0	0.0	249.0	77.8	0.0
P176682	TIRP-2	#	#	2024	0.0	200.0	0.0	200.0	4.7	0.0
P150937	TZ-DSM Urban Transprt Improvmnt Proj-SUF	MS	MS	2017	0.0	425.0	0.0	190.5	186.4	79.9
P155759	TZ- Judicial Modernization Project	S	MS	2016	0.0	155.0	0.0	39.7	-46.2	-5.0
P169165	TZ-PSSN II	MS	MS	2020	0.0	650.0	0.0	129.2	-61.0	4.1
P150523	TZ-Resilient Natural Resource Management	MS	MS	2018	0.0	150.0	0.0	17.7	-25.3	11.7
P153781	TZ-Rural Electrificatn Expansn Progr-SUF	S	S	2016	0.0	535.0	0.0	38.9	-292.8	-233.6
P163732	TZ Sustainable RWSS	S	S	2018	0.0	650.0	0.0	126.7	-203.9	-184.9
P169561	ZESTA	S	MS	2021	0.0	117.0	0.0	96.3	43.5	0.0
P178157	ZIQUE	S	S	2023	0.0	50.0	0.0	45.4	-2.5	0.0
Overall Result					0.0	8,540.0	0.0	4,255.9	386.3	-364.2

* Disbursement data is updated at the end of the first week of the month.

a. Intended disbursements to date minus actual disbursements to date as projected at appraisal.

Annex 5. Statement of IFC's Held and Disbursed Portfolio

As of 04/30/2024

(In USD Millions)

FY Approval	Company	Committed					Disbursed Outstanding				
		Loan	Equity	**Quasi Equity	*GT/RM	Participant	Loan	Equity	**Quasi Equity	*GT/RM	Participant
FY07	ACCESSTANZANIA	0.00	0.32	0.00	0.00	0.00	0.00	0.32	0.00	0.00	0.00
FY09	ACCESSTANZANIA	0.00	0.13	0.00	0.00	0.00	0.00	0.13	0.00	0.00	0.00
FY10	ACCESSTANZANIA	0.00	0.19	0.00	0.00	0.00	0.00	0.19	0.00	0.00	0.00
FY12	ACCESSTANZANIA	0.00	0.36	0.00	0.00	0.00	0.00	0.36	0.00	0.00	0.00
FY13	ACCESSTANZANIA	0.00	0.36	0.00	0.00	0.00	0.00	0.36	0.00	0.00	0.00
FY15	ACCESSTANZANIA	0.00	0.34	0.00	0.00	0.00	0.00	0.34	0.00	0.00	0.00
FY16	ACCESSTANZANIA	0.00	0.42	0.00	0.00	0.00	0.00	0.42	0.00	0.00	0.00
FY15	CRDB BANK	0.00	2.66	0.00	0.00	0.00	0.00	2.66	0.00	0.00	0.00
FY22	CRDB BANK	71.26	0.00	0.00	0.00	0.00	71.26	0.00	0.00	0.00	0.00
FY24	CRDB BANK	19.42	0.00	0.00	0.00	0.00	19.42	0.00	0.00	0.00	0.00
FY14	CRJE ESTATE LTD	4.59	0.00	0.00	0.00	0.00	4.59	0.00	0.00	0.00	0.00
FY15	FIRST HOUSING FI	0.00	1.50	0.00	0.00	0.00	0.00	1.50	0.00	0.00	0.00
FY24	KAMAL STEEL	4.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
FY17	KIOO LTD	4.92	0.00	0.00	0.00	0.00	4.92	0.00	0.00	0.00	0.00
FY21	KIOO LTD	7.50	0.00	0.00	0.00	0.00	7.50	0.00	0.00	0.00	0.00
FY00	NBC	0.00	4.00	0.00	0.00	0.00	0.00	4.00	0.00	0.00	0.00
FY13	NBC	0.00	6.97	0.00	0.00	0.00	0.00	6.97	0.00	0.00	0.00
FY17	NMBTZ	21.44	0.00	0.00	0.00	0.00	21.44	0.00	0.00	0.00	0.00
FY22	NMBTZ	8.93	0.00	0.00	0.00	0.00	8.93	0.00	0.00	0.00	0.00
FY23	NMBTZ	99.28	0.00	0.00	0.00	0.00	99.28	0.00	0.00	0.00	0.00
FY24	NMBTZ	24.42	0.00	0.00	0.00	0.00	24.42	0.00	0.00	0.00	0.00
FY15	PAET	0.00	0.00	35.24	0.00	0.00	0.00	0.00	35.24	0.00	0.00
FY15	PEAK PAM	0.00	1.07	0.00	0.00	0.00	0.00	1.07	0.00	0.00	0.00
FY11	PETRA DIAMONDS	0.00	8.59	0.00	0.00	0.00	0.00	8.59	0.00	0.00	0.00
FY18	PYRAMID GROUP	0.00	0.00	7.50	0.00	0.00	0.00	0.00	7.50	0.00	0.00
FY19	TMRC	1.11	1.50	0.00	0.00	0.00	1.08	1.50	0.00	0.00	0.00
Total Portfolio:		266.87	28.41	42.74	0.00	0.00	262.84	28.41	42.74	0.00	0.00

Annex 6. MIGA's Guarantee Portfolio

As of 04/30/2024

Project Name	Effective Date	Expiry Date	Investor Name	Business Sector	Investor Country	Gross Exposure (US\$ M)
Airtel Mobile Money Tanzania	04/12/2024	06/30/2027	The Rise Fund II Aurora, S.A.R.L	Financial	Luxembourg	39.6
Grand Total	1 Contract					39.6