

Towards universal pensions in Tanzania

Evidence on opportunities and challenges from a remote area,
Ngenge ward, Kagera



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Foreword

Salt and Soap and Shoes for School was chosen in 2008 as the title for a comparative study on the impact of pensions on older people in a project run by Kwa Wazee in Kagera. Salt and soap were, by no means the largest expenses of older people once they received a pension. Yet, when people were asked about the biggest changes they constantly highlighted the fact that they were able to buy salt and soap. Salt was the metaphor, not only for more food security, but also for tastier food and for being part of a reciprocity process where salt is commonly shared among neighbours. Soap was not only associated with better hygiene and cleaner appearance, but also with a greater self-confidence and with stronger social inclusion. Shoes for school, finally, referred to the future of the children in their care and the common practice that vulnerable children were sent home from school if they did not appear with shoes, school uniform and school materials.

Five years later the strong needs of older people and the strong impact of pensions were still obvious, as the results of this study illustrate. At the same time it appeared as if for many older people it had become part of normality to collect their pension. They walked in small groups from their villages, they had chats with others at the paypoints and – after receiving their pensions – they assembled in bigger groups under a tree to make their contributions into group saving schemes. On the way home they stopped at the market or little village shops: Socialising, Shopping and Saving.

In the last few years the concept of social pensions as an effective and an affordable tool for social protection, and for many indeed as a basic right, has gained momentum in East Africa. Tanzania and Uganda have taken important steps towards the introduction of universal social pensions. The day when millions of other older people will share the normality described above may therefore not be too far away.

Stefan Hofmann and Mandy Heslop

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Contents

Executive summary	2
1. Background	6
2. Methodology	7
2.1 Structured questionnaire	8
2.2 Survey on income and expenditure of selected households	8
2.3 Case studies and interviews	9
3. The livelihood situation of older people in Ngenge and the impact of pensions	10
3.1 Income.....	10
3.2 Expenditure	11
3.3 The impact of the pensions.....	13
3.4 Health.....	14
4. Delivery of Kwa Wazee pension programme with a focus on Ngenge	17
4.1 Brief history	17
4.2 Pension delivery in Ngenge	17
4.3 Adapting the pensions to inflation	19
4.4 Targeting and transparency	20
4.5 Complementary programme of Kwa Wazee.....	22
5. Introduction of a universal pension in Tanzania	24
5.1 The campaign for universal pensions in Tanzania	24
5.2 Structures for delivery	25
5.3 Age verification of older people.....	26
5.4 Access issues for older people: mobility and health	27
5.5 Mobile money transfer technology.....	28
Annexes	31

Figures and tables

Figure 1: Income with cash transfers.....	10
Figure 2: Income without cash transfers	10
Figure 3: Income composition in April 2013 in TZS1000	11
Figure 4: Pensioner spending	12
Figure 5: Non-pensioner spending.....	12
Figure 6: Ability to walk (self-collectors).....	15
Figure 7: Ability to see (mainly self-collectors).....	15
Figure 8: Age verification	26
Figure 9: Access to mobile phones	29
Figure 10: Access to bank/savings	30
Table 1: Delivery of Kwa Wazee pension: Wards and paypoints, June 2013.....	17
Table 2: Numbers of pensions collected and methods: Ngenge, June 2013.....	17
Table 3: Distances from paypoints to the furthest sub-villages.....	18
Table 4: Adaptation of the pensions	19
Table 5: Kwa Wazee food basket	20
Table 6: Population distribution by five-year age groups and area, Tanzania mainland.....	26

Executive summary

The Government of Tanzania is currently taking concrete steps towards the implementation of a universal non-contributory pension. In 2010, a study by the Ministry of Labour, Employment and Youth Development found that a universal pension was both technically and fiscally feasible and in the same year the Prime Minister confirmed the government's commitment to introduce a social pension. The Social Security Regulatory Authority (SSRA) has since been tasked with designing the scheme, and shared key components in early 2013. Despite previous commitments to introduce the pension in the financial year 2013/14, the latest indications are that the SSRA is to complete the design and secure reliable sources of funding with the view to start implementation in 2014/15.

The Kwa Wazee cash transfer, implemented in the Muleba district for over a decade, provides a unique experience which could inform the roll out of a universal pension at national level. Kwa Wazee is a small NGO that has been running a comprehensive support programme for older people since 2003. The central component of the programme is a pension targeted at older people¹ with little family support or with care responsibilities for orphans and vulnerable children. Each older person receives a monthly pension of TZS12,000 (US\$7.50) plus an additional supplement of TZS7,000 (US\$4.40) for each child in their care. The scheme reaches around 1,100 older people and 600 children. As one of only a few cash transfer programmes in Tanzania, and the one most directly focused on older people, Kwa Wazee can provide important insights into how a social pension could be implemented across the whole of Tanzania. The fact that the Muleba district includes some of the most remote areas in the country means the programme has particular value in informing the implementation of a national pension in these extreme contexts.

The objective of this study was to build on previous research by exploring the impacts of the cash transfer and the practical lessons for implementation in very remote settings. In order to do this the research focused in the Ngenge ward, one of the remotest settings within the Muleba district in Kagera Region. This research comes five years after a study conducted in 2008 which found that the pension had significant impacts on nutrition, physical and mental health, social status and social inclusion.² Returning to the district provided an opportunity to establish whether the findings of the previous research still stood, and if there were any changes. This was done via a survey of income and expenditure in 181 households, 156 of which were receiving the pension. To explore the practical challenges of implementing a pension in remote areas, structured interviews were conducted with 139 pensioners at the three paypoints in Ngenge ward, and 55 in the less remote market town of Nshamba, as a point of comparison. The questionnaire concentrated on issues relating to identification, mobility, health and experience with mobile phone technology. The two main elements of the research were complemented by focus group discussions, case studies and interviews with a wider set of stakeholders.

The impact of pensions in Ngenge

The focus on Ngenge ward gives a picture of the impact of a pension in one of the poorest parts of Tanzania. The average monthly income of households headed by older people surveyed in the study was approximately TZS8,200 (US\$5) per capita, indicating that practically all households included in the study were living well below the National Poverty Line.³

In this context, the pension has had a dramatic impact on the income of recipient households. The cash transfers increased the average income of recipient households by almost 80 per cent. On average, pensions equalled close to half of all income, but in many cases exceeded 80 per cent. In one in ten households cash transfers were the only source of income. The value of the pension and child supplement is relatively modest relative to Tanzania's average income (13 and 8 per cent respectively of GDP per capita in 2013) and their dramatic impact on household income shows the depth of poverty in this part of the country. It also points to the lesson that benefits do not have to be very high to begin to have substantial impacts in such areas.

Increased income from the pension leads to higher expenditures on food, but also higher spending on investments, household items and healthcare. Households receiving a pension spent more on food in absolute terms than those not receiving. However, food formed a smaller proportion of total expenditure (51 per cent for

¹ Eligibility is from 65 although with flexibility for urgent cases. A number of participants in the research were between 60 and 65.

² HelpAge International, REPSSI, World Vision, Swiss Agency for Development and Cooperation, *Salt and Soap and Shoes for School: Impact of pensions on the lives of older people and grandchildren in the Kwa Wazee programme in Tanzania's Kagera Region*, London, 2008

³ The National Poverty Line was based on the 2000/2001 Household Budget Survey and set at TZS 7,253 per person for a period of 28 days. In 2001 38.6 per cent of the rural population lived below this poverty line. According to the World Bank this figure dropped to 37.4 per cent in 2007. Comparing the original poverty line with the price rises since 2000; the poverty line of 2013 is at least TZS 20,000 per person.

pensioners compared to 58 per cent for non-pensioners). This extra income meant that households receiving a pension spent substantially more on investments and household items (22 per cent versus 8 per cent) and expenses for hospital and medication were also considerably higher (5 per cent versus 2 per cent). That said, healthcare expenditure still remained low, and inability to buy medicine or to get adequate treatment at a health centre were dominant themes in most interviews with pensioners. A major issue, which has been reflected in other research in Tanzania, is that older people cannot undertake the long journeys nor pay transport fees to reach one of just two health centres in the ward (one private and one public).⁴

The pension has had important impacts on the livelihoods of many older women, allowing them to invest in their own subsistence. One of the findings of the 2008 research confirmed by this study was that older women report that they less often have to undertake poorly paid daylabour. Instead, they can hire people themselves for strenuous work and thereby invest in their own land. Over 30 per cent of all female pensioners registered expenses for purchasing daylabour in contrast to none of the non-pensioner households.

One common critique of pensions is that they may break down traditional family and community support mechanisms, but evidence in Ngenge suggests quite the opposite. In fact, pensioners registered a much higher income from loans and gifts than non-pensioners, suggesting that the pension strengthened their position in the reciprocity process. This increased community support was noted in interviews.

The survey findings also confirmed a wider global experience that social pensions positively impact on the whole community. Interviews with people from the village showed that they are aware of the multiplying effect of pensions on the whole community. Relatives, neighbours, traders, shop keepers and daylabourers were mentioned among those who benefit from the extra influx of capital. The important investments by pensioner households in purchasing daylabour also suggests that pensions may be increasing employment opportunities for non-recipients.

The impact of the pension was also increased through involvement of older people in mutual support groups, which form a component of the wider Kwa Wazee programme.⁵ The groups can generate extra income, they make savings for bigger expenses easier and they give support when a member gets sick. Forty two per cent of the respondents stated that the group cared for their health if needed, this was higher than the percentage who stated that they received care from family living outside their home or from their neighbours.

Practical lessons for a social pension at a national level

“Other older people are pointing their finger at us...so if we all got it they would stop shouting at us and pointing...”
(Pensioner in Kishuro during a focus group discussion)

Lessons from Kwa Wazee suggest poverty targeting would be a huge challenge at a national scale. The limited funding of the programme means it can only admit a limited number of older people in the pension scheme. To prioritise, eligibility has concentrated on vulnerable people with little family support or with care responsibilities for orphans and vulnerable children. In Ngenge ward, figures suggest that around a third of older people were part of the programme. Targeting has been a challenging process and various targeting methods have been applied and modified. In spite of attempts to improve targeting, major challenges remain. These include:

- **There is little difference between the income of pensioner and non-pensioner households, as revealed by the household surveys.** When pension income was removed, the average income of pensioners was found to be only marginally lower than that of non-pensioners. In fact, none of the non-pensioners reached the top income levels of the pensioners and many non-pensioner households were found to be at the same level as the poorest pensioner households.
- **The perception that targeting is unfair (which seems to be justified) was found to create obvious unease among recipients and non-recipients.** Pensioners often, and without prompting, expressed their uneasiness about being selected when they could see others equally in need, preferring a system where everyone would benefit. Village leaders described similar experiences.

⁴ Porter, G et al, ‘Transport and mobility constraints in an ageing population: health and livelihood implications in rural Tanzania’, *Journal of Transport Geography* 30, 2013, pp.161-169

⁵ A study explored the effects of the complementary parts of the Kwa Wazee programme. They concluded that the strengthening of a whole set of capabilities not only fostered the human capital but also increased the sustainability of security mechanisms beyond the pensions. Borchard, J, Kirch, L, Ronneburger, L, *Evaluation of the Social Cash Transfer Plus Programme implemented by the NGO Kwa Wazee based on Amartya Sen’s Capability Approach*. Marburg University (in German), 2012

These findings point to the major advantages of a universal pension model at the national level. The intense efforts made by Kwa Wazee to improve targeting suggest that the substantial errors are less due to methodology, but more to the inherent challenge of trying to identify those most in need in the context where most households live in poverty. The fact that efficient targeting has not been achieved in the context of a small pilot also puts significant doubt on whether any improvement could be achieved at the national scale. This strengthens the case for a universal approach in a context of widespread poverty as it is experienced in rural Tanzania. A universal approach would also avoid the conflict and unease within communities that could significantly undermine buy-in for a pension during its implementation.

The study points to some of the specific considerations that need to be taken into account in reaching older people in remote areas. Given the large geographical size of Ngenge ward Kwa Wazee decided to deliver the pensions from three paypoints (other wards usually operate from just one paypoint). Despite this a high number of older people are not in a position to collect their pensions themselves, and many of those who do face a variety of other challenges. These include:

- **Mobility:** in the June 2013 payment, 40 per cent of all pensions had to be collected by a registered person or delivered by a committee member. The reason for the high number not collecting pensions in person was related to the extremely long walking distances combined with physical disabilities. Yet these issues also extended to those who did collect the pension. The survey, which mainly included these “self-collectors”, revealed that two-thirds found walking painful and only five per cent said they had no problems with walking at all.
- **Eyesight:** just over half of self-collectors indicated that they could not recognise persons from more than 10 metres away, 37 per cent stated that they often stumbled because they couldn't see an obstacle and 24 per cent said that they were not able to recognise the animal on the banknote.
- **Documentation:** the vast majority of older people (90 per cent) have documents that confirm their age. Most have a voting pass (82 per cent) or baptism cards (48 per cent) while eight per cent have no identification at all. While this provides a positive foundation for age verification, implementation of a universal pension would call for mechanisms to ensure the one in ten older people without proof of age could access the pension. Other methodologies do exist to identify age (for example, reference to historical or local events, village secretary records and the knowledge of families with long-term residency), however, implementation of a universal pension would need to include clear regulation for formalising such forms of identification.
- **Trust in government:** older people were ambivalent about their experiences with promised services from government institutions. Referring to promised exemption of health costs for older people and to poor delivery of drought food aid, older people expressed their fears that none or only some of their pensions would reach them.

In order to respond adequately to these issues, it is critical that older people themselves are included in the design and the implementation of a universal pension. This will be important in all the various elements of the operation of a universal pension including definition of eligibility, registration and de-registration, payment, as well as inclusion through adequate monitoring and grievance structures.

Electronic payments (for example, through mobile phones) have potential to overcome issues of remoteness, and seem to be an acceptable approach for people in Ngenge. In recent years methods of electronic payment have been successfully introduced for cash transfers, and have the potential to overcome challenges of payment in remote areas. In Tanzania money transfer through mobile phones has become increasingly popular. Older people, village chiefs and village committees in Ngenge largely agreed that a cash transfer would need to be as direct as possible from the source to the beneficiary. This suggests that electronic payments would be acceptable in this remote context.

However, there are currently significant obstacles to use of electronic payments in an area like Ngenge, suggesting that alternative payment mechanisms would be needed for many remote areas in Tanzania in the short term. The peripheral location of Ngenge ward means that technological development is less advanced than in other areas of Tanzania. Parts of the ward have no mobile phone coverage, there is no outlet for money transfers in the whole ward, and only 15 per cent of the older people owned a phone or had a phone in their home, compared to 46 per cent of older people in the neighbouring Nshamba ward. More positive is that 66 per cent of older people in Ngenge ward (82 per cent in Nshamba) had access to a mobile phone in their vicinity. With the dynamic of these technologies which can be observed elsewhere in Tanzania, such obstacles could be overcome in the near future.

1. Background

In the last decade cash transfer (CT) programmes have considerably increased in number and are commonly recognised – especially in Latin America and Asia – for their effectiveness. A recent World Bank report listed over 120 larger CT programmes in sub-Saharan Africa alone, and at least as many have been identified since this data was collected.⁶ The most common form of cash transfers for older people are old age pension schemes. While South Africa has a means-tested old age pension other Sub-Saharan African countries like Namibia, Botswana and Lesotho have introduced universal social pensions, however with differing ages of eligibility. More recently, pilot programmes have been started in Kenya and Uganda; where the introduction of a universal pension scheme has been announced and is in preparation.

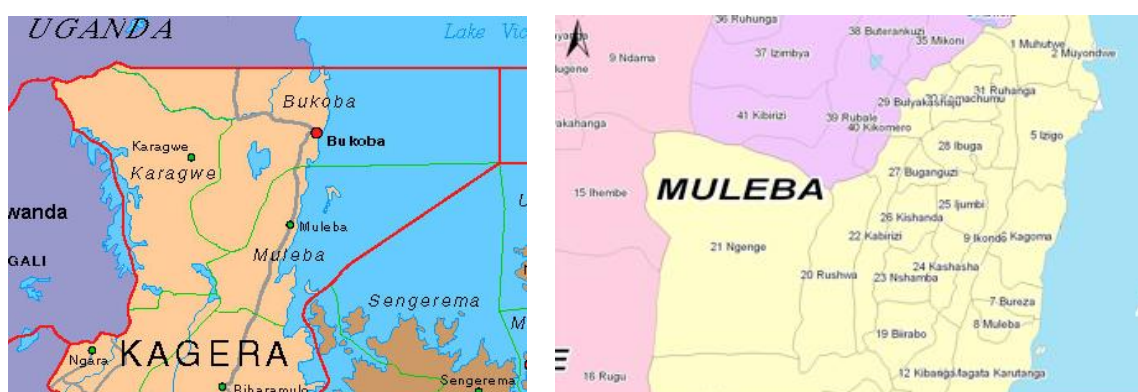
While the impacts of cash transfer programmes for the most vulnerable are well documented in research literature, less is known about the practical aspects of CT programmes and even less about the challenges of delivering to older people: particularly if they live in very remote areas. Cash transfers to older people present a number of difficulties which are specifically related to their age, their state of health, their ability to move and their literacy practices. If geographic isolation, lack of services in the vicinity and isolation from the family system are added to this; the challenge of delivering cash transfers may increase.

In Tanzania the commitment to include vulnerable older people in poverty reduction strategies has progressed, particularly since 2010 with the publication of a feasibility study⁷ which concluded that a universal pension is both technically and fiscally possible. In the same year, the Prime Minister announced the government's commitment to introducing a social pension.

Since 2003 Kwa Wazee, a small NGO, has operated a comprehensive support programme for older people on the basis of pensions and child supplements from its headquarters in Nshamba in the Muleba district in Kagera. In June 2013 approximately 1,100 older people received a monthly pension and child supplements for the 600 children they cared for. From the experience that older people in peripheral and disadvantaged areas like Ngenge ward are particularly vulnerable, activities were considerably extended in such areas in recent years.

Over almost a decade Kwa Wazee has acquired expertise in the area of social protection, the empowerment of older people and children in their care, as well as technical aspects of the implementation of a cash transfer programme. In 2008, *Salt and Soap and Shoes for School* showed the significant impact of pensions. Other studies have focused on the relationship of grandmothers and children in skipped generation households,⁸ on the impact of Kwa Wazee's programmes to strengthen the human capital of older people⁹ and on caring for older people including in the Kwa Wazee programme.¹⁰

1.1 The research area: Ngenge ward in Muleba district, Kagera



⁶ Garcia, M, Moore, C, *The Cash Dividend – The rise of cash transfer programmes in sub-Saharan Africa*, Washington D.C., The World Bank, 2012

⁷ Ministry of Labour, Employment & Youth in collaboration with HelpAge International, *Achieving income security in old age for all Tanzanians*, Dar es Salaam, 2010

⁸ Clacherty, G, *Living with our Bibi: – a qualitative study of children living with grandmothers in the Nshamba area of western Tanzania*, World Vision and REPSSI, 2008

⁹ Borchard, J, Kirch, L, Ronneburge, L, *Evaluation of the Social Cash Transfer Plus Programme implemented by the NGO Kwa Wazee based on Amartya Sen's Capability Approach*. Marburg University (in German), 2012

¹⁰ de Klerk, J, 'Being old in times of AIDS', *African Studies* 37, 2012

The district and the ward

Muleba is one of six districts in the Kagera Region, north west Tanzania. The district is located south of Bukoba Rural, north of Biharamulo and between Lake Victoria and Karagwe. Muleba covers a land area of 3,518 km² and is one of the most populated rural districts in Tanzania. In the last national census period, from 2002 to 2012, the district population grew from 385,184 to 540,310, which corresponds to a growth rate of 3.42 per cent per year. Of this population, 5.6 per cent are 60 years or older and 4.03 per cent are 65 years or older, which is slightly higher than the national average of 3.9 per cent. Ngenge ward, with an estimated area of 440 km², is the second largest ward in size (behind Kyebitembe) and, with 20,339 inhabitants, the third most populated ward of Muleba district. The ward comprises the three villages of Ngenge, Rwigembe and Kishuro and 20 sub-villages.

Infrastructure and services in Ngenge ward

While the unpaved road between the three villages is reasonably well kept, most roads to sub-villages or to neighbouring wards lead through mountainous areas and are very poor quality. Many of the side roads are inaccessible for cars, even when weather conditions are favourable. The most important means of transport are bicycles and motorbikes. However, even with a motorbike it can take up to two hours from one of the villages to the most remote houses of a sub-village.

There is no mains electricity and generators and solar energy are rare. The main water sources are the network of small rivers and a few standpipes. The vast majority of residents rely on wood and charcoal for cooking.

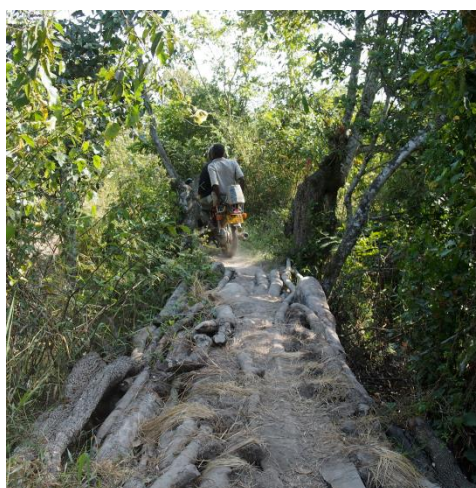
The only health facilities in the large ward are a health centre in Rwigembe, which is run by the Lutheran Church and a pharmacy in Kishuro. The nearest hospitals are in Rushwa and Ndolage.

The nearest banks and the nearest post office are in the district and regional capitals Muleba or in Bukoba, which are at least 35km away from Ngenge village. While the importance of money transfers by mobile phones is rapidly growing in the district, there was still no mobile money station in Ngenge ward in June 2013. The nearest one was located in Rushwa on the way to Nshamba – beyond walking distance for most people in the ward. There is no public phone.

There are several primary schools in Rwigembe, Kishuro and Ngenge. The only secondary school in the ward is in Ngenge.

All villages have a weekly market and there are small kiosks in the sub-villages, selling household and dry goods such as kerosene, sugar, maize flour and basic drugs such as paracetamol. The main cash crops of Ngenge are coffee and bananas. The climate is more arid compared to other parts of the district and the area is more exposed to droughts, but soils are described as fertile. However the remoteness of the area and the lack of access roads have kept external trade at a very low level. There have been some increases in trade as highlighted by one village chairperson:

“Now you can find more people in the district looking to buy coffee – before people didn’t come over the hills but now there is a road connecting them,” [however] “for people living far away in the sub-villages it is still very difficult.”



2. Methodology

2.1 Structured questionnaire

Structured interviews were conducted with 139 pensioners at the three paypoints in Ngenge ward, where older people meet to collect their pension. The questionnaire concentrated on issues relating to identification, mobility, health and experience with mobile phone technology. To compare the research with those who live in a considerably less remote area, another 55 interviews were conducted with pensioners in Nshamba, a small market town in the Muleba district, where the Kwa Wazee pension programme began.

Sampling

In Ngenge there was no selection process: all pensioners were invited to participate and to meet at the paypoints. With 139 interviews 56 per cent of all pensioners in the Ngenge ward (247) were reached, including an estimated 90 per cent of self-collectors. Their data is highly representative for the group of self-collectors who constitute the majority of pensioners in the Kwa Wazee pension programme.

Limitations of the structured questionnaire

For logistical and resource reasons very few interviews could be carried out at the homes of older people in order to include the important group of “non self-collectors”. These pensioners are unable to collect their pension themselves; mostly because of health problems or because the paypoint is too far away. In Ngenge the proportion of non self-collectors, approximately 40 per cent, is higher than in other areas of the Kwa Wazee programme. However, non self-collectors were the focus of all the case studies, which were conducted in their homes.

2.2 Survey on income and expenditure of selected households

The survey was conducted in 181 households and concentrated exclusively on income and expenditure during April 2013. Participants were instructed to register all expenditure and all income on a daily basis during the month. According to the African Development Bank¹¹ April has the least seasonal deviation of food prices. Regarding household income, consistent feedback from focus groups and from Kwa Wazee staff suggested that in the research area income from the sale of agricultural products is slightly above the average in April. While June and July (best part of the coffee season) are regarded as the best months for income, September until November (“the hungry season”) are usually the months with the highest incidence of food scarcity.

The vast majority of the households surveyed were headed by an older person, who carried the main responsibility for the income. Older persons either lived on their own, with a spouse, with children in their care or with other vulnerable adult people. Roughly 70 per cent of the older people surveyed were women. The average number of people living in a household was 2.4, compared to an average household of 4.8 which is indicated for Muleba district in the 2012 Population and Housing Census.

As a large proportion of older people cannot or are not used to writing, income and expenditure data was recorded, in most cases, by children who either lived in the household or in the neighbourhood. In a few cases the amounts were recorded by older people themselves or by a community worker.

Sampling

Of a total of 181 households, 156 were part of the Kwa Wazee programme and receiving a social pension of TSZ 12,000 (US\$ 7.50) per month and child supplement s of TSZ 7,000 (US\$ 4.40) for each child in their care. Since there were 247 pensioners in Ngenge ward in April 2013, 63 per cent of all pension households were included in the survey. Twenty five of the participants were older people who did not receive cash transfers but were members of one of the mutual support groups.

An analysis of the individual forms with the daily entries – for example through cross checking – and of the overall results suggest the high reliability of the data. Several factors contributed to the successful implementation of the income and expenditure survey:

- Participatory approach: survey participants were pensioners and members of mutual support groups. Their regular gatherings at paypoints and for group meetings enabled them to discuss the survey and how they could participate.

¹¹ African Development Bank, *Food prices and inflation in Tanzania*, Working paper series No 163, 2012

- A decisive factor in the collection of survey data was the existence of the *Tatu Tanu* children’s groups, whose members were specially trained to collect and register the data on income and expenditure.
- Probably the single most important factor in obtaining genuine results was the trust of the older people in Kwa Wazee, which had been built up over a number of years.

Limitations of the survey

Practically all older people showed a great willingness to participate in the surveys when they were asked during their group meetings, during paydays or when asked by children of the *Tatu Tanu* groups. This had the advantage of reaching a very large and highly representative sample for the self-collectors.

However those who lived furthest away or were unable to walk to paypoints, the non self-collectors, were clearly under-represented. According to local feedback these households would generally be considered the most vulnerable in the area. This was confirmed when a number of these households were visited for case studies.

The survey of income and expenditure over just one month is only indicative, since seasonal factors affecting income (for example, the sale of cash crops) or expenditure (for example, school fees) could not be assessed. The management of debts and savings is another important dynamic that could not be properly explored.

The survey was not designed to be comparative between recipients of cash transfers and other older people. However the participation of 25 older people who did not get a pension – referred to as *non-pensioners* – provided valuable indicative feedback and a useful part of the analysis.

Focus group discussions

Focus group discussions were facilitated with self-collectors at the three paypoints during payday, and also with village committee members and other village representatives.

2.3 Case studies and interviews

The case studies concentrated on older people who were not able to collect their pension themselves. Interviews and briefings took place with stakeholders at all levels including: representatives of the Ministry of Labour in Dar es Salaam; Muleba district officers; village leaders; chairpersons; key informants and committees at village level and the Kwa Wazee staff.

Survey on income and expenditure focused on the most vulnerable older people: a social process

The methodology used to obtain regular data from older people headed households in a comparable socio-economic context was probably unprecedented. Staff from Kwa Wazee described the different stages as a social process (see Annex 1). The majority of data collection was not done by children living in the same household. Children who went to other people’s homes in their village described their experience:

“I have been going very far. When I visited I found them present, they were inside the house because they didn’t have energy to go out. Sometimes when we found them we had to fetch water for them, sometimes we broke our shoes. As for the shoes – we could do nothing.... but the exercise has given me confidence. I was also impressed by the cooperation they showed us. Sometimes they gave us groundnuts and coffee beans to eat.” (Girl from *Tatu Tanu*)

“I went every day. Once the rain covered the path and I had to cross the path and then remove water from the front of her [older women’s] house.” (Boy from *Tatu Tanu*)

While some children described longer social contacts in the houses, one older woman described them as very brief. Another took the records herself:

“Someone comes to the house – ‘Bibi, are you here?’ ‘Yes’. Then I start to say what I spent that day, for example – tomatoes TSZ 200, daaga (small dried fish) TSZ 100, cooking oil TSZ 200 – finish. Now you ask about income, for example – on Sunday I went to the market and sold my cassava for TSZ 5,000 so from there I got money to buy kerosene and so on...it takes just a few minutes.”

3. The livelihood situation of older people in Ngenge and the impact of pensions

This chapter focuses on some essential aspects of the livelihood situation of older people and their households in the Ngenge area. Evidence is largely drawn from the 139 structured questionnaires which included questions on health and mobility, and a household survey carried out in 181 older people headed households, of which 156 received cash transfer, which provided data on their income and expenditure.

3.1 Income

In order to estimate the impact of pensions on income it is helpful to consider the income of older people without pensions: in the month of April 2013 the average income per household, without pensions and child supplements, amounted to TZS19,520 (US\$12) which is near the estimated National Poverty Line for one person in 2013.¹² The average size of these older people headed households was 2.4 persons.

The most important self-generated source of income for pensioners was the sale of agricultural products (53 per cent of income). Groundnuts, coffee, makopa fruit, cooking bananas and beans were the most frequently sold crops. Gifts (in kind), savings and loans formed the second most important source of income (29.5 per cent). As most pensioners were part of a rotating saving and credit group some of the households showed incomes of up to TZS40,000 (US\$25) from savings. Relatively few households got substantial extra income from the sale of assets like goats or in a few cases pieces of land. Income from labour was relatively low for pensioner households at 7.7 per cent of income.

Figure 1: Income with cash transfers

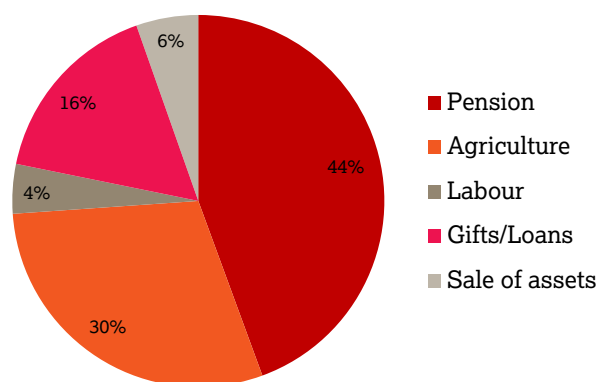
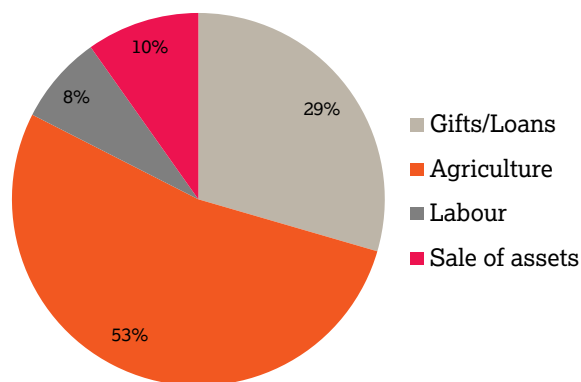


Figure 2: Income without cash transfers



Pensions and child supplements entirely changed the income structure (see figure 1 and 2). The average monthly cash transfer of TZS15,580 (US\$10) per household on top of an average income of TZS19,520 (US\$12) resulted in an increase of the ordinary income of almost 80 per cent. While the mean proportion of the Kwa Wazee transfers was 44.4 per cent of total income, it was much higher for the income-poorer households: 40 per cent of all households surveyed registered a basic income of less than TZS10,000 (US\$6). For these households the proportion of the pension to the total income was at least 60 per cent. Meanwhile, 13.5 per cent of households registered less than TZS2,000 (US\$1.25) or no income at all.

Households of older people without childcare and child supplements – 65 per cent of all households in this survey – were more likely to belong to the income poor. They included almost all households with no income or an income of less than TZS2,000 and 82.5 per cent of the households with an income of less than TZS10,000. The income difference to households with children – which have a higher average number of people living in the household – becomes more marked when the child supplements are included.

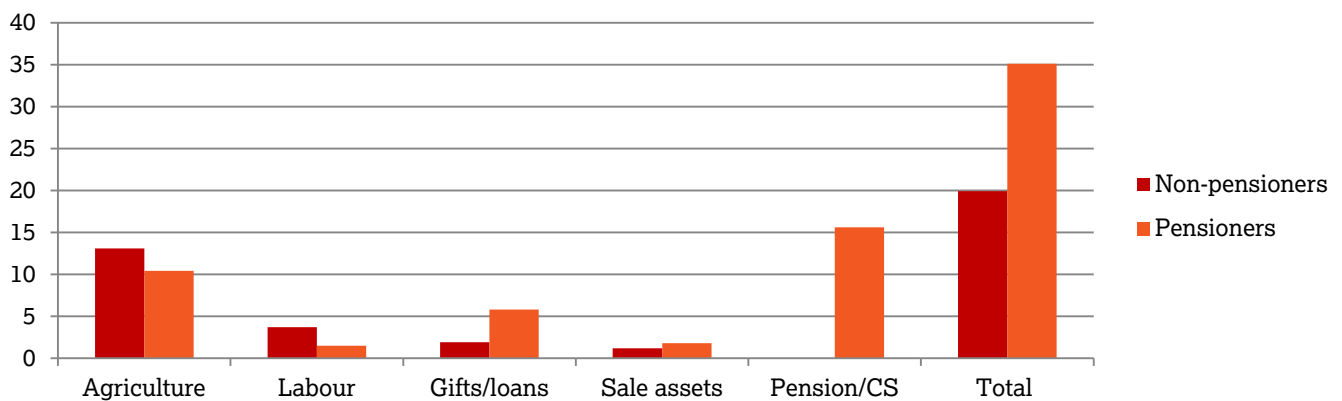
¹² The National Poverty Line was based on the 2000/2001 Household Budget Survey and set at TZS 7,253 per person for a period of 28 days. In 2001 38.6 per cent of the rural population lived below this poverty line. According to the World Bank this figure dropped slightly to 37.4 per cent in 2007. If we compare the original amount of the poverty line with the rise in consumer prices since 2000, the poverty line of 2013 would amount to at least 20,000 TZS per person.

Cash transfers make the difference

In addition to the 156 pensioner households, the survey included 25 households with older people who did not receive pensions but were members of the mutual support groups. While the number of “non-pensioners” is too low to make a robust comparison between the two groups, it is possible to make a number of indicative observations:

The income of these two groups – excluding pensions – only differed marginally in favour of non-pensioners (TZS19,500 versus TZS19,900). However, non-pensioners declared more income from the sale of agricultural products and on income from their labour, which might confirm that they had been assessed as – at least slightly – better off than those who were admitted to the pension programme. Furthermore, they received fewer gifts or loans. The pension programme comprehensively reversed the situation regarding household income. The average household income of pensioners totalled TZS35,100 (US\$22) compared to TZS19,900 (US\$12) for non-pensioners.

Figure 3: Income composition in April 2013 in TZS1000



Two aspects are worth closer observation. Firstly, the fact that pensioners received gifts (in kind) significantly more often than non-pensioners suggests that the reciprocity principle gives those elevated to the status of pensioner more access to support by neighbours and friends, facilitates loans by shopkeepers and also raises the support within the family. One of the much reported effects of pensions is that older women less often need to generate extra income by doing poorly paid *daylabour* for other people’s farms. This is confirmed by a significantly higher proportion of labour income for non-pensioners. This finding is confirmed even more clearly when we look at household expenditure.

3.2 Expenditure

Expenditure by pensioners

On average 51.3 per cent of all pensioners’ spending was on food. This was followed by household items (12.3 per cent), investments (9.3 per cent), non-food products like soap and kerosene (8.9 per cent) and payments, which include contributions to the savings groups and repayment of debts (8.5 per cent).

Food: within this category, in April, meat topped the list followed by cooking banana, small dried fish, maize flour, rice and fish. Fifty six per cent of pensioners registered expenses for meat, which came as a positive surprise when compared with previous surveys within the Kwa Wazee programme, where consumption of meat had been considerably lower. According to local sources the pattern of food spending would look different in months with less food from their own farms.

Household consumables: practically all households listed expenses for soap and kerosene. The mean expense for these two items was just over TZS2,000.

Household items: by far the most numerous expenses were for clothes followed by bedsheets and shoes.

Investments: such as house improvements, the purchase of land or of an animal was confined to just a few households. However, almost 25 per cent of all pensioners and over 30 per cent of female pensioners registered expenses for purchase of daylabour.

Daylabour

Doing daylabour is a very common practice for women in rural areas to generate extra income. Daylabour is needed, for example, during the planting periods, for weeding or for harvesting. In the research area four women usually work as a group and negotiate their daily wage. While in 2008 the wage had been between TZS300 to 500 for four hours work – or sometimes food of equal value – informants in Ngenge put the common wage for daylabour at TZS1,000 (US\$0.62) in June 2013. According to local sources immigrants who were used to growing maize, instead of the main local crop banana, were more often dependent on purchasing daylabour when they got too weak to cultivate themselves.

During the impact evaluation in 2008 fading strength was often mentioned by older women, as well as the fact that since they received a pension they had to do much less daylabour. Five years later one could very often hear older women state that now they could hire people themselves for strenuous work, and thereby invest in their own subsistence. Over 30 per cent of all female pensioners registered expenses for purchasing daylabour. In contrast to this, not one of the non-pensioner households recorded expenses for buying daylabour.

Savings and payments: The largest proportion of the category consisted of contributions to the mutual support or to rotating saving groups which ranged from TZS500 to 3,000 per month. Most participants in the household survey are members of such groups. Savings were followed by the repayment of debts and, to a much smaller extent, by contributions to funeral groups or to the church.

Health: Costs for hospital care or for medication amounted to 4.3 per cent of spending. However, as most expenses for *Transport* (1.8 per cent) could be related to hospital visits, the actual health expenses reached roughly 6 per cent.

School: Expenses for school were low at 1.8 per cent and limited to a few households. This was not surprising as spending on school fees and materials occurs earlier in the year.

Luxury: Expenses for drink and tobacco (1.8 per cent of all expenses) were registered in 34 per cent of all households. The high percentage of households which registered luxury goods could be seen as an indicator for the credibility of the data collection.

Phones: 25 households (14 per cent of all households) registered expenses for phone charging or batteries.

Figure 4: Pensioner spending

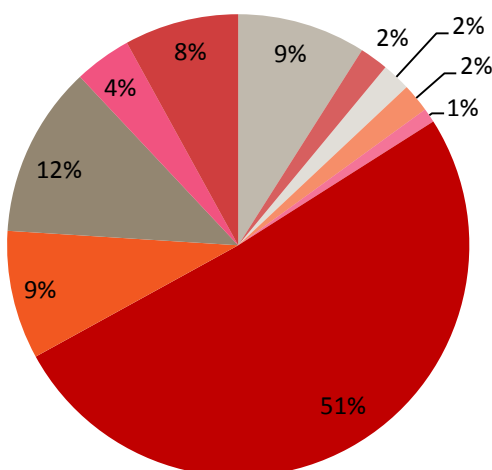
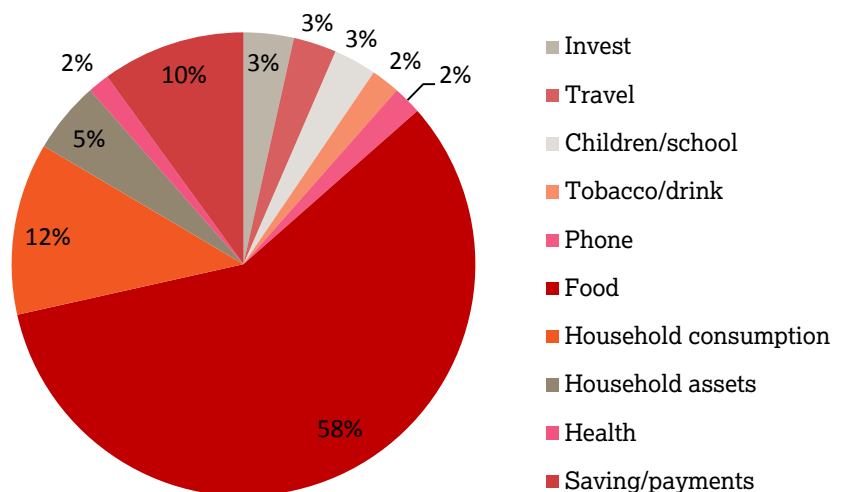


Figure 5: Non-pensioner spending



Whereas a previous Kwa Wazee household survey conducted in June 2007 – albeit with many fewer households – had shown a much stronger concentration of expenses on food and basic household consumables, the present results show that the average pensioner spent overall less on food but nevertheless more often consumed products like meat. Pensioners also had greater possibility to purchase household assets such as mattresses or kitchen utensils. Also remarkable is the high proportion spent on investments, including the purchase of daylabour by pensioners. Food, household assets and investments are those categories where differences between pensioners and non-pensioners are most obvious.

Differences in expenditure by non-pensioners

Older people without a pension spent more on food and basic household items (70 per cent compared to 60 per cent) and much less on household items and investments (8.8 per cent compared to 21.6 per cent). Remarkably, not one of the non-pensioners recorded expenses for hired daylabour. Expenses for hospital and medication were also considerably lower at 1.7 per cent compared to 4.5 per cent. Regarding food variety, fewer non-pensioners (only 40 per cent compared to 56 per cent of pensioners) spent money on meat, and those who did, spent less.

Gender differences

A comparison between older men (31 per cent of all participants) and older women in the household survey showed some striking similarities. In particular the proportion spent on food (51.8 per cent: 52.2 per cent) and on the income side, the proportion of the pension to the total income (42.5 per cent: 42.3 per cent). There were however some clear differences. Older men had significantly higher incomes from the sale of agricultural products than older women: the average income of men from agricultural sales was 22 per cent higher than that of women. On the other hand older women had more income from daylabour (5.93 per cent of all income) compared with other labour income of older men (1.84 per cent). Income from the sale of property or animals was limited to too few households to make a comparison.

3.3 The impact of the pensions

“The pension has supported me very much. Before I had been living in a very difficult situation. When I started to get the pension, I spent it to buy food and basic needs and medicine.... Although I spend it all before the end of the month, it has enabled me to get a loan and pay it back when I get my pension...The thing that was most difficult to get before was sugar. I can’t drink tea without sugar. Now with the pension I manage to buy sugar. It was also hard to get food – now I get more.” (Pensioner Kishuro)

“I’m living with my grandchildren. Before getting the pension I had problems [shows stiff bent finger] I couldn’t work and it was very hard. When I got the pension I managed to take part to spend on cultivating [daylabour] and part for food. It was also difficult for the children to walk to school because there was nothing to eat. So I managed with the pension to get food, but also soap and now the children go to school and they can always wash. For cultivation I take TZS10,000 (US\$ 6.25) for daylabour which really supports me. Each labourer works four hours for TZS1,000 so I can pay ten people for four hours.” (Pensioner Kishuro)

The significant and multidimensional impact of pensions on older people has been convincingly demonstrated in various studies – including the 2008 study of the Kwa Wazee pension programme – and was therefore not the focus of this study.

However, without being asked, pensioners constantly compared their current situation with the time before they received a pension or with older people who did not get a pension. This is not surprising considering the high proportion of the pension in the household budget. In the household survey, pensions represented on average 44.4 per cent of all income and 48 per cent of all expenditure.

Some aspects of the impact of pensions could be observed more clearly than in the previous study (see box below).

As noted above, pensioners often mentioned their **ability to hire daylabour** to improve their farm. For older people with disabilities or with fading physical energy this investment strengthens their subsistence and their capacity to get income from sales of their crop. More than 30 per cent of the female respondents in the household survey recorded expenses for daylabour.

The household survey showed relatively high incomes from loans and gifts (cash contributions from the family), which represented 16.4 per cent of all income. Remarkably, this source of income was almost three times as high for those households which received pensions compared to non-pensioners. This might be an indicator for the **strengthened position of pensioners in the reciprocity process**.

Many interviews with people from the village showed that they are aware of the **multiplier effect of pensions on the whole community**. Relatives, neighbours, traders, shopkeepers and daylabourers were mentioned among those who benefit from the extra influx of capital into the community.

“People notice that today is a pension day because when they get the money they shop on the way home, buying soap, kerosene or paraffin...mostly they buy tomatoes, small fish and soap and they also buy medicine...Now older people are trusted in the village – when they have money they can also go to someone and ask for a loan and pay it back when they get the pension.” (Sub-village chair)

“For older people not getting the pension it is bad, because having nothing this causes them to lose support. I notice that those who get the pension have increased support, you find that neighbours and children come to collect water or firewood, so you see the pension can increase support...” (Community volunteer, Kishuro)

Salt, soap and shoes for school: The impact of pensions on the lives of older people... Selected results from the impact evaluation of the Kwa Wazee pension programme in 2008

Household economy: the study provided strong evidence that pensions reduced the need for begging or doing daylabour, that they reduced the need to incur debts or sell land in moments of crisis and that they strengthened the capacities of older people in their subsistence activities. The regular income strengthened their position as customers of the local traders and they were therefore more likely to get credit or loans.

Nutrition: Older people who received a pension were significantly better nourished: for example, 54 per cent of pensioners were completely satiated after a meal compared to only 26 per cent of the control group. Only two per cent of pensioners were still hungry after a meal compared to 17 per cent of non-pensioners. The food intake was also richer and more varied. Fish, meat, milk and rice were consumed significantly more often by older people receiving a pension.

Psychological wellbeing: An adapted depression-scale showed a highly significant difference between older people receiving a pension and non-pensioners. For example, pensioners were much less often anxious or stressed, they felt more confident, they had better sleep and they more rarely felt alone.

Health: While the qualitative approach had suggested clearer improvement of the health status of pension recipients, the quantitative self-assessment on health showed relatively minor changes. An average of 68 per cent of all older people declared themselves “often” or “most of the times” sick in the previous year. All older people complained about the lack of access to health facilities, and the costs of treatment and transport. “Health” was declared one of the biggest worries, which could not be met by the pension.

Social status and social inclusion: The study offered strong evidence that older people with a pension were in a better position in the reciprocity process and were therefore more likely to get additional support from their family and neighbours. The increased use of soap – often mentioned by older people as one of the biggest changes with the pension – became a metaphor for more respect and better social inclusion.

3.4 Health

“In the beginning I had sufficient energy and could sell rice and beans. But for many years now my joints are very sore, my back hurts and also my feet. I can’t walk without wearing shoes. If I am sick I can’t afford medicine, I only use herbals. Two years ago I was really bad and got to the dispensary but already the costs for transport were too big. Years ago when my wife died we used two branches and a cloth to bring her to hospital. We would start very early in the morning, it would take us eight hours only to reach the hospital.” (Pensioner in a sub-village of Rwigembe)

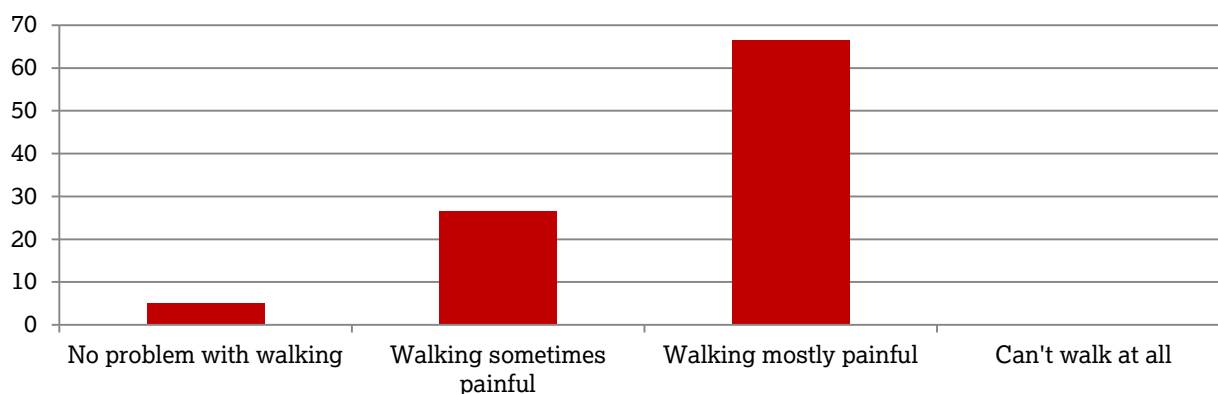
“Really these months are hard. When you visit the houses you’ll find the children sick inside. Often the children cannot go to school because of malaria – we also call this the death season because so many people die at this time. One dose of malaria treatment costs TZS4,000 (US\$2.50) and then you also need sugar... if three people have malaria in the house the cost would be TZS12,000.” (Older woman referring to the months of May and June)

Fading energy, chronic diseases and physical and mental frailty are decisive factors which limit the capacity of older people to secure their livelihoods, if support from the extended family is not sufficient. Not surprisingly, health issues and the difficulty of buying medicine or getting treatment at a health centre were dominant concerns expressed by pensioners during the interviews. This short chapter highlights just a few results from the surveys outlined above and some aspects which link the health of older people to the implementation of a pension scheme.

The Tanzania 2008 disability survey¹³ stated that 7.8 per cent of the population aged seven years and above had some form of activity limitation. Two health aspects, ability to walk and ability to see, which also have an effect on the delivery of a pension, were part of the questionnaire completed by older people who were able to walk to the meeting-points.

Sixty six per cent of self-collectors indicated that walking was painful most of the time and only 7 per cent stated that they had no problem with walking. In Ngenge about 40 per cent of all pensioners could not collect their pension, mainly due to health problems and severely limited mobility. The majority of this group were not part of the 139 who answered the questionnaire. It can be assumed that for non self-collectors, problems with walking must be even more severe.

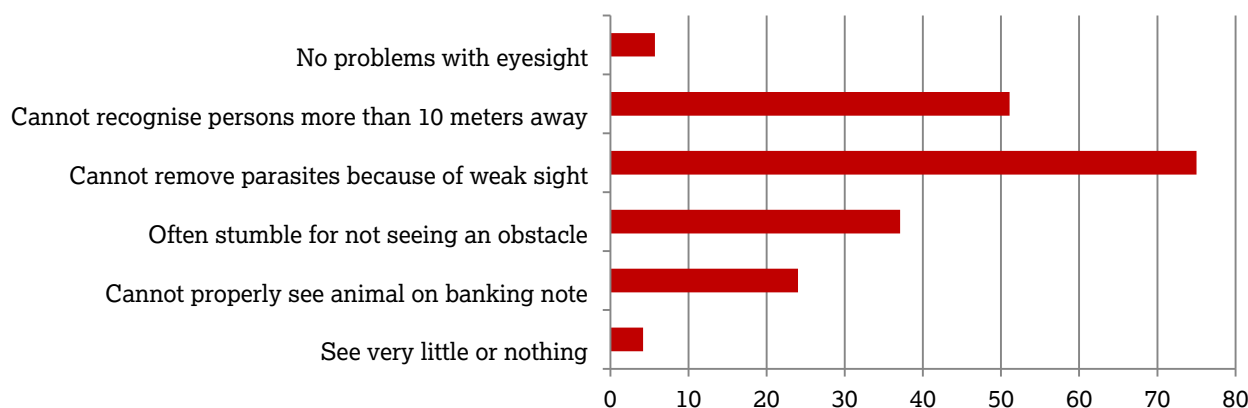
Figure 6: Ability to walk (self-collectors)



Source: Structured questionnaire, June 3013, Ngenge ward

A clear majority of older people described difficulties with farsight and/or nearsight. Ability to remove jiggers and to recognise details of a banknote were selected to indicate quality of eyesight. Fifty one per cent stated that they were not able to recognise people further away than ten metres, 75 per cent stated that they had difficulties removing parasites (jiggers) from their feet. Thirty seven per cent indicated that they often stumbled because of poor sight and another 24 per cent were unable to recognise the animal indicating the denomination on banknotes. While 6 per cent of all respondents reported having no problems at all with eyesight, 4 per cent stated that they saw “very little or nothing”.

Figure 7: Ability to see (mainly self-collectors)



Source: Structured questionnaire, June 3013, Ngenge ward

¹³ National Bureau of Statistics Tanzania, *Tanzania disability survey report*, 2008

In the month of April, when the income and expenditure survey was carried out, 32.5 per cent of all households registered expenses for medicine. Hospital fees occurred in eight of the 181 households. In June, when the questionnaire was carried out, 26.6 per cent of respondents indicated that they had been to a health centre/hospital in the first half year.

While the income and expenditure survey shows that in some cases the costs for hospital care were relatively moderate, from TZS1,000 (US\$0.6) to 3,000. There are cases where the costs reached or exceeded monthly income: TZS17,500 (US\$11) in one case, TZS37,500(US\$23) in another. One older person presented bills from Rubya hospital amounting to nearly TZS100,000 (US\$61) for the treatment of the grandchild in her care. To cover these costs she had been forced to sell a piece of land (see case studies in Annex 2).

With only one public and one private health centre in the ward, long distances to the nearest clinic require hours of walking or unaffordable transport fees. This situation is exacerbated for older people living in very remote areas with less physical mobility. Transport costs and costs for extra food can contribute considerably to the health costs. A recent study on extra patient costs in Tanzania¹⁴ found that families (in the lowest quintile) spent more than “three-quarters of their monthly expenditure on a single ... admission”.

Indeed, most of the considerable expenses classified as “travel” in the household survey could be related to health issues. In one case low hospital costs (TZS1,000) were significantly multiplied by transport costs which amounted to TZS18,000 – 1.5 times the amount of a monthly pension. Responses in the structured questionnaire also indicated that journeys out of the village usually coincided with hospital visits and the unavoidable use of a *sekido* or *piki piki* (hired motorbike).

The income and expenditure survey showed that only 4.5 per cent of all expenditure was on health which suggests that most older people cannot afford larger expenses for healthcare. Health spending by non-pensioners was even less, at 1.7 per cent of all spending.



Photograph: 21 June 2013, Rwigembe school: patients waiting to be tested by the mobile eye clinic of Ndolage hospital. On the day, 46 people, predominately older, were tested, 11 received glasses, 22 got eyedrops, and eight cataract patients will be called for an operation.

¹⁴ Saksena P et al, *Patient costs for paediatric hospital admissions in Tanzania*, London School of Hygiene and Tropical Medicine, 2012

4. Delivery of Kwa Wazee pension programme with a focus on Ngenge ward

4.1 Brief history

Kwa Wazee's pension programme began in November 2003 when the first payments were made to 55 pensioners from Nshamba and surrounding villages. By June 2013, 1,097 pensions and 608 child supplements were being paid to older people living in 32 villages across seven wards of Muleba district.

From the beginning vulnerable older people were selected with a set of criteria based on age, on health status, on the state of the house and the size of the farm, on the support from the family and on the number of children. Older people meeting these criteria who cared for children also received an additional child supplement for each child living with them. Payments were made every month from a paypoint in Nshamba. A small group of community volunteers, called committee members, were recruited to deliver the pension to the homes of those who were not able to collect the pension themselves.

As funds increased the scheme expanded from Nshamba and Biirabo to include Mubunda and Ngenge wards in 2005, to Kishanda and Buganguzi in 2007 and later to Bisheke. The gradual development of the programme was accompanied by adaptations in the delivery process. Since 2010 Kwa Wazee staff have been operating eight different paypoints and have established volunteer committee members in each location to support the programme at community level. Most pensioners who cannot reach the paypoint themselves, register a trusted family member or neighbour to collect on their behalf. In the absence of a registered collector or in an emergency, committee members deliver the cash transfer to the pensioner at home.

Table 1: Delivery of Kwa Wazee pension: wards and paypoints, June 2013

Wards	Ngenge	Nshamba	Biirabo	Kishanda	Buganguzi	Mubanda	Bisheke
Villages	3	5	5	4	4	6	5
Paypoints	3		1	1	1	1	1

The most recent expansion, in 2010, responded to the greater vulnerability observed among older people living in more distant areas with little infrastructure and was therefore concentrated in the most remote ward of Ngenge. As illustrated in Table 1, above, Ngenge's large geographical area with widely scattered houses is reflected in the higher number of paypoints required. Pensioner registrations in Ngenge began with 44 in 2005 and rose to 247 by June 2013.

4.2 Pension delivery in Ngenge

Ngenge ward comprises three villages, divided into 20 sub-villages, and covers an estimated area of 440 square kilometres. The first pensions were delivered in Ngenge village, 18 kilometres from Nshamba where KwaWazee is based. With the expansion, additional paypoints were established in the other two villages of Kishuro and Rwigembe. Given the wide geographical area, volunteer committee members were recruited to assist in pension delivery: three in Ngenge (which has nine sub-villages), two in Kishuro (six sub-villages) and one in Rwigembe (five sub-villages).

Monthly payments are conducted from a central location such as a ward office, the primary school or under nearby trees when buildings are occupied. Observations and records from these three paypoints in June 2013 demonstrated the high percentage of pensioners who are unable to get to the paypoint, either permanently or occasionally, as illustrated in Table 2 below.

Table 2: Numbers of pensions collected and methods: Ngenge, June 2013

Pension collection	Paypoints in Ngenge ward		
	Ngenge	Rwigembe	Kishuro
Total no. of pensions	83	89	80
Collected by pensioner	58	47	40
Collected by registered person	19	34	28
Collected by volunteer committee member	4	4	11
Pensioners who stayed away without notice	2	4	1
No. (%) not self collecting (excluding those who stayed away)	23 (28%)	38 (43%)	39 (49%)

“Those who aren’t able to collect the money – some of them are often sick, some are blind and some are too old...they send their friend or relative to collect for them.” (Pensioner, Ngenge)

The main reasons for non self-collection by pensioners at the paypoints are physical immobility and health conditions, coupled with long walking distances required. Persons who are nominated to collect on the pensioner’s behalf provide their signature or thumb print at the first paypoint, and if they are unknown to staff, their identity is verified by other pensioners. They remain the sole collector for that pensioner. In a few cases where no trusted relative or neighbour is nominated, committee members or Kwa Wazee staff delivered the pension to their homes. On occasions when pensioners stay away without notice, they receive two pensions the following month. If absences continue, committee members or Kwa Wazee staff visit the pensioner to investigate the reasons. This oversight by committee members and staff was found to be necessary in the light of past cases in which the nominated persons did not deliver all or some of the cash to the pensioner.

While these alternative delivery arrangements are a necessity for the programme, the majority of older people willingly undertake the long journeys required; for some the return journey can take the whole day. Group discussions with pensioners at the paypoints in all three villages indicated that their typical journeys took between one and a half to two hours each way. While many had shorter journeys, a small number reported walking for four hours each way. The following table provides an indication of some of the distances from home to the paypoints.

Table 3: Distances from paypoints to the furthest sub-villages

From paypoint	To furthest sub village	Distance (kms)
Ngenge	Rwembirizi	11.3
Rwigembe	Bikago	17.2
Kishuro	Binone	10.7

For many pensioners, payday is an opportunity to socialise, shop and save. Those with far to go commonly walk in small groups for company and for safety when traversing difficult terrain. Most pensioners are members of group savings schemes, formed as part of Kwa Wazee’s wider programme of Psycho-Social Support (PSS).¹⁵ After collecting their cash, groups of pensioners can often be seen making monthly payments to the secretary of their savings fund. Interviews with non self-collectors at their homes confirmed that many of them participate in these savings schemes, through which they have been able to buy items previously beyond their dreams, such as a mattress, clothes, utensils, goats or iron sheeting.

Paypoint process

Payments begin at about 9 am and are typically completed in sixty to ninety minutes. The staff member responsible calls each older person by name from the pensioner list, and counts out the cash that is due, slowly and clearly, using small denominations. When considering the most important aspect of making the payments, one staff member commented:



“It’s important that I calculate the money correctly and that the older person understands how much they receive and that they sign. So I count out each note. A few don’t know how much they receive...sometimes it’s easier for them if you have TZS1,000 notes and we can give it to them one by one.”

¹⁵ Kwa Wazee’s complementary support programme encourages older people to form PSS groups, determining their own objectives such as saving schemes, group-support, or income generation projects.



On receiving the money, pensioners sign their individual pension cards, kept by Kwa Wazee and brought to the paypoint. Amounts paid to older people vary according to whether they care for children and how many, and pensioners have the option to keep some of their pension as savings on their account. Volunteer committee members also attend the paydays to collect and sign for any pensions they deliver regularly and to follow up on any reported cases requiring attention, such as an older person with serious illness or other emergency. Individual pension cards show a monthly record of the date of payment, amount due, amount taken, balance remaining and signature or thumbprint of the recipient.

When all payments are completed, staff members return to the office with the pensioner list, pension cards, receipts for expenses such as petrol, and the cash balance. Together with the accountant they check the balance and receipts, and monthly financial records for each pensioner are updated on computer immediately.

KWA WAZEE NSHAMBA - PENSION FUND (PF)				KADI YA MALIPO	
JINA: Sylvand - Mwachungwa		NO 9215		BEHEMU: Mjenge	
Tarehe	Kuwaka	Kutoa	Salid	Aliyechukua	Sahiti
14/12/10			NIL		
11/1/11	28,500	28,500	28,500	Sylvand	
29/1/11			NIL		
27/2/11	28,500	28,500	28,500	Sylvand	
24/3/11	33,000	33,000	33,000	Sylvand	
18/4/11			NIL		
14/5/11	33,000	33,000	33,000	Sylvand	
12/6/11			33,000		Medals
18/7/11	33,000	33,000	33,000	Sylvand	
28/8/11			NIL		
27/6/11	53,000	53,000	53,000	Sylvand	
21/6/11			33,000	Sylvand	

4.3 Adapting the pensions to inflation

To secure purchasing power, pensions are adapted to inflation. As the national consumer price index did not always reflect regional market prices for the most relevant goods, a very simple food basket was defined. A household survey on expenditure in 2007 provided the data for the food items most commonly used by the pensioners. To include seasonal fluctuations, market prices are collected every month and in two different locations. Once or twice a year the scale of inflation is assessed to decide whether an adaptation of the pension is required to maintain its purchasing power. Since 2007 the amount of the pension has been raised in four stages from TZS6,000 (US\$3.5) to TZS12,000 (US\$7).

Table 4: Adaptation of the pensions

Pension amount	Older people's pension	Child supplement
June 2007	TZS 6,000	TZS 3,000
April 2009	TZS 7,000	TZS 4,000
December 2010	TZS 8,000	TZS 4,500
August 2011	TZS 10,500	TZS 6,000
March 2013	TZS 12,000	TZS 7,000

Table 5: Kwa Wazee food basket

Food-basket (in TZS)	Dec. 2010	Aug. 2011	March 2013	Oct. 2013
Maize flour 1kg (5)	600	3000	800	4000
Dried fish one piece	2000	2000	2500	2500
Dagaa (cups) (5)	300	1500	300	1500
Kerosene small bottle (2)	600	1200	1000	2000
Soap one bar	1000	1000	1400	1400
Rice 1 kg	1000	1000	1500	1500
Cooking oil small bottle	800	800	1000	1000
Tomatoes (6 pieces)	300	300	500	500
Salt (small bag)	300	300	300	300
Sugar 1 kg	1500	1500	2500	2500
Total:		13200	17200	18100
Reference: 1 pension +1 child supplement		12500	16500	19000

The standard multiples of each item are shown in the second column of each month



4.4 Targeting and transparency

“... Survey respondents repeatedly said that many others would equally qualify for a pension. Older people were also unclear about the project’s eligibility criteria, confirming experience of the difficulty of means-testing in communities where poverty is widespread. Despite all attempts by the project to be transparent and fair in its targeting, there is awareness that wherever there is a selection process there is always the possibility of bias.”¹⁶

This quote from a previous evaluation of the Kwa Wazee programme in 2008 highlighted the difficulty of means-testing in an environment of widespread poverty. Since then the percentage of older people who were admitted to the Kwa Wazee pension programme has considerably increased. An estimated 32 per cent of the population over 65 years old received a pension ¹⁷ in Ngenge ward in June 2013. However the dilemma of selection persisted.

Several targeting methods were applied since the programme started in Ngenge. In a first phase volunteers proposed the beneficiaries and Kwa Wazee staff assessed eligibility on the basis of criteria such as health status, state of the house, size of the farm, support from their family and the number of children they cared for. To achieve a stronger involvement of the community, village leaders were involved and in 2010, when larger numbers could be admitted, a “community-based targeting” mechanism was introduced. Responsibility for the final selection rested with Kwa Wazee.

More recently, volunteer committee members have played an important role in identifying most vulnerable older people, because of their home visiting and inside knowledge of the community. When severe cases of

¹⁶ HelpAge International et al, p.9

¹⁷ According to the National Census 2012 the total population of Ngenge ward in the Muleba district was 20,339. With an average proportion of 3.8 per cent for people 65+ an estimated 775 people of this age group live in Ngenge.

vulnerability are observed or brought to their attention, they make investigations and refer potential cases to Kwa Wazee for further assessment when funds become available. Staff and volunteers spoke positively of the occasional participation of groups of pensioners and groups of older vulnerable children in identifying vulnerable older people. While this involvement is informal, they agreed that current pensioners “...give us a really targeted group”. This is not done systematically, but reflects the wish that all geographic areas get some share of the limited funds for pensions.

Inclusion and exclusion

It was not part of the evaluation to assess the quality of the targeting. However the household survey gave a snapshot in time about quite remarkable errors of inclusion and exclusion with the existing selection process.

In the month of April 40 per cent of all pensioners registered income of less than TZS10,000 (US\$6) and 13.5 per cent less than TZS2,000 (US\$1.25) – compared to an average income of around TZS19,000 (US\$11) without the cash transfers. On the other end of the scale around 10 per cent of the households registered incomes of more than TZS25,000 (and up to TZS80,000) from the sale of agricultural products alone.

In contrast to this, the average income of all the non-pensioners who participated in the income and expenditure survey was only marginally higher with around TZS20,000. None of them reached the top-earners among the pensioners and five households registered an income of less than TZS5,000. Pensioners often and without prompting expressed uneasiness about being selected when they could see others equally in need, preferring a system where everyone would benefit:

“All older people would be happy seeing everyone getting the pension, without seeing some not getting it...They could expect to live longer...” “Other older people are pointing their finger at us...so if we all got it they would stop shouting at us and pointing...”

Staff, committee members and village leaders alike recognised inconsistencies with targeting, and they were sometimes challenged by the consequences. As one committee member reported:

“For those older people not registered, it makes difficulties because they come asking us if we are the ones registering them for the pension. We say at the moment we have stopped registering. It is difficult because very poor looking older people come and we cannot register them.”

Village leaders spoke of similar experiences:

“We always receive older people coming and blaming us that we are the ones registering older people and why did we forget them. We try to explain but they don’t understand us...” “...they say – ‘you chose older people and you left us behind, you should put me on the list’. I would prefer that we could support all older people here, but we can’t. I suggest to the donor that instead of them blaming us, that you make a pension for everyone.”

The previous 2008 study on the impact of the pension¹⁸ noted the need to improve transparency about and ownership of the pension scheme within the community. A deeper understanding among community leaders has no doubt evolved with increased visibility of pensioners and Kwa Wazee’s continued encouragement of their participation, for example, through awareness raising and training events. A greater sense of confidence was also indicated among pensioners in 2013 compared to the findings of the previous study in which they reported reluctance to disclose their pension status for fear of theft or jealousy.

“We feel safe. We haven’t heard of anyone having their pension stolen. Most people know on pension day that older people are getting their pension. Some other older people feel sad that they aren’t getting a pension.” (Pensioner, Ngenge village)

However, during the fieldwork and especially during the visits of older people for the case studies it was observed that transparency about eligibility criteria was still very limited and that decisions – for example who got child supplements and for how many children – often appeared vague or accidental. While the lack of exactness gives rise to concerns, findings from interviews indicate a general perception that, in the context of multi-dimensional and widespread poverty, some inconsistencies are inevitable. At the same time the findings show that even for a small pilot a consistent selection process seems to be too challenging.

¹⁸ HelpAge International et al

4.5 Complementary programme of Kwa Wazee

Kwa Wazee's complementary programmes aim to strengthen the human capital of older people and the children in their care, and therefore increase their resilience against crises. Moreover the programmes of self-help, healthcare and cure and the advocacy initiatives are important factors to raise awareness of older people's needs and to strengthen their status.

At the heart of this programme is the promotion of *Mutual Support Groups* among older people and vulnerable children. It originated from the experience that, in most cases, a pension alone does not sufficiently secure the livelihood needs of an older person and more importantly does not sufficiently protect against more serious crises like illnesses.

In order to strengthen the social network among peer groups Kwa Wazee facilitated the formation of neighbourhood groups with up to 20 members. The groups create their own structures and define their own objectives. Practically all groups introduced group savings with monthly contributions of between TZS300 and TZS3,000 (US\$0.2 – US\$2). The savings can be used to support members in urgent need or for members in turn to receive lump sums of up to TZS30,000 to purchase goods which would otherwise be inaccessible. Apart from providing financial support many groups provide food to sick members, collect water or firewood or give social support. The groups are also encouraged to make investments in their groups to increase farm productivity or to generate extra income for the group savings.

The *Health Programme* is based on the mutual support group structure. Older people are trained and acquire skills for enhancing health and personal safety. In the absence of basic health services for older people, Kwa Wazee also regularly invites a mobile eye clinic to all paypoints and provides the support which is necessary for cataract operations.

More recently an *Advocacy Initiative* encourages older people to meet in older people's forums where they discuss their rights as citizens. Older people also receive support in legal disputes such as property and inheritance issues.

The various forms of complementary support were the subject of a study by a research team from the German Marburg University.¹⁹ The authors concluded that the strengthening of a whole set of capabilities not only fostered human capital, but also increased the long-term effect of pensions and the sustainability of security mechanisms beyond the cash transfers.

Mutual support groups

Unlike the various forms of funeral groups or rotating savings groups which are common in the area, the mutual support groups are formed exclusively by older people.

At the end of 2012, 855 older people or 70 per cent of all the older people who received a pension were listed in a total of 71 groups. In Ngenge ward, 233 pensioners were listed in 12 groups which also included 53 older people who had not been admitted as pensioners.

The importance of the groups is reflected by some results of the questionnaire. When respondents were asked who cared for their health when they were so sick that they couldn't move out of their house, 43 per cent mentioned the mutual support group. This was a higher percentage for example than those who mentioned support from their neighbours or family living outside their home. Of older people living alone, where the importance of group support would be expected to be particularly big, only 40 per cent mentioned assistance by their group. This may be an indication that the number of active members is considerably lower and that there are barriers to getting access to a group.

¹⁹ Borchard, J, Kirch, L, Ronneburger, L

Tatu Tanu – the inclusion of children in the pension programme

When Kwa Wazee started in 2003 the effects of the HIV and AIDS crisis were reflected the very high number of older people who were main carers for orphans. At the end of 2005, for example, 305 pensioners received a total of 397 child supplements, which meant that on average 1.3 children lived in older people headed households. Older people caring for three or more grandchildren were also very common. Consequently, the pensions of all older people who were carers were topped up with child supplements.

The particular challenges associated with skipped generation households led the programme staff to design programmes which were focused on the children in the households. Psychosocial approaches were gradually complemented by the formation of small neighbourhood groups with income generation projects, group savings accounts and mutual support activities. The programme name *Tatu Tanu* (Kiswahili for “three to five”) describes the idea of forming small groups of children who live close to each other.

Over the years the numbers of children who are part of Tatu Tanu and its activities have considerably increased by including a substantial number of children who are not directly associated with the pension programme. In Ngenge alone 286 children were members of one of 32 groups in June 2013.

In contrast to this trend the number of children who are cared for by older people, or who are sent to live with older people to give them support, has gradually decreased in the Kwa Wazee programme. At the end of 2012, 1,086 pensioners received a total of 601 child supplements which meant that, on average, 0.55 children lived in older people headed households: proportionally less than half than eight years ago. Lower incidences of HIV and AIDS combined with the availability of anti-retroviral (ARV) drugs has obviously had an effect on the family systems.

5. Introduction of a universal pension in Tanzania: opportunities and challenges for pension delivery in remote areas

This chapter begins with a summary of the key stages of the policy process towards the introduction of a universal pension in Tanzania. It highlights findings from the Kwa Wazee pension scheme with reference to delivery of a national programme, and draws on learning from recently introduced cash transfer schemes in other countries in the region.

5.1 The campaign for universal pensions in Tanzania

The campaign for a universal pension

HelpAge International in Tanzania has engaged with government and civil society stakeholders in support of a social pension for Tanzanians. Smart Daniel, Assistant Country Director, provided the following summary of key events in this campaign.

During the last decade, the Government of Tanzania's commitment to include poor and vulnerable older people in poverty reduction strategies has slowly progressed. By 2010 the debate surrounding non-contributory pensions gathered momentum with the publication of a feasibility study which concluded that a universal pension is both technically and fiscally possible. Moreover, the study estimated that a universal pension would reach nearly one in four households, reducing the national poverty rate by 11.9 per cent and lifting 1.5 million Tanzanians out of poverty.

The Prime Minister's speech to Parliament that year confirmed the government's commitment to introducing a social pension. Support for this policy was expressed in the main political parties' manifestos during national elections of the same year, reflecting public support and raising expectations.

In January 2011, Parliament approved MKUKUTA Phase two (National Strategy for Growth and Reduction of Poverty, 2010-15) which includes the provision of a social pension as a key intervention. Local older people's organisations, with the support of HelpAge International Tanzania, participated in the review of this strategy and continued throughout the year to organise and press for the swift implementation of a universal pension. In July 2011, 40 older people's representatives, together with leaders of social protection networks, met parliamentarians and ministers in Dodoma where support for moving forward with a parliamentary bill was re-affirmed.

Although hopes that a bill would be presented in time for a pension to be implemented in the 2013/14 fiscal year were unfulfilled, efforts have continued since 2012 to develop the delivery mechanism for the proposed universal pension. In May 2013, technical teams from the Social Security Regulatory Authority (SSRA) shared key components of a Tanzanian scheme with stakeholders including older people's representatives. It was proposed that the scheme would utilise existing government structures to provide a cash transfer of about TZS 18,000-20,000 (\$US 12) per month disbursed every two months to citizens with an initial qualifying age of 70 years. Work continues within the Ministry of Labour, Employment and Youth Development to formulate an appropriate and effective model for delivery, and within the Ministry of Finance to develop a budget that could be presented to Parliament in the near future.

In August 2013 the Prime Minister, addressing a meeting in Songea, stated that the government was trying to find appropriate sources of funding, beyond the government's annual budget, in order to ensure sustainability of the scheme. "We have instructed the SSRA to complete the design including reliable sources of funding to enable the government to start the implementation in the next year."

5.2 Structures for delivery

This study has found widespread understanding of and support for the concept of a universal pension among pensioners and community leaders. These opinions were based on a strongly perceived need to expand the coverage and a sense of fairness born out of recognition of the limitations of targeting in these communities.

Several interviews and group discussions with pensioners and stakeholders, including one Village Development Committee (VDC), generated ideas on how a universal cash transfer might best be delivered. With no comparable experience to draw upon, the immediate responses understandably described a scaled-up version of the system developed by Kwa Wazee. Respondents highlighted their trust in KwaWazee to sustain the delivery, on time, of all pensions in full.

“The money has come through KwaWazee and it is trusted. There has to be trust.” (Pensioner, Rwigembe)

“Since KwaWazee started delivering the pensions there’s no complaint, not even once from any pensioner and everyone gets their pension.” (Village chairperson)

However, recognising the impracticability of scaling up the Kwa Wazee model to national level, respondents outlined what would be important for delivery through local government and community structures.

Many pensioners expressed fears that they could receive only part or even none of the pension:

“We older people are not sure how we will get the money and who considers us for this...Although money is to be paid...they wouldn’t give to those who are targeted but to other people like their relatives.”

“...the money can be lost. We have to consider the older people who don’t know how to read and write. They may fail to notice that the money is not correct and they won’t complain...we lost trust because if something comes to the village they don’t share to the people concerned.”

While participants recognised the suitability of government *structures*, ambivalence concerning delivery was linked to their experiences of promised government services. They referred to the lack of exemption of health costs for eligible older people and an absence of transparency during distribution of aid at village level.

“We think that if the money came through the village committee we wouldn’t get it...when our plantations were destroyed and they distributed seeds, some people didn’t get any while others got a lot.” (Pensioner)

“We don’t have experience of cash passing through the village committee...what people here know is that when it comes to maize it is not fairly distributed.” (Community member)

There was a strong desire for older people to be consulted in decision making, to participate in the delivery process, and to ensure adequate monitoring and grievance mechanisms.

“Older people can organise into groups and elect leaders at the village [level] to represent older people at the ward....We can then have a bank account at the ward. Representatives would get the cash and deliver it to older people in the village.” (Pensioner)

Equally, pensioners were positive about representation on existing village structures.

“When you are represented on this committee the older people have ownership...the representative feels responsible and would make sure they all get the pension.”

Members of the Village Development Committee (VDC) who took part in these discussions were well aware of the need for transparency and clear communication for the national scheme to succeed. They supported the aspiration for older people’s representatives to be consulted on design and delivery. When discussing the role of the VDC, they were also careful to note that there should be an independent monitoring mechanism:

“Those of us already serving on village committees should not be selected for delivery as they already have work to do... It’s better to have a new committee elected just for this task... and this committee should be monitored by other specially selected persons.” (VDC member)

There were mixed ideas of how money would reach the village before distribution to older people. Some respondents suggested collection at ward level by elected responsible persons, others favoured transportation of cash straight from the district to the village. All such ideas raised concerns about security, potential corruption and cost of transportation. The consensus was for a mechanism that delivered cash as directly as possible from the source to the beneficiary; in this regard many respondents considered the benefits and challenges of employing mobile phone technology. This feedback, together with data on use of mobile phones, availability of mobile money services and evidence from the questionnaire are explored in more detail below (see 5.5).

“Money would be transferred by government to the district and the district would choose who to bring the money to the village. The government would make sure that all older people know how much they are getting...” (Pensioner)

“The money would come to the ward level and leaders of older people’s organisations would collect it and deliver it to the older people in their village.” (Pensioner)

“We have six sub-villages and each has a chief and they have a register of all people in the sub-village. They come together as a committee and they could deliver the pension in this way.” (Community member)

5.3 Age verification of older people

Data from the 2012 Population and Housing Census²⁰ reveals the population of persons 60 years or over in mainland Tanzania (excluding Zanzibar) to be 2,449,257, or 5.6 per cent of the total population.

Table 6: Population distribution by five-year age groups and area, Tanzania mainland

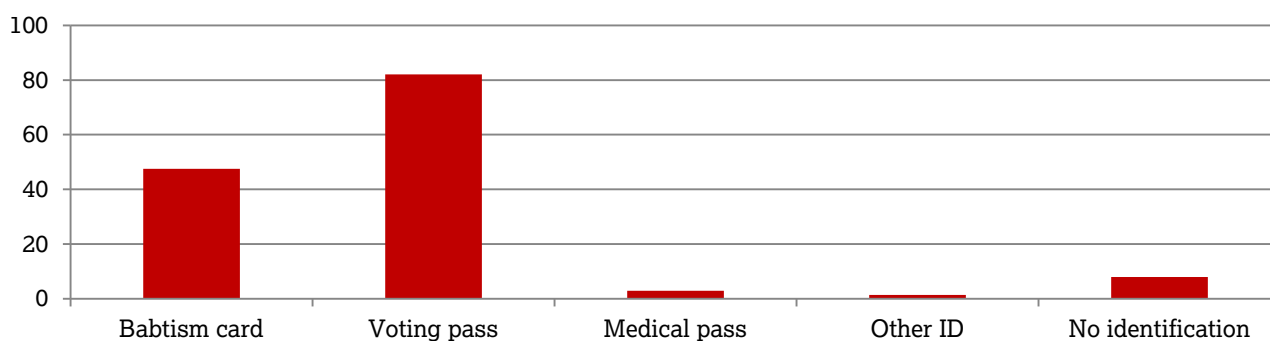
Age group	Total Number	Percent	Rural Number	Percent	Urban Number	Percent
60-64	749,132	1.7	564,826	1.8	184,306	1.5
65-69	481,271	1.1	374,198	1.2	107,073	0.8
70-74	466,077	1.1	371,855	1.2	94,222	0.7
75-79	287,096	0.7	231,772	0.7	55,324	0.4
80+	465,681	1.1	380,062	1.2	85,619	0.7
Total	2,449,257	5.6	1,922,713	6.1	426,544	4.1

Source: *Population by Age and Sex Report, September 2013*

Analysis of the breakdown by area confirms that nearly four-fifths (79 per cent) of the over 60s live in rural areas while 21 per cent are urban residents. Moreover, the proportion of older people living in rural areas increases with age. Nationality or residency qualifications will be more challenging in border areas and major urban settings where migration dynamics need to be taken into account.

It is assumed that once the age of eligibility for the universal pension is determined, registration mechanisms will make use of existing documentation providing proof of age as well as residency.

Figure 8: Age verification



Source: *Structured questionnaire, June 3013, Ngenge ward*

²⁰ National Bureau of Statistics, *Population Distribution by Age and Sex Report: Population and Housing Census 2012, Tanzania, 2013*

Results of the questionnaire found that a high proportion of the 139 older respondents were in possession of voters cards (82 per cent), or were Christians with baptism certificates (47.5 per cent). Only two people had birth certificates, while about eight per cent had no identification papers at all (see figure 8).

For the smaller group of older Tanzanians without official records, practical procedures for age verification will need to be found. Consultations with community leaders and members of the Village Development Committee indicated that, in cases of uncertainty, at village level verification would not be straightforward but could be achieved through a combination of reference to historical or local events, village secretary records and the knowledge of families with long-term residency.

5.4 Access issues for older people: mobility and health

Evidence from the questionnaire, interviews and case studies highlighted considerable health and mobility barriers for older people in remote areas in accessing their pensions, as described in chapter 1 above.

The study included eleven interviews at the homes of pensioners who were unable to reach a paypoint. Extreme frailty, swollen and painful joints and in two cases, partial paralysis, were in most cases compounded by poor eyesight and possible undiagnosed conditions such as hypertension or diabetes. The examples below demonstrate how pensions are delivered and utilised by those unable to collect for themselves:

Pensioner in Kishuro, living with one 14-year-old granddaughter

“I send my co-wife to get the pension, but now I think I will send my granddaughter – she’s the one who is cooking for me, fetching water and collecting firewood. She is bringing food for me and cutting from the bananas... When I get the money I buy cassava and sweet potatoes...My plot is very small...I was seriously sick and I was paralysed on my right side. It was difficult for me to get food and I didn’t know what would happen next. This happened long before I started to get the money...The committee member was the one who brought the first pension and afterwards I asked my co-wife because for the committee member it was very far. Now I want my grandchild to collect it for me. My co-wife can change and is unreliable if I am sick or she wants to visit relatives...I never go out of this house and shamba. I’m here from morning to night, just seeing my neighbours....If I get sick, they carry me up to the bicycle and then someone carries me on the bicycle up to the hospital....I’m getting all the money – all of it. I am able to count the money and I know how much I should get.”

Pensioner in Rwigembe, living with two granddaughters

“My cousin who is also a pensioner brings the pension here to me. I am paralysed on the left side – it happened in July last year while I was sleeping. Afterwards I realised that my leg was heavy and my arm. I can walk a little with a stick. My problem is the money for the motorbike to the health centre, it’s TZS5,000 each way. I’m living with my two granddaughters – their parents died when they were small. I’m caring for these two but there’s also help outside...There are people passing here who know me, and they also give me some money. They can see the banana disease on my trees so sometimes they give me just a few shillings. I’m in the Kwa Wazee self-support group. When I started to be sick they contributed TZS10,000 to me. Now they visit me while they are passing to go home. They tell me what is happening and I contribute to the group savings scheme. If they come here and they find I don’t have water and the children are at school, they fetch water for me. Now it’s these little children who help me and work on the shamba. With the pension I was paying someone to help me and I was strong and doing it myself as well. Before I got sick I was growing groundnuts and cassava and selling them to get extra income. When I got sick it became difficult. Now I’m just using the pension money. The good thing is I get a loan from the shop...and I will pay back later. The food from the shamba isn’t enough for the whole year. When I have difficulties my neighbours give me bananas and I bargain so that when I get the pension I pay back. If I don’t get banana I try to get something else so that the children get food.”

These stories illustrate, yet again, how a regular pension income can play a critical role in contributing to food security by enabling purchase of hired labour but that it fails to resolve barriers to healthcare.

The high proportion of older people unable to collect their pensions from distant paypoints is addressed to some degree in the Kwa Wazee scheme by combining paypoints with home delivery by trusted relatives or volunteer committee members. The relatively small number of pensioners and the presence of volunteers enables this flexibility at village level but indicates the need for less resource-intensive delivery mechanisms, capable of meeting these needs, to be included in a national programme.

5.5 Mobile money transfer technology

An increasing number of cash transfer programmes and pilot schemes in the region have introduced electronic payment systems to lower administrative and delivery costs and to reduce the risk of fraud.

Mobile money cash transfers: examples from Uganda and Kenya

In Uganda, the pilot Senior Citizen's Grant (SCG) was launched in 14 districts in 2011, as part of the government's Expanding Social Protection Programme (ESSP). All persons aged 65 years and over receive a monthly allowance directly to individual mobile money accounts set up by the mobile phone company (MTN) that was selected to provide the service. Beneficiaries are provided with a Mobile Money SIM card with a personal identification number enabling them to withdraw cash from their accounts. They are required to travel to an MTN Mobile Money agent where the card is inserted into a cell phone device to verify the amount of money in their account before the cash due is paid by the agent. Agents can transport the phone machines to designated paypoints which can be in the open air. Beneficiaries are entitled to one free withdrawal each month, and may save a portion of their transferred funds.

A means-tested cash transfer to poor households in Kenya uses a similar mechanism to reach beneficiaries in remote areas, including Turkana region in the North. Here, agents making cash payments are usually local shop owners who are provided with special machines that read biometric data on smart cards given to eligible persons. Beneficiaries bring their smart cards to the store to verify their identity and payments due, and cash is paid out by the store keepers who receive the money plus a small commission into their bank accounts. It is reported that some trader agents have increased customer numbers and capacity for business.

While mobile money agents are currently sparsely located in some rural areas – walking distances of up to 15 kilometres were reported in Uganda – both programmes allow for cash transfer recipients to nominate someone collect cash on their behalf. Additional challenges identified by the SCG in Uganda included poor network connectivity in some areas, the high cost of transport to agent paypoints, grievance procedures which are often onerous for beneficiaries, and staffing gaps in tiers of government structures.

Mobile money technology was introduced in Tanzania by Vodacom in 2008, and over the last three years has been rapidly embraced by large sections of the population. Several mobile phone companies now operate money transfer services via agents throughout the country. A recent national survey of mobile money usage in Tanzania²¹ found that among the 2,980 households surveyed, 63 per cent of households have access to a mobile phone and 56 per cent own at least one active SIM card which is required for opening a mobile money account. Even among underprivileged households – rural and with a household consumption of under US\$2 per day – about half had access to a mobile phone and owned a SIM card. Those with no formal education and older persons (55 years and over) had the lowest rates of mobile money adoption. Among over 55-year-olds, 12 per cent had used mobile money technology, compared with 22 per cent of those aged 15 to 34 years and 25 per cent of those aged 35 to 54 years. However, these figures are likely to be further diminished in remote rural areas, due to the combination of household poverty, lower access to information and services and less developed network coverage.

Findings from this study of Kwa Wazee's programme confirm that the remoter ward of Ngenge is currently poorly served with regard to mobile money services in comparison to the slightly more developed Nshamba ward; but there were signs of usage by people with access to transport facilities. While several agents operate in Nshamba centre, none exist in Ngenge ward. The nearest agent was located half way to Nshamba in a neighbouring ward and, at the time of this study, had been in business for one year. This agent provides services for two mobile phone companies, but only one of these had reasonable network coverage in the area and consequently attracted the majority of his customers.

An interview with this agent confirmed that, while still comparatively low, client numbers had increased from three to over twenty per day in the last 12 months.

²¹ Mirzoyants, A, *Mobile money in Tanzania: Use, barriers and opportunities. The financial inclusion tracker surveys project.* www.intermedia.org/wp-content/uploads/FITS_Tanzania_FullReport_final.pdf

“...I had the idea because people had to travel from here to Nshamba. In the beginning I tried to raise awareness that the system is like a banking service.”

The national survey, described above, found that mobile money services are most frequently used to send and receive remittances to and from family members in different households, and that the two most important factors in their choice of method and provider are convenience and safety. In the remote context of Ngenge area, demand for services appears to be currently skewed towards receiving money rather than sending it:

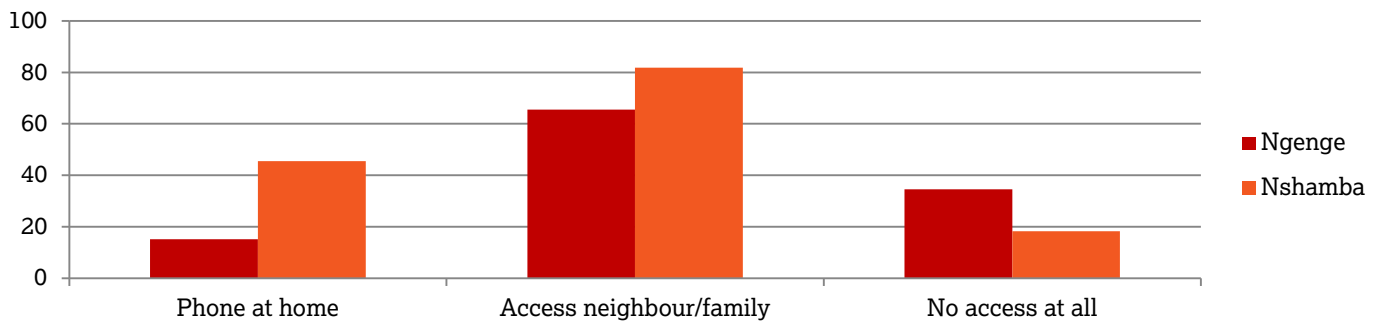
“Most people here use M-PESA²² to receive money not to send it because they are too poor. You get more profit with someone receiving money, but for sending it's just a small amount. This is different from Nshamba where people are sending and receiving so there is more circulation of money in and out and you could sustain it without going to the bank for more money.”

Potential mobile money agents must obtain a license and agent number from the service provider, have enough capital to buy the phones required to make the money transfers as well as a cash float in order to pay out cash to customers requiring this service. In remote areas such as Ngenge, the cash float required is likely to be relatively high if demands for cash are greater, and costs associated with transport to the nearest bank to collect the cash are also likely to be higher. In the case of Ngenge, the nearest sizable bank is located in Bukoba, a two hours car drive away.

While mobile phone network coverage in Ngenge area was weak and inconsistent at the time of this study, it seems reasonable to assume on the basis of national trends, that demand for services and provider investment in strengthening the coverage will increase in pace. Government cash transfers to a section of the population could be a factor in encouraging this development in remote rural areas.

Results of the questionnaire indicated a reasonably high access to mobile phones among older respondents in Nshamba, and rather less access among Ngenge residents. Of those living in Ngenge, 15 per cent had a phone in the household, compared to 45.5 per cent in Nshamba. 65.5 per cent of respondents in Ngenge had access to a phone from the home or from someone else, compared to 82 per cent in Nshamba. Nearly twice as many Ngenge respondents had no access to a mobile phone (34.5 per cent), compared to those in Nshamba (18 per cent).

Figure 9: Access to mobile phones



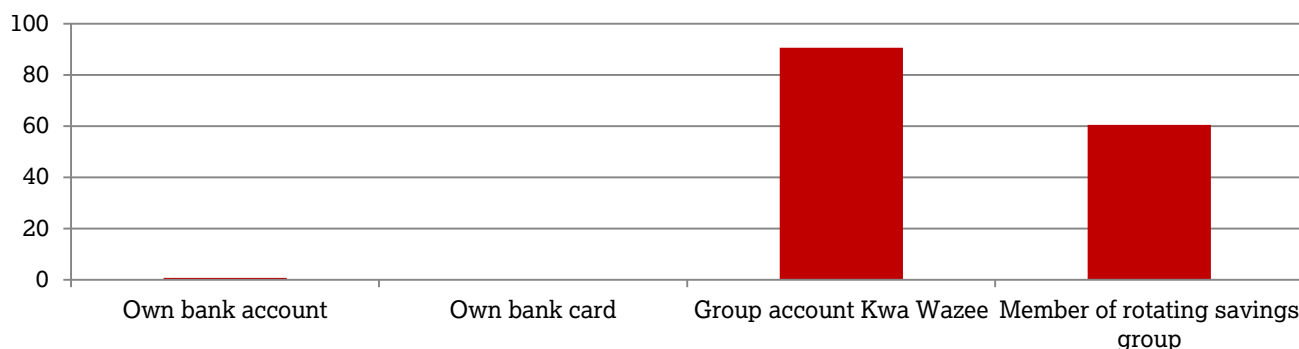
Source: Structured questionnaire, June 3013, Ngenge ward

Focus group discussions with pensioners confirmed good access to mobile phones, which were mainly used for communicating with relatives and emergencies. Moreover about a quarter of the 29 respondents had used a phone, albeit with assistance, to receive money.

Findings of the questionnaire indicated that older people’s access to formal financial services in Ngenge is extremely low. Of the 139 pensioners interviewed, only one used a bank account and none owned a bankcard. However, their uptake of financial services offered as part of the Kwa Wazee programme was high with 90 per cent investing in group savings accounts held by Kwa Wazee and 60 per cent participating in rotating savings groups (see figure 10).

²² M-PESA, or mobile-money in KiSwahili, is name of the service provided by Vodacom. In this area where it is one of the dominant providers, M-PESA is often used in the area as a short-term for mobile money services.

Figure 10: Access to bank/savings



Source: Structured questionnaire, June 2013, Ngenge ward

The following example demonstrates how a 68-year-old woman in one of the most remote locations uses mobile money technology through phone sharing and the assistance of others.

“I don’t have my own phone. I have the phone numbers and I go to someone and give them the number. After buying air time the owner of the phone makes the call and when they call back, that’s when I speak. I call many times because I have a sick child. There’s only one person who is nearby with a phone but it’s difficult. Sometimes you go there and the phone isn’t charged. They can charge here in the village using a car battery. Yes I sometimes get money through M-PESA. Someone helps me. I give him my son’s number and he phones my son to tell him he’s sent the money. My son is near to Muleba and he can easily go to M-PESA to collect the money. Then he hands it to me and after that I’m the one deciding how to use the money...if someone can teach me I could do this because I can read and write. It’s very good to get the money through M-PESA, for example I’m living very far away and it’s very quick – it would take a long time to get the money otherwise. For me who has problems living far away it’s very good. ... But the problem is you need someone to use the phone in order to get the money.”

Interview respondents agreed that advantages for recipients of cash transferred through phone technology were that payments were reasonably direct and very speedy, but also private.

“A person can get money through the phone and no one would know how much you have got. This is special.”

The high demand for phone services can put pressure on the few who own phones, as one man pointed out:

“I had a phone once but so many people came to use it – for emergency messages, people going to hospital or meeting somewhere...”

A common concern was that recipients could lose money through deductions taken by the cash provider.

“It’s not good for us here because when we go to get the money there is a charge for certain amounts. Here in the village the shop owner would take some money and argue that he needs it.”

Older people who had used phone technology for communication or money transfer were positive about their experiences, but mindful of the challenges of receiving a pension in this way. Although phone sharing and getting assistance appeared to be extremely common, it was felt that people who did not read and write well would be at greater disadvantage. Most older users who were interviewed reported that they asked others to dial numbers for them: due to poor eyesight, physical frailty, or the smallness of the numbers on handsets. Visits to a few mobile phone traders confirmed that older people favoured phones with larger digits and features such as memorised numbers.

The point was also raised about potential lost opportunities for social interaction among pensioners who would no longer need to gather at a paypoint. As one pensioner said *“it could be a more individual way to get the money”*. Although a switch to direct individual payments would mitigate the difficulties for a large proportion of pensioners in reaching paypoints, it also requires that opportunities to provide the required complementary services are not neglected in the process.

Annexes

Annex 1 - Survey on income and expenditure – a social process

By Dr. Kurt Madoerin, Kwa Wazee Nshamba

The challenge

Ngenge paypoint is about 20 km from Nshamba, Rwigembe and Kishuro paypoints and only accessible on bad and steep mud roads. Most of the older people's households are far away from the paypoints (for example, Mabaragela two and a half hours, Kikagate three hours).

Compared to the household survey we did in 2007, which was done in three neighbouring communities (Nshamba, Itongo and Kihumulo) and monitored by Kwa Wazee staff, the operations in Ngenge had to be organised in a different way.

Kwa Wazee has in Ngenge a network of 32 Tatu Tano groups, groups composed of children (aged 12-15) living with grandparents. The Tatu Tano have monthly *cluster meetings* where some representatives of each group report on the activities and the plans for the following months. The implementation of the survey depended on two factors. Firstly, on the cooperation and the willingness of the Tatu Tano groups to support and implement the survey. Secondly, on the willingness of those older people who could not write and did not have a grandchild in the household who was able to write, to receive the Tatu Tanu members and to give them the required information about their household incomes and expenditures.

The preparation

On the 14 February we joined the Ngenge cluster meeting and informed them about the plans for the study, and gave them the following inputs:

- Those who lived with grandparents were asked to explain it to their guardians and ask them for permission to do the survey.
- Those who knew older people who received the pensions were asked to contact them, explain our plan and ask them for permission.
- Participants were told that older people who have joined the groups of older people but do not receive the pension could also be part of the study.

General information for Tatu Tano, during payday and in meetings with older people's groups:

1. When the government talks about "poverty" they use the "poverty line" which is TZS 1,600 per day or TZS 48,000 per month for each person. Who of the older people here in Ngenge is earning or getting such an amount? (The reaction was very clear: nobody).
2. So the government doesn't seem to know the reality of the older people living in Ngenge area. It doesn't know the reality because nobody has ever asked the older people here about their living situation – there is no real information available.
3. Kwa Wazee would like to know more about the lived realities: what are the biggest needs where you need the pension, from where do you get the additional money you need for your life?
4. Kwa Wazee will also give this information (without names) to the government, to the authorities of the district and the region, to the parliamentarians in Dodoma who decide about pensions, and to HelpAge Tanzania in Dar es Salaam, so older people get a voice which will be heard outside Ngenge.
5. To realise this we need your cooperation: during one month we request you to write down all expenditure and all income.
6. Those who know how to read and write can do it themselves, those who have grandchildren can ask them to do it, for other older people who want to join we request that they receive Tatu Tano members to support them.

On the same day in the afternoon we had a meeting with a group in Rwigembe. Twenty two older people participated. We wanted to check two issues:

- Is a household survey acceptable for them?
- Is it acceptable that Tatu Tano members can get the trust of those older people who can't write and can get the necessary information?

Both questions were responded to very positively. Nearly everyone agreed to participate. We noted names and supporting grandchildren. What was specifically interesting was the fact that nearly half of the participants were non-pensioners. Asked why they have joined the group they gave the following reasons:

“We feel better when we are together with our age mates. We can work together. If they contribute, we contribute also. We get also some support from them if we are in a big need.”

During the payments in February the Kwa Wazee staff announced the plan and collected names of pensioners who declared that they were ready to participate in the survey. At the beginning of March we collected the information from the Tatu Tano groups. A list with over 200 names was processed into files for each of the 11 villages included (Binone, Kalimalimo, Kanishenya, Kahyo, Kishuro, Mkoma, Ngenge, Rubale, Rukunya, Rulongo, Rwigembe). It contained the name of the participant, the number of the pension, and the name of the person who will write down the information. The sheets for the expenditures and incomes and an information sheet were prepared and packed for each village together with the list.

On the 23 March the committees which included older people were formed.

Research as a social process

On 30 April we met the members of the Committees in order to receive the files. It was an impressive meeting. Kurt thanked them in the name of Kwa Wazee for the hard work done in a difficult environment – Ngenge had heavy rains during the whole month – and he apologised and explained the reasons we couldn't do it earlier or later. He explained that the survey comes at a very good time – as the Parliament is discussing universal pensions, and that we will forward the results to parliamentarians who are supporting the idea of universal pensions.

During the meeting when we asked what the activists had learnt during the operation, the feedback was most impressive:

- We learnt about financial management: to know what we spent. We discovered the incomes and the expenditures. It will help me to do better financial planning. There are a number of older people who would like to continue.
- We visited older people who we did not know. We will continue to visit them. I go there after three days to see them.
- We visited non-collectors. They can't get around. Meeting with them was important and very nice – it was a new thing.

The feedback from the TatuTano-members:

- The cooperation with the older people was very good – they allowed us to work. Sometimes we got gifts (coffee beans or groundnuts).
- During the visits the older people told us about their life and life in general. I appreciated it much and I was keen to go back to them.
- I got stronger – we had to cross water in order to reach the older people.
- I learned planning and the discipline which is necessary for a work like this.
- The cooperation with the older people brought us sometimes also to support them, for example, to fetch water for them if they had no water.
- We have been treated as “honorable” by the older people. Sometimes they danced for us.
- I appreciated much the cooperation between the older people and the Committee. We went also to those who knew how to write themselves – just to visit them and chat, laugh and talk with them. We know now the places where they live.
- I visited one *Bibi* whose language was Kiha (close to Kirundi) – she doesn't know Kihaya or Kiswahili. Now I know some words in Kiha.

Asked about challenges and proposal for changes the following suggestions have been made or information given:

- The time of the process should not be in the rainy season.
- Sometimes the names appeared in two communities which was confusing.
- People who participated in the survey but are not getting pensions asked us for the reason that they don't get pensions.
- Some people have not been found (non-pensioners).
- We met older people in very difficult situation with their houses. In one case we advised an older man to divide the pension so he can buy poles and the TatuTano can support him with the work. They started with the construction.
- Older people living in difficult housing situation were found: in Ngenge (2), In Rubale (4), in Binone (4), in Kahyo (2), in Mkomo (2), in Rwigembe (3), in Rukunya (8), in Kalimalimo (2) and in Kishuro (2).
- In Rukunya unknown people wrote an anonymous letter and fixed it on a tree to threaten an older woman. They claimed that she was a witch and - if she didn't stop - people from Uganda would come and cut the house. They reported to the chairperson of the sub-village who did a meeting with the older people. The afflicted older woman supposes that there are two people from the village who want to grab her land.

ina _____ Sehemu NGENGE Na _____ Ukarasa 1

Msaidizi wa kuandika EDWARD M. MUKUNA Naishi na bibi: Ndiyo _____ Hapana

Mzee (Bibi au Babu) anapata pensheni? Ndiyo Hapana _____

Na 2: MAPATO: fedha zilioyogingia

MAPATO kama pensheni, kigodi, kuuza nyiasi, kuuza dagaa, kuuza parachichi, zawadi, mchango kuuza nyanya, kutoa dawa ya kienyeji, kuuza mazao (kama viazi vitamu, mihogo, miwa mahindi, maharagwe, ndizi, ndizi kali, kahawa, karanga, mtama n.k), kuuza maiyai, kuku, mbuzi, mbaragala, ugoro, tumbaku, kuni, mkaa, kujota maji, mkopo n.k.

Tarehe	Nini	Kiasi
04-04-2013	Mafuta ya taa fawata	1000/=
09-04-2013	Fedha sh. aliporika mtoto uchi	2000/=
13-04-2013	parasheni	12000/=
14-04-2013	fedha	500/=
15-04-2013	Mafuta ya taa lita 4	5000/=

viatu, vibiriti, mihogo, viazi vitamu, nyanya chungu, karanga, ndizi, maharagwe mafuta ya taa, mafuta ya kujipaka, marejesho n.k.

Tarehe	Nini	Kiasi
02/04/2013	Bilauli mbihi za cheeni sh.	200/=
04/04/2013	Wahingya fedha mtoto uchi sh.	200
09-04-2013	Machalage bechele lita sh.	2000/=
13-04-2013	Unga ya mahindi sh.	800/8000/=
15-04-2013	Alitapa uatoto/juguhuni uchi sh.	500/=
19-04-2013	Alitampa dawa pipipira chepa mbihi sh.	8000/=
19-04-2013	Dawa chachi lita, dawa ya mwa lita sh.	15000/=
20-04-2013	vitunguu sh.	500/=
20-04-2013	Bilauli moja ya chumvi sh.	100/=
21-04-2013	Machalage batihi kuni sh.	7000/=
21-04-2013	Chumvi Bilauli mbihi sh.	200/=
21-04-2013	Sabari vipande viwili sh.	400/=
25-04-2013	Kufika mti, kupanua vipande vya	

Forms for the daily collection of household data on income (left) and expenditure

Annex 2 - Case studies

All case study participants were randomly selected from the group of non self-collectors. They were unable to collect their pensions for themselves due to physical conditions or long distances to the paypoint. They therefore gave these accounts during pre-arranged visits to their homes. Their real names have not been used. The following case studies are exemplary for the twelve studies which have been done during fieldwork.

Jovinata

Visited on 25 June 2013. Jovinata lives one kilometre from the centre of Kishuro with one granddaughter of 14 years, and receives a pension. Jovinata is paralysed in one arm and leg – possibly due to a stroke.

I send my co-wife to collect the pension, but now I think I will send my granddaughter – she is the one who is cooking for me, fetching water and collecting firewood. She's the one who is bringing food for me and cutting from the bananas. When I get the pension money I buy cassava and sweet potatoes.

The committee member [of Kwa Wazee] is the one who brought the first pension and afterwards I asked my co-wife because for the committee member it was too far. Now I want my grandchild to collect it for me. My co-wife can change and she is unreliable if I'm sick or she wants to visit relatives...My granddaughter will bring the money to me. If you have money, you can give it to her and she'll bring it. I'm getting all the money – all of it. I am able to count the money, I know the money and how much I should get.

My husband has died. Before he died he sold the shamba so I'm left with just a small, small shamba. My plot is very small. When I get money I buy yam, sweet potatoes and cassava from the market. Also because of my hand I cannot do anything. I'm just waiting to buy food from the market.

I was seriously sick – that was a long time ago and I was paralysed on my right side. It was difficult for me to get food and I didn't know what would happen next. This happened long before I started to get the pension money. I don't remember when I started to get the money.

Since getting this money, I'm able to buy clothes, fish, food, kerosene and soap. I am eating. I am healthy – I can buy a good food, a little bit of cooking oil and I can cook greens. I'm stronger because of this money. I cannot hide – I depend on this money. It's small, so I also have friends and people come and bring me things. I also use the money to pay labourers to cut cassava. Many older people do this around here. I was paying TZS1,000. When I get money I take some and pay the labourer. I only started doing that this year.

I sit here and I can't go anywhere...I never go out of this house and shamba. I'm here from morning to night, just seeing my neighbours.Even if someone dies, I cannot go to the funeral. My son died and left five grandchildren. Even then I didn't go to the funeral – he died in 2006. Even when my daughter died a few days later. They were my only two children and both died. If you see your child pass away and you can't go to the burial...it's paining me a lot.

If I get sick, they carry me up to the bicycle and then someone carries me on the bicycle up to the hospital. When I was sick, they came with a bicycle and fixed a chair on it and they were pushing me with the chair. In Rubya Hospital they gave me drips and this is when I got the paralysis. They brought me home in a car. My grandchildren were not born so that was more than 17 years ago.

I have five grandchildren who are living with their mother on the same compound. She is the wife of my son who died. ...I can go to my co-wife with a stick and move around the house. But it's not easy for me to visit my grandchildren as their house is further away close to the road.

I have no money to buy a [mobile] phone so I don't have one. If anything happens you are just here. I have used the phone to talk with my grandchild in Rushua. She phoned my neighbour and the neighbour came to me with the phone. I knew she wanted to talk with me so the neighbour brought the phone and I talked with my grandchild.

Aurelia and Lydia

Visited on 25 June 2013. We arrived to find Aurelia with her sister Lydia, and since both wanted to participate, we use initials below to indicate who spoke. The sisters live 6.4 kms from the centre of Kishuro and paypoint, and both receive a pension. They live in very small huts, with only sleeping space, just a few meters apart. Lydia is the elder sister, reportedly 100 years old. A long part of the journey to reach them was on a long narrow path that would be impossible to pass on bicycle or motorbike in the rains.

L – I once went to collect the pension myself but it's a long way. I get the money through the committee member [of Kwa Wazee] - he's the one who is collecting and bringing it to me. If he has no time, the son of Aurelia collects it for me.

A – I'm very sick. I have a problem inside my mouth and it pains me. I don't have someone to support me. I always get my pension here, the committee member brings it. Sometimes it's not easy to get the information about what day the pension is and my son wouldn't know and he's also busy with his own activities. So then the committee member will bring it.

L – It is because of sickness that I cannot collect the pension myself. My body has been swollen for a long time, even before I had grey hair. It happened because someone was coming with a motorbike and I tried to escape from the path. When it passed I had a shock and I fell down. This gave me pains in the chest, leg and stomach.

A – I'm very sick. It's about two years since I went to the market place in Kishuro. I have poor eyesight and pains in my knees. One eye is completely blind and the other is poor but I can recognize something. In the eye that can't see, something is growing inside it. Now I have a fever and everything I eat is bitter – it's malaria. My children buy medicine and they've given me five injections but now my face is reduced from the swelling. The shop for buying drugs is very close, about one to two kilometres. I got a tablet and put the powder on my lips to suck it.

L – My accident was many years ago. I suffered for a long time and it caused many problems because since then I have to tie my waist. After that my body was swollen from my chest to my knees. Even when I'm eating I have to make sure what I eat is soft, not hard, because I have problems in my neck. I went to the hospital for treatment. I even went to Uganda and when they tested me they found an insect that I swallowed. It made my body sick and makes me cough all the time.

L – I'm living alone – only with God. I had a child and delivered two stillborn children. The son died when he was young. Now I'm living close to my young sister Aurelia and her daughter-in-law who has children. These grandchildren are helping me.

L – I had land over there where they buried my husband. When he died I came here and my sister's husband was the one who gave me the land here. I sold the land I shared with my husband and my house was constructed by Christians. My sister Aurelia has three grandsons and two granddaughters who live nearby and every morning they come and say hello to us.

A – These grandchildren love us. They come to speak with us. But if they collect firewood or water we pay them. The wife of my son is the only one who supports me. She comes to support me when I'm sick.

A - We always pay money for group cultivation. We pay a woman's group from the village who cultivate for us.

L – I don't pay for someone to cultivate for me.

A – I pay for someone to cultivate cassava.

L – I take some amount from the pension to the church. This is because I have to give thanks to God who is bringing this support. The remaining cash I spend in buying food and for those who bring the firewood – my grandchildren. If I don't pay them they don't collect for me. I pay them TZS 100 for one trip, one head-load. With the remaining I buy milk to drink. There is someone called C, a Christian. When he gets maize he brings it and he is adding to the support we are getting from the organisation [Kwa Wazee].

Felipe

Visited on 26 June 2013. From the main road in Rwigembe it took about 75 minutes on a motorbike mostly on very narrow lanes, sometimes across open fields sometimes crossing small rivers, to reach his small hut. When we asked the committee member whether there were pensioners who lived even more remotely he said that it would take another hour on the bike in the same direction to reach those who live even further away.

If a lion is in front of you and a deep and a wide hole behind you somehow you are able to jump even if you don't know how you do it. I don't know how I survived the year before I received the pension. Sometimes I cut trees in the forest and made *Kupepetas* (a wicker plate to sieve grains) and was lucky if I sold them for TZS1,500.

When I got a pension last year in May I was nearly dying – I thought it must be God who found me because I live so remote.

I didn't always live here. I was born in 1939 in rural Bukoba. We were three brothers I'm the only who is left now. Because there was shortage of land I moved away with my wife and two children and got land to rent from the government – here in Rwigembe. That was in 1985. We were fine and had good years at the start, but 1992 my wife got seriously sick and after a few days in hospital she died. In 1995 the younger child who was in standard three got high fevers. We never knew what was wrong with him, he died on the way to hospital.

At that time we only had Rubja Hospital. We used two branches and a cloth to bring a sick person to hospital. We would start very early in the morning, it would take us eight hours only to reach the hospital.

In 2004 my second son died from Aids. His wife was still young so I allowed her to move and to marry again as it is our tradition. I took care of their young son. He has now constructed his own hut beside me. He is not here at the moment, he went to see his mother.

In the beginning I had sufficient energy to cultivate for the two of us and could sell rice and beans. But for many years now my joints are very sore, my back hurts and also my feet. I can't walk without wearing shoes. If I am sick I can't afford medicine, I only use herbals. Two years ago I was really bad and got to the dispensary but already the costs for transport were too big.

Since I'm better I grow again cassava, maize, yams and beans in my Shamba around my house and do a bit of trade with my neighbours. With the pension I can buy more food and can get salt and soap, which I couldn't for a long time. To have more energy I also buy sugar – even sometimes milk. I believe this is good for my health.

When I collected my first pension I got up at six and was only home after one o'clock. I had no time to chat with other people. When they asked I told them that a member of the family can collect the pension for me.

I'm fine now but you can see: when it's raining my house is very bad, the water gets in everywhere. And look how close this bushfire came to my house. I have to cut all the grass around it to protect it.

Justina

Visited on 27 June 2013. Justina is 68 years old, receives a pension and lives seven kilometres from the centre of Rwigembe and paypoint.

I live with my brother but we quarrelled and I asked for a place where I could have my own house. So I'm not staying here all the time – I am moving close to Muleba and I spend most of my time there taking care of my grandson who is sick. This is my grandson from my son who died and also his wife has died. So I left the grandson with a church group and they said that I should come back in a week and take him. He's 16 years old and it's 15 years since his parents died. He was living with his uncle. When I go there I'll live with the church and my grandson. Here I'm with my brother – we are twins. There's also another small boy, another grandson.

I can walk to the paypoint, no problem. But because I'm going to Muleba so often the chairperson brings me the pension. Sometimes my legs are swollen and I only have problems with my knees. I can see well. I can count and I know how much I get for the pension, for example, I get TZS12,000 per month. Before I was getting TZS10,500. I am not in a mutual support group because I'm not living here. It's about four months I'm not living in this house but people I know are very far from here.

I was cultivating sweet potatoes, beans and maize. I planted on this shamba which is not very big and also on some other land down there (indicating). I sold some beans from this further away shamba and when I went there, there were no beans on my shamba. I also found the sweet potatoes already consumed. The maize season was not so good but we managed to harvest some which we ate here. I didn't get enough maize for keeping, we just had fresh maize that we boiled and ate. The money I received from the beans, the pension and the uncle of the boy is also helping me. This is about TZS10,000. So all this I'm using to buy food.

I am now living in a village near Muleba but it's not far to the village from there. My grandson never lived here (Rwigembe), he was living with his other grandmother but she died. I'm the only one who can help him now. Kagoma is my home place. I left there to live here with my brother for one and half years, and I went back about four months ago. My other grandson is in Kagoma, he is six years. I have a big family there but I'm going back to help my sick grandson.

My brother feels very bad that I get the pension and he doesn't, I know that he's jealous. But the pension isn't enough as I am also supporting this child and I also have to pay the fare to go there. ...My brother has cassava and six goats.

If I get sick in Kagoma I have my brother's children who take care of me. Here, my brother would help. When I was sick I went to the clinic outside Rwigembe – it's one and half hours on motorbike. This is the nearest government dispensary – I went to get tablets for malaria. I don't know if I can get tablets here in Rwigembe.

There's a big difference since I got the pension money. It was difficult for me to get money, now I can buy soap, oil and buy clothes. Now my biggest problem is that my grandson is sick.

I have some friends here but they are few. On Saturdays and Sundays we visit each other. During the morning you can't visit because you have to go to work. We are just helping each other for weeding. One day we help a friend, the next day they come to help me. When I am in Muleba I will go and do daylabour, as during the month you run out of money and you still need money. I start at 7 am and work until 10 am – they pay you TSZ 1,000. We weed and plant cassava.

To be frank I cannot say one time of year is any better as I have a sick grandson and I'm not happy. The whole time is bad for people here the only good time is harvest time when we harvest beans, maize, sweet potatoes. It's when you have all these things you are happy. That's in February when we get beans and maize.

I use the mobile phone. I don't have my own phone. I have the numbers here and I go to someone, I give them the number, I flash [free text message asking receiver to call back] them and they call back..... After buying air time the owner of the phone makes the call and when they call back that's when I speak.

I call people many times. Because I have a sick child, I'm always calling. I use not more than TSZ 500 – this is just a few minutes and then you finish. There's only one person up there (points up the hill) who is nearby with a phone but it's difficult. Sometimes you go there and they say there is no power, the phone is not charged...They can charge here in the village where they use a car battery.

During this time since I'm in Muleba our chairman sends me money through M-PESA. It was TZH 11,500. He sends the pension via M-PESA every month when I'm not here and I get TZS11,500. But when I'm here I get the whole money (TZS12,000).

[Note: The chairperson has to go to M-PESA to make the transfer and so TZS500 probably covers his costs].

We exchange numbers – I gave him my son's number and he gave him his number. So he phones my son to say today he's sending the money. After this he phones to say he's sent the money. After that my son goes to M-PESA to take the money. Then he hands it to me. After that, I'm the one deciding how to use the money.

If you give me the phone I can do it myself. If someone can teach me I can use it ...because I can read and write. It's very good to get the money through M-PESA...it's very easy to get the money, for example, I'm living very far away and it's very quick – it would take a long time to get the money otherwise. For me who has problems living far away it's very good... The problem is you need to go to someone to use the phone in order to get the money.

Odelia

Visited on 26 June 2013. Odelia lives in a sub-village of Rwigembe, she receives a pension and child supplements for two grandchildren.

My cousin, who is also a pensioner, brings the money here to me.

I am paralysed on the left side – it happened in July last year. I was sleeping and then I had a dream – something was squeezing me and I was trying to catch it but it was difficult. Afterwards I realised that my leg was heavy and my hand. I called my grandchildren and told them not to go to school because I was sick. I sent them to call my neighbours. They took me to the church. I spent five days there – they were just praying for me. They took me with a bicycle. It was very difficult for me to move. When I came back I could walk a little bit with a stick.

Later, after staying in the church, they took me to a hospital far from here. The health centre was two hours with a motorbike, it was very far. It's a government hospital but it is not the nearest hospital. I paid for this with the pension money. I paid only for the motorbike, I wasn't admitted so I didn't pay. They told me to go to Rubya and there I got medicine. They told me when I finished the medicine I should go back. After one week I went back and got another medicine. They told me after every month I should go back and get medicine. My problem is the money for the motorbike, it's TZS5,000 each way. The bicycle would be cheaper, but you see my condition – I can't do this.

I live with two granddaughters who are 10 and 12 years old. They are both at school. I'm caring for these two children but there's also help outside. Their parents died when they were small. They are my son's children. They've been with me for a long time – L came when she was two years old but V was already living with me since her mother stopped breast feeding when she was one year and eight months. Then L came when her mother died. But even if her mother hadn't died she would have given her to me anyway.

What should I do? God has made this happen. I would have been very happy to have them even if their parents were alive. As a grandmother you should be happy.

[L and V say that they like living with bibi – “she takes us to school, she buys us clothes, she's cutting our hair...”]

There are people passing here who know me, and they also give me some money. They can see the banana disease on my trees so sometimes they can give me just a few shillings. My house needs repairing – the rain comes in the roof and the walls sometimes let the water in.

I'm in a [Kwa Wazee] support group. When I started to be sick they contributed TZS 10,000 to me. The last time I went was in May last year before I got sick. We meet in the centre of Rwigembe and if I get someone with a bicycle maybe I will get help to go there. They came to visit me with this TZS 10,000 and now they visit me while they are passing to go home. They tell me what is going on and I contribute to the group savings. If they come here and find that I don't have water and the children are at school, they fetch water for me. Before, in this group we were just doing nothing – just savings. I don't know if they are doing anything else. They came just recently as they went to get their pension.

Nowadays it's difficult for me to walk far. I go up to that house [indicates a house a few metres away]. The young man and his wife live there. The children you see around the place are my sister's grandchildren.

Previously the pension money, I used for cultivating on the shamba. Now it's the children who are helping me, even these little ones [the grandchildren] they are working on the shamba. With the pension I was paying someone to help me and I was strong and doing it myself as well. I paid someone to dig and I planted and the women helped me to plant maize, groundnuts and beans.

It's difficult to get extra money apart from the pension. Before I got sick I was cultivating groundnuts and cassava, and selling them to get extra income. But when I got sick it became difficult. Now I'm just using the pension money. What's good for me is that I can get a loan from the shop – they will lend me the money and I will pay back.

When the children come home from school I insist the children go and get something from the farm so that we can eat. The food from the shamba is not enough for the whole year. The farm isn't supporting me for the whole year. But when I have difficulties, my neighbours give me bananas and I bargain so that when I get the pension

I pay back. If I don't get banana I try to get something else so that the children get food.

I once used the mobile phone when I got sick. People came from Kabari to visit me and they gave me the phone to communicate with my grandchild who was living on the island. I like the phone but I don't have money to pay for it. I would use it to talk with people who know me.

[We asked the grandchildren whether they were in any group with other children, and one of them told us...]

"We are in Tatu Tanu – we joined recently. We love to go to the group. We go for the meeting...we meet and discuss what we can be doing... In the last meeting we discussed that we should be supporting each other. If someone has no shoes, he or she should ask the group to support them. We are doing income generating activities – we are selling avocados and jack fruit. If we meet other children who are not in Tatu Tanu we tell them that it's a good group and we have income generation and we support each other."

Merida

Visited on 27 June 2013. Merida is 77 years old and lives in Ngenge village with two granddaughters whom she is responsible for, as well as other grandchildren who are often in the house. She receives a pension and child supplement. We first met Merida during the study of 2008, when she was in a very difficult situation, having suddenly been left with the two very young granddaughters and with a house that was leaking and disintegrating in the heavy rains. This time, we met her again by chance at the mobile eye clinic and arranged to visit her later in her home.

I remember you. I remember that I told you that if you construct me a house I will be in heaven – I remember. Now it has happened – I have a house. I am here with my grandchildren – you can see.

Then, six years ago when we last met, there were not many who received a pension. Now some of them have already passed away. What I saw is that they (Kwa Wazee) constructed my house. There are other things – maybe I have to go to my room so that you can see what I have done. I am thanking...I am thanking... *[Merida goes to her room and returns with a mattress and then a blanket]*

There are other things from the organisation. From the cash I'm getting I'm making small savings every month and I managed to buy these things. I like to show you them now...

In this house there are six children in total *[indicates the children gathered around. We ask about the boy that we met last time]*. I told you that the father went away and the mother left the two children (granddaughters) and then went away with another man...I still have the boy who was living here, but I sent him to the shamba of my relatives. I send him there when I don't have food...He is now 18 years old *[she shows us a photograph]*. Since he was born I have never met with his father. The two girls – C is in nursery school and T is in standard one.

[Merida indicates the three other young children] The small child is the child of my son. The twins are also the children of my son. He lives in this village but he has his own shamba. This son was living on the islands when we met last time. He came back about two years ago – he's always coming and going back. He came for his wife and now he's settled here in his house with his wife. He goes out for business and comes back.

The father of the other two girls *[C and T whom we saw six years ago]* is the one who is gone forever, he died. Their mother is now married in Kisiba. I never saw her since that time she broke with the husband, leaving the girls with me.

I can't leave this house for a moment these last few days as I cannot see very much...I have problems with my eyes. The doctor at the eye clinic explained to me that I'll get an operation in one eye. In one eye I can't see anything and in the other, I see a little. But with the eye drops I was given it has cleared a bit and I can see a bit better.... I'm not worried about the operation but there are people who are trying to make me fear it, telling me "When you go for operation your eyes will not work anymore". They are older people like myself, when I explain that I'll have an operation they say that I will go blind, but I am not afraid.

One of the things that is difficult for me is that one of the girls is always sick and I'm always taking her to hospital. One time, I took her to hospital and they were asking for TZS100,000. I was thinking of asking Kwa Wazee but I didn't. So I decided to cut three metres from my land and I sold it to pay the fees. I can show you the metres I sold and they paid me TZS100,000. The remaining area is worth about TZS1 million. It was my neighbour who bought the land and now he is making foundations to build on it.

I just pray for you that I got the house rebuilt. I am living in the house. I'm concerned for my grandchildren who are getting sick and also they are attending school so I pay TZS500 each every month for two of the children [C and T] This is for tuition by teachers who are volunteers at school – they called a meeting and asked parents to pay this...they are not trained teachers but they have knowledge.

[We ask the girls what they like about school]

Girls – playing ... learning...

Merida (joking) – Playing! Then I will not continue paying TZS500!

[What does bibi cook?]

Banana...rice...

If you ask me about my neighbours – for those who are young, maybe there are changes. They are still young enough to deal with business and to make changes. But if you consider older people who are not in the pension, you wouldn't see any changes...I thank God that I am with Kwa Wazee.

[Merida goes out again and returns with a tray of utensils]

I have to show you these things I didn't have before. I got these through the revolving fund. We have got these additional things from the pension. All we can do is give thanks and pray.....

After getting the pension we organised ourselves in a group. We were many but we decided to make two groups of ten. Every person contributes TZS3,000 per month and we give this to one person....This is how I managed to buy the mattress, the blanket and cutlery. I forgot the date when we started but our secretary knows because he's recording... I was given this money once and I added to this fund I'm receiving so I have been making savings. I've been buying goats. Then I was able to buy the mattress.

If you come back in another five years you'll find everything [*indicates the floor*] is on a level and flat. You'll find the house is plastered and clean. The window will be mended, where there are now gaps. I will have constructed a kitchen outside, now I am cooking inside [*points to the back door*]. I will put on a proper lock.

Other things apart from this, is a blessing from the Lord, because I cannot say about me and the children. But because you are monitoring, you will see. I'm worrying if you find me again that I will recognise you (see properly), but for the moment I can go to the farm and weed...

[Two of the children, the elder granddaughter and the grandson of 18 years, are in Tatu Tanu. The girl explains:]

When you are in Tatu Tanu you have time to discuss with other children the school and our education. We also discuss how we can get school things like books and uniform, so we like being in Tatu Tanu. I see many things Tatu Tanu is doing. When we get sick they support you. And we are making savings – we have a small income generating that we are doing in the shamba so at the end of the year we distribute savings among the members. We are growing avocados. We also asked for chickens and we are keeping chickens.

Annex 3: Income and expenditure

Inter-household survey of older people headed households

carried out in the month of April 2013 with the Kwa Wazee programme in Ngenge ward, Muleba district, Kagera, Tanzania

	Pensioners	%	mean	Non-pensioners	%	mean	total	%	mean
	N=156		per HH	N=25		per HH	N=181		per HH
	TZS		TSZ	TSZ		TSZ	TSZ		TSZ
Pension: 12,000 TSZ. Child benefit: 7,000 TSZ per child									
TSZ10,000. = US\$6.2/4.6 € (Sept. 2013)									
Poverty line TSZ 2013 (est.): 20,000 p.p.m.									
Average number of people in HH: 2.4									
INCOME									
Agriculture	1614940	29.5	10352	327200	65.8	13088	1942140	32.5	10730
Labour	234700	4.3	1504	91600	18.4	3664	326300	5.5	1803
Sale of property/animals (in less than 10% of HH)	297500	5.4	1895	30000	6	1194	327500	5.5	1810
Transfers (gifts, loans, etc.)	898500	16.4	5763	48700	9.8	1948	947200	15.8	5233
<i>Total (exclusive pensions)</i>	<i>3045640</i>		<i>19523</i>	<i>497550</i>		<i>19902</i>	<i>3543140</i>		<i>19576</i>
Pensions / child benefits (92 child benefits in 48 HH)	2430500	44.4	15580	0		0	2430500	40.7	
TOTAL	5476140	100	35103	497550	100	19902	5973640	100	33003
EXPENSES									
Food	2584010	51.3	16564	355800	57.8	14232	2939810	52	16242
Household consumables (soap, kerosene, ...)	430030	8.5	2757	74000	12	2960	504030	8.9	2785
Payments (group savings, ROSCA, loans...)	416900	8.3	2672	62800	10.2	2512	479700	8.5	2650
Household assets (clothes, bedsheets, mattresses ...)	618650	12.3	3966	32100	5.2	1284	650750	11.5	3595
Health (expenses in 63 households)	229000	4.5	1468	10700	1.7	428	239700	4.3	1324
Travel (in less than 10% of HH)	85700	1.7		18000	2.9		103700	1.8	573
Investment (incl. daylabour)	466900	9.3	2992	21000	3.4	840	487900	8.6	2696
Children/school	82050	1.6	526	18650	3	746	100700	1.8	556
Tobacco/beer (expenses in 61 households)	93000	1.9	596	10000	1.6	400	103000	1.8	569
Phone/battery (expenses in 25 households)	31300	0.6		13300	2.2		44600	0.8	246
TOTAL	5037540	100	32292	616350	100	24654	5653890	100	31237



Pension watch

Briefings on social protection in older age

Find out more:

www.pension-watch.net

HelpAge International helps older people claim their rights, challenge discrimination and overcome poverty, so that they can lead dignified, secure, active and healthy lives.

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Evidence on opportunities and challenges from a remote area, Ngenge Ward, Kagera***

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