

The sustainability of productive assets created for vulnerable communities: An impact assessment of Tanzania Social Action Fund intervention

Asheri M. Mwidege¹, M. E. Mlambiti² and P. Damas³

¹Sokoine University of Agriculture, Department of Agricultural Economics & Agribusiness, Mbeya Institute of Science & Technology and African Economic Research Consortium

²St. Augustine University of Tanzania

³Sokoine University of Agriculture, Department of Agricultural economics & Agribusiness

Abstract

Tanzania Social Action Fund (TASAF) was introduced in Tanzania to address the poverty situation. Lack of projects sustainability increasingly raise more doubts about the long-term contribution of intervention to income expansion and poverty reduction. But, no assessment on the sustainability of the productive assets created for vulnerable groups has been conducted. Thus, projects sustainability after the withdrawal of support need to be ascertained. This study assesses the livelihood impact of TASAF intervention on rural vulnerable groups in Makete and Rungwe districts, Tanzania. However, this article examines the sustainability of productive assets created by TASAF. A total of 239 recipients and 115 non-recipients in public works, carpentry, dairy cattle and poultry projects were interviewed. A quasi-experimental design was used to collect data. Descriptive statistics and instrumental variable / two stage least square approach were used to analyze data. Results show that only carpentry project is sustainable. Based on this finding, it is concluded that the nature of project influences its chances of being sustainable. Therefore, it is recommended that the government should enforce assets creation depending on the nature of projects which are relevant to the target group(s).

Key words: Poverty, vulnerability, productive assets and sustainability.

1. Introduction

Poverty has negative consequences on the vulnerable groups' livelihood at different times in their lives. It consumes a share of transfers from a range of non-state and public resources on social well-being payments and costs arising from social effects of poverty. It is argued by Lau Jorgensen and Van Domelen (1999) that globalization has induced income variability and social exclusion among vast groups and has amplified

greater opportunity, risk and less ability for governments to pursue independent policies. Livelihood intervention comprises the capabilities, assets and activities required as a means of living. It is sustainable when it can cope with and recover from stresses and shocks (Haidar, 2009; Kratz, 2001). Similarly, intervention is sustainable if it attains long-term goals without dependency (Royal Tropical Institute - RTI, 2011; Parveen, 2009). Lack of intervention sustainability raises doubts about the long-term contribution of assets created to income expansion and poverty reduction (Swan, 2004).

The Government of Tanzania (GoT) has taken various initiatives to alleviate poverty in rural areas since its independence in 1961. The GoT placed its emphasize on raising rural agricultural production as a strategy for improving living standards in rural areas (Amani and Mkumbo, 2012). Hitherto, the main focus were cash crops for export and de-emphasized the production of food crops. Therefore, Tanzanians produced what they were not consuming and consumed what they were not producing. Consequently, production pattern declined overtime even if all resources were planned and controlled by the government agencies and rural poor people were merely peasant's labour (Amani and Mkumbo, 2012). Ultimately, the strategy failed because people's desire, experience and interests were ignored hence fruitless in rural productivity [http://archive.unu.edu/unupress/unupbooks/ruraldvpt_policies; cite visited on 12/04/2012].

In 1973-74 the Government launched a villagization programme for the Mainland countryside with the purpose of enhancing agricultural production and facilitating

social services. To enhance its implementation, the government formulated the multi-sectoral strategy termed as “regional integration development programs (RIDEPS)” which aimed at increasing agricultural production and social services through increased income so as to improve the quality of life of the rural people (Amani and Mkumbo, 2012). By the mid 1980s, the programmes failed because of poor coordination, different focus and approaches, too much donor dependence and exclusion of communities in the decision-making process (Amani and Mkumbo, 2012; Ngasongwa, 1988).

Regardless of strategic intervention failure, in early 2000’s the Government developed strategic frameworks to guide its efforts towards fighting against poverty to transform and improve rural economy through rural development and poverty reduction strategies to address rural poverty issues. These include among others; rural development strategy (2001a), poverty reduction strategy in the United republic of Tanzania (URT, 2000) and the Tanzania development vision 2025(URT, 2000a). The first and second strategies focus on stimulating economic growth and reducing poverty in the rural areas, concentrated on efforts at reducing income poverty, improving human capabilities, survival and social well-being and containing extreme vulnerability among the poor, respectively. The last strategy entails creation on an active and participatory of civil society in the articulation of its needs and taking pride to fulfil its societal responsibilities.

Based on strategic frameworks laid down, Tanzania Social Action Fund (TASAF) was introduced in the year 2000 aiming at socio-economic empowerment of the vulnerable

communities through participatory approach contrary to the previous interventions by provision of productive assets in order to address poverty disparity (World Bank, 2006). Its implementation complements the National Strategies for Growth and Reduction of Poverty (NSGRP I and II) (2005, 2010), however NSGRP I is informed by the aspiration of [t]he Tanzanian's development vision 2025. Consequently, NSGRP II like its predecessor framework is a vehicle for realizing Tanzania's development vision 2025 and the millennium development goals.

Despite the efforts undertaken by the GoT, poverty is still a challenge in Tanzania, particularly in rural areas where 38% of the population lives below the basic needs poverty line compared with 24% in urban areas (URT, 2010; FAO, 2008). This is because the efforts are being the desired fruits then it is plausible to ask ourselves why? Is it because of sustainability issues?. However, little evidences based on methodological approach is known on the sustainability of assets created on improving the welfare of poor people to eradicate extreme poverty and hunger (URT, 2001b). Therefore, this paper examines the sustainability of assets created by TASAF intervention in Makete and Rungwe districts to inform policymakers and recipients at large.

2. Methodology

In estimating intervention impact, experimental and quasi-experimental designs were considered. The first approach could be applied within a subset of equally eligible beneficiaries while reaching the most eligible and denying the least eligible (Baker,

2000). However, this could be unethical owing to the denial of benefits to other eligible members and difficult to ensure that assignment could be truly random (Baker, 2000; 1999). Moreover, quasi-experiment approach was employed in which a control group that resemble the treatment at least in observed characteristics through econometric methods was constructed. Hitherto, this technique has a problem of selection bias that can be controlled by using Instrumental variables technique (IVs) (Baker, 2000). Therefore, more than one variable that matter to participation but not to outcomes given participation were included to remove the endogeneity problem.

To date, intervention impact isolation using participants and non-participants explicitly focuses on livelihoods (Haidar, 2009). Therefore, modified DFID (1999) sustainable livelihood (SL) conceptual framework was adopted for intervention livelihood analysis. The study employed a quasi-experimental approach (Grossman, 2005; Spath, 2004; Hulme, 2000; Baker, 2000; 1999; Power and Riddell, 1998) in which cross-sectional data were collected once at a given point of time (Baker, 2003; Stock and Watson, 2003; Wooldridge, 2001). Sample size determination was based on precision rate of 5% and confidence level of 95%. Therefore, the traditional formula (Power and Riddell, 1998):

$$n = \frac{1.96^2 [p(1-p)]}{SE^2} \dots\dots\dots (1)$$

has been applied, whereas “*n*” is a sample size calculated, *SE* is the tolerable standard error (0.05), and *p* = (0.64) and (1-*p*) = (0.36) were the proportion of projects participants and non-participants, respectively. The figure 1.96 reflects the choice of a 95% confidence interval and the margin error of ± 5% was tolerable. Thus, the sample

size was 354. Multistage and stratified sampling technique were employed to obtain a representative sample since all districts in Tanzania adopted the intervention in which fourteen villages with and seven villages with no projects were non-randomly selected subject to restrictions on a farther location from the treated village to avoid spill-over effects in both Makete and Rungwe districts.

Stratified list of participants: food insecure (FI), community development investment (CDI), vulnerable groups (VGs) and service poor (SP) projects were used as the sampling frame. However, 239 recipients and 115 non recipients were surveyed. A cross-sectional quasi-experimental study design was adopted while interview schedule questionnaires, key informant's, focus group discussions checklists on TASAF projects' implementation were weighed against objectives in relation to the NSGRP and MDGs to meet the research objectives. The statistical package for social sciences (SPSS) and STATA version 16 and 10 respectively were used for data analysis in which qualitative probability of participation in the projects was ascertained while the following variables were included in the descriptive and estimation model.

Table 1: Variables specified in the analytical model

Variable	Definition	Expected sign
Partic (Participation =1 or otherwise)	Taking part in the intervention activities	+/-
Location (Makete/Rungwe =1 or otherwise)	The site or position where an intervention is established to serve needy communities	+/-
Benage(Beneficiary age) (Years)	The amount of money received by a recipients over a period of time as payment for participation, goods or services or a profit from investment	+/-
Mstatus (Marital status =1 or otherwise)	The fact of somebody's being unmarried, married, or formerly married	+/-
Edulevel (Education level) (Number of years)	Degree of knowledge or abilities gained through teaching learning especially at a school or similar institution	+
Femhhd (Female household head =1 or otherwise)	A woman family head	+/-
Participants		
Ablebod (Able bodied =1 or otherwise)	A person who is healthy and physically strong who can perform economic activities in a community	+
Chronic diseased (1=Yes, No)	Persistent pain of unknown/known cause with medical condition characterized by long-term painnot attributable to known pathological process or organic disease	+/-
Elder (1=Yes, 0=No)	Senior member of community who is advanced in years and has an influence, authority and needy person	+/-
HIV infected (1=Yes, 0=No)	A person who is adversely affected by HIV disease.	+/-
Orphans (1=Yes, 0 =No)	A child whose parents are both dead or who has been abandoned by his or her parents, especially a child not adopted by another family	+/-
Widowers =1 or otherwise	A group of men whose wives has died especially when he has not re-married.	+
Projects		
Carproj(Carpentry works project) 1= Yes, 0= No	An organized work of building houses and making furniture for the objective of employment creation among vulnerable groups	+
Dcatproj(Dairy cattle project) 1= Yes, 0= No	An organized unit of cattle bred and raised for milk production	+
Envconspr(Environmental conservation project) 1= Yes, 0= No	A planned activity related to the conservation and maintenance of the natural world	+/-
Pproj(Poultry project) (1=Yes, 0=No)	An organized unit of chickens raised for meat and eggs production	+/-
Prpwps(Public works projects = 1 or otherwise)	Extensive public works undertakings	+/-
Watproj(Water project =1or otherwise)	An organized work for water supply service to a community	+
Project sustainability (1=Yes, 0=No)	Attains long-term goals without dependency	+/-
Primneed (Project ability to meet immediate needs =1 or	Short term delivery of goods and services	+/-

otherwise)			
Pbenplmpl (Participation of beneficiaries in project planning and implementation =1 or otherwise)	Contribution in preparation and execution		+/-
Prdepart (Project degree of participation =1 or otherwise)	Extent of involvement in projects		+/-
Prgendis(Project gender issues = 1 or otherwise)	Consideration of male and female participants		+/-
Prgsneed (Project goal related to social needs =1 or otherwise)	Target of intervention in addressing community wants		+/-
Prinputime (Project inputs timing =1 or otherwise)	Appropriate delivery of project inputs		+/-
Prouputs(Project outputs achievement =1 or otherwise)	Products or services which result from an intervention		+/-
Pprelpovred(Project relevance to poverty reduction =1 or otherwise)	Significance of intervention in relation to income and non income poverty		+/-
Properatime(Project operation time, years)	Period of involvement in a given activity from inception to the eventual survey time		+/-

The endogeneity test showed that the endogenous explanatory variable was significant ($P < 0.01$) when ordinary least square (OLS) was compared by two stage least square (2SLS), therefore, the use of IV/ 2SLS procedures was necessary to solve the problem as OLS could yield inconsistent estimates (Stock and Watson, 2003). Thus, the study employed IV/ 2SLS with the key assumption that instrumental variable correlates with the endogenous variable independent of potential outcomes to produce consistent results (Wooldridge, 2004; Greenstone and Gayer, 2007; Blondal, 2007) expressed as:

$$y = \beta_0 + \beta_1 y_1 + \beta_i x_i + u_i \dots \dots \dots (2)$$

Where; y = project sustainability, β_0 = constant term, β_1 = coefficient of endogenous explanatory variable y_1 (participation), β_i = coefficients of exogenous variables x_i (such as location, gender and age) and u_i = error term for all $i = 2, 3, \dots, n$ terms. Based on the endogeneity test, the endogenous explanatory variable was transformed into IV to

obtain consistent estimators (Stock and Watson, 2003) an observable IV z_i (target groups) was introduced and correlated with y_1 (participation) and not u specified as:

$$y_1 = \alpha_0 + \alpha_1 z_1 + \alpha_2 z_2 + \alpha_3 z_3 + \alpha_4 z_4 + \alpha_5 z_5 + v \dots\dots\dots (3)$$

given that $Cov(z_i, y_1) \neq 0$, $E(v) = 0$, $Cov(z_i, v) = 0$ and α_i in (3) are unknown statistics for all $i = 1, \dots, 5$ and $\alpha_i z_i$ is uncorrelated with the error term.

Fitted values were obtained by regressing y_1 versus z_i :

$$\hat{y}_1 = \hat{\alpha}_0 + \hat{\alpha}_1 z_1 + \hat{\alpha}_2 z_2 + \hat{\alpha}_3 z_3 + \hat{\alpha}_4 z_4 + \hat{\alpha}_5 z_5 \dots\dots\dots (4)$$

\hat{y}_1 is used as the IV for y_1 and z_i (target groups) is causally associated with y_1 (participation) and endogeneity test of explanatory variables as a necessity of applying 2SLS was done (Cameron and Trivedi, 2005; Wooldridge, 2004). Thus far, R^2 and Wald-statistic were useful guides (Bound *et al.*, 1995) to the quality of IV estimate. Therefore, the analytical model for estimation of project sustainability was specified as defined in Table 1:

$$Y_{ps} = \beta_0 + \beta_1 Partic + \beta_2 Locat + \beta_3 properatime + \beta_4 Femhhd + \beta_5 Benage + \beta_6 Mstatus + \beta_7 Educ + \beta_8 prrepovred + \beta_9 prgsneed + \beta_{10} primmed + \beta_{11} pprpimp + \beta_{12} prgendis + \beta_{13} prouputs + \beta_{14} Dprpart + \sum_{i=1}^5 \beta_i projects + e_{ps} \dots\dots\dots (5)$$

Study expectations were: ($\beta_1 > 0$) participation had influence on project sustainability, ($\beta_{8-14} > 0$) factors under consideration influenced project sustainability and that ($\beta_i > 0$) project(s) created were sustainable.

3. Results and Discussion

3.1 Descriptive statistics

3.1.1 Description of TASAF projects intervention

Respondents were asked to indicate how projects were established and distributed in a given community and the target groups who benefited from TASAF intervention. The results show that projects were established based on location, marital and gender status of beneficiaries (Tables 2a, 2b and 3a, 3b) presented in the following sections.

3.1.2 Types of projects supported by TASAF

Seven projects were evaluated from both districts and five from each district respectively (Table 2a). Results show that of all the projects supported by TASAF, dairy cattle projects formed 36.5% followed by environmental conservation and public works. This can be attributed to the nature of participants and their projects' priorities.

Table 2a: Makete and Rungwe districts: TASAF projects distribution (n=192)

Projects distribution	Makete		Rungwe		Total	
	n	%	n	%	n	%
Public works-Local roads	12	16.4	12	10.1	24	12.5
Dispensary (SP)	0	0	9	7.6	9.0	4.7
Dairy cattle(VG)	27	37	43	36.1	70	36.5
Environmental conservation (FI &VG)	16	21.9	44	37	60	31.2
Poultry (VG)	14	19.2	0.0	0.0	14	7.3
Water (CDI)	0	0.0	11	9.2	11	5.7
Carpentry(VG)	4	5.5	0.0	0.0	4.0	2.1
Total	73	100	119	100	192	100

3.1.3 TASAF projects target groups distribution

According to the basic question asked earlier, Table 2b survey results show that among 192 participants, 50% were able-bodied while 0.5% were orphans. The reason for the able-bodied group is that physical infrastructure assets created in rural areas require active labour force participation to sustain their livelihoods through cash-for-work programs. Hitherto, carpentry projects aims to create long-term economic activities for the orphan group.

Table 2b: Makete and Rungwe districts: TASAF projects and beneficiaries distribution

Vulnerable groups in both districts (n=192)							
Projects	Orphan	Widow	Elder	C/dis.	Able-bod.	HIV/inf.	Total
Roads (FI)	-	-	-	-	24	-	24
Disp. (SP)	-	-	-	-	9	-	9
Dairy cat.	-	11	23	7	18	11	70
Env.cons	-	0	29	-	31	-	60
Poultry	-	2	6	-	1	5	14
Water (CDI)	-	-	1	-	10	-	11
Carpentry	1	-	-	-	3	-	4
Total (%)	1(0.5)	13(6.8)	59(30.7)	7(3.6)	96(50)	16(8.3)	192(100)

C/dis= chronic diseased, Able-bod = Able-bodied, HIV/inf = HIV infected

3.1.4 TASAF projects and marital status of participants

Table 3a show that 64.6% of participants are married followed by separated while 2.1% are widowers. This suggests that the majority of married recipients are able-bodied and they have an opportunity to participate. These contradict to the present study expectation that widows and widowers could form a large proportion of participants.

Probably, this difference could be attributed to the selection criteria basing on the vulnerability of the target group(s).

Table 3a: Makete and Rungwe districts: Projects distribution based on marital status and gender of beneficiaries

Beneficiaries marital status (n=192)						
Project	Single	Married	Separated	Widow	Widower	Total
PWPs-Local roads(FI)	0	21	2	0	1	24
Dispsnesary (SP)	2	7	0	0	0	9
Dairy cattle(VG)	2	40	21	6	1	70
Env cons(FI &VG)	3	41	13	2	1	60
Poultry (VG)	0	5	7	1	1	14
Water (CDI)	3	8	0	0	0	11
Carpentry(VG)	2	2	0	0	0	4
Total, n (%)	12(6.2)	124(64.6)	43(22.4)	9(4.7)	4(2.1)	192(100)

Figures in brackets are percentages

3.1.5 TASAF projects and gender status of participants

Study findings in Table 3b show that 44.4% and 27.8% of male, 29.4% and 34.3% of female participants are beneficiaries of dairy cattle and environmental conservation projects, respectively. However, about 2% of both women and men recipients are involved in carpentry projects. This suggests that both male and female have likelihood in project participation during intervention period.

Table 3b: Makete and Rungwe districts: Projects distribution based on gender of participants (n=192)

Projects	Female		Male		Total	
	n	%	n	%	n	%
PWPs-Local roads(FI)	9	8.8	15	16.7	24	12.5
Dispsnesary (SP)	9	8.8	0	0.0	9	6.5
Dairy cattle(VG)	30	29.4	40	44.4	70	36.5
Env cons(FI &VG)	35	34.3	25	27.8	60	31.3
Poultry (VG)	10	9.8	4	4.4	14	7.3
Water (CDI)	7	6.9	4	4.4	11	5.7
Carpentry(VG)	2	2.0	2	2.2	4	2.1
Total	102	100	90	100	192	100

3.2 Sustainability of assets created in vulnerable communities

Respondents were asked whether beneficiaries were supported by TASAF through community projects, if yes name the project(s) established or otherwise. Table 4 shows that 36.5% of beneficiaries followed by 31.2% are supported through dairy cattle and environmental conservation respectively while 2.1% benefit through carpentry project.

Table 4: Makete and Rungwe districts: Vulnerable groups projects support under TASAF intervention

Response	Beneficiaries(192)		Non beneficiaries(108)	
	n	%	n	%
Yes	192	100	0	0.0
No	0	0.0	108	100
Projects specified				
Local roads(FI)	24	12.5		
Dispensary (SP)	9	4.7		
Dairy cattle(VG)	70	36.5		
Env cons(FI &VG)	60	31.2		
Poultry (VG)	14	7.3		
Water (CDI)	11	5.7		
Carpentry(VG)	4	2.1		
Total	192	100		

3.2.1 TASAF projects relevance, effectiveness and efficiency

This section presents projects relevance, effectiveness and efficiency in relation to national policy on poverty reduction aspects.

3.2.1.1 TASAF projects relevance

Participants were asked to indicate project relevancy to poverty reduction, with respect to poverty reduction, participation in planning and implementation, adequacy of gender issues, whether the project purpose met immediate social needs and whether results are attractive to recipients or otherwise.

Table 5 shows that on average project relevance to poverty reduction and addressing social related needs between Makete and Rungwe districts are statistically significant at ($P<0.05$) and ($P<0.01$) levels respectively. Suggesting that there is a difference between the two districts, probably the variation can be attributed to the fact that Rungwe has more experience in implementing TASAF projects than Makete district.

Table 5: Makete and Rungwe districts: Attributes on project relevance

Project attributes	Beneficiaries (n=192)				F-value
	Makete		Rungwe		
	Mean proportion	std dev.	Mean proportion	std dev.	
Is the project relevant to poverty reduction?	0.850	0.360	0.940	0.236	4.554*
Is the project goal addressing poverty related needs?	0.580	0.498	0.970	0.181	60.575**
Involvement in planning and implementation?	0.850	0.360	0.890	0.313	0.706
Is the project addressing the gender issue adequately?	0.930	0.254	0.890	0.291	0.337
Does the project purpose meet the immediate needs?	0.450	0.501	0.880	0.324	52.298**
Are the project results attractive to the beneficiaries?	0.580	0.498	0.940	0.236	47.106**

*Significant at $P<0.05$, **significant at $P<0.01$, $df = 1$

Table 5 also shows that the average in meeting the immediate social needs and attractiveness of project results between Makete and Rungwe districts are both statistically significant at ($P<0.01$) level. These suggest that there are differences in meeting the immediate social needs and projects' results being attractive to recipients in between the two districts. The differences between Makete and Rungwe districts could be attributed to the districts' success or failure to identify felt and expressed recipients' needs at the inception of the project intervention. Kutsch and Hall (2010) noted that irrelevant projects might become counterproductive to recipients. According to

observations made by Sovannarith (2009) reported that poverty reduction occurs in part by lifting those in poverty by ensuring that benefits are evenly distributed.

3.2.1.2 TASAF project effectiveness

In view of project effectiveness, recipients were asked to indicate whether project activities were implemented as planned, whether project outputs were achieved as expected and existence of any constraints that hindered implementation or otherwise.

Table 6 shows that in average both project activities and project outputs between Makete and Rungwe districts are statistically significant at ($P<0.05$) and ($P<0.01$) levels respectively. These results suggest that there are differences in implementing project activities and consequently different project outputs are achieved between the two districts. Probably, the variations in project activities and project outcomes between Makete and Rungwe districts can be attributed to weakness in monitoring and evaluation during the implementation process that has an adverse effect in the expected outputs and results agree with observations made by (Lecy, 2010; ILO, 1997).

Table 6: Makete and Rungwe districts: Attributes on project effectiveness

Project attributes	Beneficiaries (n=192)				F-value
	Makete		Rungwe		
	Mean proportion	Std dev.	Mean proportion	std dev.	
Are the project activities implemented as planned?	0.850	0.360	0.940	0.236	4.554*
Are the project outputs achieved as expected?	0.620	0.490	0.890	0.313	22.43**
Any constraints hindered implementation?	0.470	0.502	0.410	0.494	0.533

*Significant at $P<0.05$, **significant at $P<0.01$, $df = 1$

3.2.1.3 TASAF projects efficiency and sustainability

In the same way, recipients were asked to indicate the appropriateness timing of inputs, whether the project utilized the existing human resources and the degree of participation of beneficiaries, or otherwise.

Table 7 shows that the average timing of inputs at the project location and the degree of recipients participation between Makete and Rungwe districts are both statistically significant at ($P<0.01$) and ($P<0.05$) levels. Suggesting that there are differences in timing of inputs delivery and the extent of recipients' involvements in projects implementation in the two districts. The differences in timing of inputs delivery and beneficiaries' involvement between the two districts can be attributed to TASAF procurement procedures, poor infrastructure net work to the project location and low awareness of recipients on project ownership. Kusek and Rist (2004) observed that without ownership, recipients are not willing to invest their time and other resources in the project. In this case both districts maximize the use of local human resources available indicating that target groups earn their livelihood through participation and in-kind contribution to minimize projects costs, respectively.

Table 7: Makete and Rungwe districts: Attributes on project efficiency

Project attributes	Beneficiaries (n=192)				
	Makete		Rungwe		F-value
	Mean proportion	std dev.	Mean proportion	std dev.	
Is the timing of inputs appropriate?	0.410	0.495	0.700	0.461	16.496**
Do the project utilize the existing human resources?	0.930	0.254	0.970	0.157	2.124
Do the degree of participation of beneficiaries sufficient?	0.860	0.346	0.950	0.220	4.496*

*Significant at $P<0.05$, **significant at $P<0.01$, $df = 1$

In summary, projects results discussed and presented so far ascertain the sustainability of TASAF project after the withdrawal of TASAF resources as shown in the estimation model used. Influential factors identified for sustainability are based on the priority reflected in project goals in addressing poverty and related social needs, achieving immediate needs, attractiveness of projects results and the degree of participation by the beneficiaries. Since, the purpose of the TASAF intervention was to provide immediate support rather than longer-term benefits, TASAF project is more focused on outputs rather than outcomes. The following section presents quantitative estimation of impact of intervention to confirm the above observed facts on impact of the project to the livelihood of the vulnerable people.

3.3 Quantitative estimation

Table 8 presents the extent to which created assets were sustainable after the withdrawal of support from TASAF. Estimates were tested for model fit, fitted values and heteroskedasticity. Results showed a significant Wald-statistic test ($P < 0.01$) and pseudo R-squared (84.92%) indicating that the model was appropriate and instruments were relevant and sufficiently correlated with endogenous explanatory variables, respectively. Furthermore, hat-square variable for fitted values ($P > |t| = 0.346$) and constant variance were both not statistically significant suggesting that the model was appropriate with no specification error and heteroskedasticity problems.

Table 8: Makete and Rungwe districts: Instrumental variables (2SLS) regression of project sustainability

Variable	Coefficient	Std. Err.	z	P> z
Instrumented				
Participation	-0.189	0.122	-1.550	0.121
Instruments				
Makete	0.049	0.035	1.410	0.158
Project operation period	0.063	0.014	4.570	0.000***
Female household head	-0.005	0.029	-0.180	0.855
Beneficiary age	0.001	0.001	1.090	0.274
Marital status	0.057	0.030	1.890	0.059*
Education level	0.021	0.015	1.390	0.164
Relevance on poverty reduction	0.134	0.057	2.340	0.019**
Project goal on social needs	0.251	0.062	4.070	0.000***
Ability to meet Immediate needs	0.223	0.059	3.760	0.000***
Planning and implementation	-0.081	0.049	-1.660	0.096*
Gender issues	0.087	0.068	1.280	0.201
Project outputs	0.180	0.046	3.930	0.000***
Time of inputs delivery	0.025	0.042	0.580	0.560
Degree of participation	0.192	0.066	2.910	0.004***
Public works	0.067	0.045	1.480	0.138
Carpentry project	0.266	0.124	2.130	0.033**
Dairy cattle project	0.001	0.057	0.010	0.990
Poultry project	0.107	0.071	1.500	0.132
Environmental conservation.	0.021	0.057	0.380	0.706
Constant	-0.159	0.073	-2.190	0.029

Significance levels: *, ** and *** are P<0.1, P<0.05 and P<0.01, respectively.

Survey findings show that of all the projects only carpentry works was statistically significant (P<0.05) and sustainable (Table 8). This proposes that the project continues to deliver long-term benefits to recipients after the termination of external funding. Thus, the effectiveness of the intervention depends on the nature of the project. However, result contradicts with the argument that social funds were set up to provide temporary employment and a bridge over the crisis through lower-based income transfers and a subsidization of social services (Batkin, 2001; Lau-Jorgensen and Van-

Domelen, 1999). This is because, surveyed projects have shown to provide long-term and not merely a bridge over the crisis period such as carpentry project. Most likely, organizational of assets created and financial management enhanced participants in learning and managing the assets (Lund –Thomsen, 2007). Equally, Del Ninno *et al.* (2009) report that a well designed and implemented project helps in mitigating income shocks as an anti-poverty instrument.

Moreover, the relevance of the project to poverty reduction was significant at ($P < 0.05$) level, while project goal related to social needs, degree of participation, project outputs, project ability to meet immediate needs of target group were also statistically significant at ($P < 0.01$) levels and were positively correlated with project sustainability (Table 8). These result suggest that project sustainability depends on its relevance, ability to address social needs, extent of recipients' involvement, products and services and short-term effects to communities. Probably, this was improved by transparency in project ownership, management, maintenance and credibility (Kusek and Rist, 2004). Shaheen *et al.* (2009) report that sustainability of projects is sought to be achieved through participatory approach in development by involvement of beneficiaries at all stages.

Project operational period ever since inauguration had positive significant ($P < 0.01$) influence on project sustainability. This advocates that as time passes through participation, participants appreciated benefits from the projects established as their livelihoods improved thus project ownership was imprinted. In the same way,

Mubangizi (2009) observed that poverty alleviation projects are successful if they promote sustainable livelihoods.

4. Main conclusions and recommendations

Based on these findings therefore it was concluded that sustainability of assets created for poverty reduction was influenced by relevance, effectiveness, efficiency and project operational period since its inception. Based on these conclusions, it is recommended that: First, the government should enforce assets creation which are relevant to the target group(s). In addition, the government should devise a policy for project operation period to enhance project management and credibility rather than being an income redistribution.

References

- Amani, H. and Mkumbo, E. (2012). Strategic research on the extent to which Tanzania has transformed its rural sector for economic growth and poverty reduction. In: *presented at REPOA's 17th annual research workshop*, Whitesands hotel, Dar es Salaam, Tanzania; March 28-29, 2012. 38pp.
- Baker, M.J. (2003). *Business and management research*. How to complete your research project successfully. West-burn publishers Ltd, Scotland. 403pp.
- Baker, J. (2000). *Evaluating the impact of development projects on poverty*. A handbook for practitioners. Directions in development. World Bank. Washington DC. 225pp.
- Baker, J. (1999). *Evaluating the poverty impact of projects: A handbook for practitioners*. World Bank. Washington DC. 85pp.
- Batkin, A. (2001). *Social funds: Theoretical background*. Social protection in Asia and the Pacific. Asian Development Bank. 31pp.
- Blondal, N. (2007). *Evaluating the impact of rural roads in Nicaragua*. Ministry of foreign affairs of Denmark. DANIDA. 55pp.
- Bound, J., Jaeger, D. and Baker, R. (1995). Problems with instrumental variables estimation when the correlation between the instruments and the endogenous explanatory variable is weak. *Journal of the American Statistical association*, 90(430): 443-450.
- Cameron, A.C. and Trivedi, P.K. (2005). *Micro-econometrics methods and applications*. Cambridge University press. 1058pp.

- Del Ninno, C., Subbarao, K. and Milazzo, A. (2009). *How to make public works work: A review of the experiences*. Social protection and labour. World Bank. 93pp.
- FAO (2008). Nutrition country profile, Tanzania from [<ftp://ftp.fao.org/ag/agn/nutrition/ncp/tza.pdf>]. Visted on 23/5/2012. 48pp.
- Greenstone, M., and Gayer, T. (2007). *Quasi experimental and experimental approaches to environmental economics*. The frontiers of environmental economies. Discussion paper. Washington, DC. 60pp.
- Grossman, M. (2005). *The impact challenge: Conducting impact assessments for the EMPRETEC programme*. Oxford University. 21pp.
- Haidar, M. (2009). Sustainable livelihood approach. The framework, lessons learnt from practice and policy recommendations. In: *expert group meeting on adopting the sustainable livelihoods approach for promoting rural development in the economic and social commission for Western Asia*. Beirut. 18pp.
- Hulme, D. (2000). *Impact assessment methodologies for microfinance: Theory, experience and better practice*. University of Manchester. 34pp.
- ILO (1997). *Guidelines for the preparation of independent evaluations of ILO programmes and projects*. Evaluation unit, bureau of programming and management. 8pp.
- Kusek, J. and Rist, R. (2004). *Results based monitoring and evaluation system*. World Bank. 264pp.
- Kutsch, E. and Hall, M. (2010). Deliberate ignorance in project risk management.

- International journal of project management*, 28(3):245-255.
- Kratz, L. (2001). *The sustainable livelihood approach to poverty reduction*.
Division for policy and socio – economic analysis. SIDA. 44pp.
- Lau Jorgensen, S. and Van Domelen , J. (1999). *Helping the poor manage risk better: The role of social funds*. Social protection discussion paper series number 9934. World Bank. 26pp.
- Lecy, J. (2010). New approaches to evaluation: Comparative impact assessment.
Journal of civil society and social transformation, 1: 26-37.
- Lund-Thomsen, P. (2007). *Assessing the impact of the public private partnerships in the Global South: The case of the Kasur Tanneries*. Pollution control project.
United Nations. 40pp.
- Mubangizi, B. (2009). Poverty alleviation and service delivery: Developing conceptual framework for South Africa’s service delivery system. *International NGO journal*, 4(10):446-455.
- Ngasongwa, J. (1988). *Evaluation of externally funded regions integration development programmes (RIDEPs)*. University of East Anglia. Norwich, United Kingdom.
502pp.
- Parveen, J.A. (2009). Sustainability issues of interest free micro-finance institutions in rural development and poverty alleviation. *Bangladesh perspective*, 2(11):112-133.
- Power, R. and Riddell, M. (1998). *Quasi – experimental evaluation*. Evaluation and data development strategy policy. Canada. 40pp.
- RTI (2011). *From sorghum to shrimp: A journey through commodity projects*. KIT

- publishers, Netherlands. 150pp.
- .Shaheen, F.A., Joshi, P. K. and Wami, S. P. (2009). *Watershed development in Northeast India: Impacts, opportunities, and problems*. Global theme on agroecosystems. Report number 55. 31pp.
- Sovannarith, S. (2009). *Informal risk management / safety net practices: Experience of poor and vulnerable workers and households*. 22pp.
- Spath, B. (2004). *Current state of the art in impact assessment: with special view on small enterprise development*. Switzerland. 40pp.
- Stocks, J. H. and Watson, M.W. (2003). *Introduction to econometrics*. Pearson international edition. Second edition. 798pp.
- Swan, R. (2004). *Is microfinance a good poverty alleviation strategy? Evidence from impact assessment*. Making financial markets work for the poor. SIDA. 38pp.
- Tanzania: Imperialism, the state and the peasantry. Available on http://archive.unu.edu/unupress/unupbooks/ruraldvpt_policies; cite visited on 12/04/2012
- URT (2010). *National strategy for growth and reduction of poverty (NSGRP II)*. Ministry of finance and economic affairs. 184pp.
- URT(2005). *National strategy for growth and reduction of poverty (NSGRP)*. Vice president's office. Dar es Salaam, Tanzania. 109pp.
- URT(2001a). *Rural development strategy*. Prime Minister's office. Dar es Salaam, Tanzania. 88pp.
- URT (2000b). *Poverty reduction strategy paper*. Dar es Salaam, Tanzania. 54pp.

- URT (2001b). *Poverty monitoring master plan*. Dar es Salaam, Tanzania. 80pp.
- URT (2000a). *The Tanzania development vision 2025*. Dar es Salaam, Tanzania. 22pp.
- Wooldridge, J. M. (2004). *Introductory econometrics. A modern approach*, second edition. 819pp.
- Wooldridge, J. M. (2001). *Econometric analysis of cross section and panel data*. MIT press. 753pp.
- World Bank (2006). *The Tanzania social action fund (TASAF)*. Owing the process of measuring impact and achievement results. 4pp.