RESETTLEMENT MANAGEMENT FRAMEWORK

Rural Energy Agency
Ministry of Energy and Minerals

Tanzania Energy Development and Access Project
The World Bank

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Acknowledgments

The Resettlement Management Framework (RMF) has been developed through the collective efforts of the Rural Energy Agency (REA) and the World Bank under the Tanzania Energy Development and Access Project (TEDAP) off-grid component. The purpose of this document is to provide a simplified and user-friendly tool for resettlement management that can be implemented by rural energy project developers throughout the project cycle. The authors gratefully thank their development partners for their continued support in promoting and facilitating sustainable development of rural energy projects.

The authors gratefully acknowledge the efforts of Nyinisael Palangyo (Environmental and Social Local Consultant, REA) and Marco Zambrano (World Bank International Consultant), who worked together to help develop this safeguard document.

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This updated version of the RMF has been developed by Nyinisael Palangyo (Environmental and Social Local Consultant of REA), with the support and coordination of REA and Marco Zambrano (World Bank Consultant). This RMF was presented and socialized in a workshop in May 2011 with stakeholder participation and has also been approved by the REA General Director, Lutengano U. A. Mwakahesya. Finally, this new RMF version was published on REA’s Web site, by REA offices, and by the World Bank’s InfoShop on June 25th, 2012 in compliance of the Bank’s disclosure policy.
### Abbreviations

<table>
<thead>
<tr>
<th>Abbreviation</th>
<th>Description</th>
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<tbody>
<tr>
<td>ARAP</td>
<td>Abbreviated Resettlement/Compensation Action Plan</td>
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<tr>
<td>EA</td>
<td>Environmental Assessment</td>
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<td>EIA</td>
<td>Environmental Impact Assessment</td>
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<td>ESIA</td>
<td>Environmental and Social Impact Assessment</td>
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<td>ESMF</td>
<td>Environmental and Social Management Framework</td>
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<td>EMP</td>
<td>Environmental Management Plan</td>
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<tr>
<td>EWURA</td>
<td>Electricity and Water Utility Regulatory Authority</td>
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<td>GDP</td>
<td>Gross domestic product</td>
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<td>GEF</td>
<td>Global Environment Facility</td>
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<td>GoT</td>
<td>Government of Tanzania</td>
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<td>IDA</td>
<td>International Development Association</td>
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<td>ILO</td>
<td>International Labour Organization</td>
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<td>JAS</td>
<td>Joint Assistance Strategy</td>
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<td>MoEM</td>
<td>Ministry of Energy and Minerals</td>
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<td>NEAP</td>
<td>National Environmental Action Plan</td>
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<td>NEMC</td>
<td>National Environment Management Council</td>
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<td>NEP</td>
<td>National Energy Policy</td>
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<tr>
<td>NGO</td>
<td>Nongovernmental organization</td>
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<tr>
<td>PV</td>
<td>Photovoltaic</td>
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<tr>
<td>RAP</td>
<td>Resettlement action plan</td>
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<td>REA</td>
<td>Rural Energy Agency</td>
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<td>REF</td>
<td>Rural Energy Fund</td>
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<td>RET</td>
<td>Renewable energy technologies</td>
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<tr>
<td>RMF</td>
<td>Resettlement Management Framework</td>
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<tr>
<td>TANESCO</td>
<td>Tanzania Electric Supply Company Limited</td>
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<td>TEDAP</td>
<td>Tanzania Energy Development and Access Project</td>
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<tr>
<td>ToR</td>
<td>Terms of reference</td>
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<td>UNICEF</td>
<td>United Nations Children’s Fund</td>
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Glossary

- **Abbreviated Resettlement/Compensation Action Plan (ARAP):** Document prepared by the developer when subproject activities require appropriation of land that leads to physical displacement of less than 200 people; and/or loss of shelter; and/or loss of livelihoods; and/or loss, denial, or restriction of access to economic resources, in less than the 10 percent of the area.

- **Cut-off date:** Refers to a day on which any person who occupies land required for subproject use (after this day) will not be eligible for compensation.

- **Developer:** The developer is the subproject owner or sponsor (private or commercialized public). In the case of private sector, developers can include off-grid service providers, cooperatives, and NGOs. In the public sector, developers can include service providers and operators in the electricity sector, such as the Tanzania Electric Supply Company Limited.

- **Environmental and Social Management Framework (ESMF):** The ESMF is a safeguard instrument (document) that establishes a mechanism to determine and assess future potential environmental and social impacts of productive investments of developers that have successfully qualified under the proposed TEDAP off-grid component, and then sets out mitigation, monitoring, and institutional measures to be implemented during the project cycle to eliminate adverse environmental and social impacts, or offset or reduce them to acceptable levels. This instrument has been prepared as a separate and stand-alone document to be used in conjunction with the Resettlement Management Framework.

- **Market rate:** Commercial terms according to Tanzania law for sale of land.

- **Project-affected people (PAP):** People affected by land use or appropriation needs of the subproject. These people are affected because they may lose shelter or be denied or restricted access to economic assets, income sources, or means of livelihood.

- **Resettlement/Compensation Action Plan (RAP):** Document prepared by the developer when subproject activities require land appropriation that leads to physical displacement of persons, and/or loss of shelter, and/or loss of livelihoods, and/or loss, denial, or restriction of access to economic resources. The RAP is prepared by the party impacting people and livelihoods (the developer) and contains specific and legally binding actions to be taken by the developer to resettle and compensate the affected party(ies) before subproject construction.

- **Resettlement Management Framework (RMF):** Management instrument prepared by the borrower (government of Tanzania, MoEM-REA) to be implemented by developers to comply with the resettlement or compensation management required by the subproject. The REA is responsible for ensuring RMF is compliant when it is required.
1. Introduction

The Government of Tanzania (GoT) has launched an ambitious access scale-up program through an establishment of the Rural Energy Agency (REA) and the Rural Energy Fund (REF), using lower-cost technology and transparent, results-oriented subsidies delivered to the Tanzania Electric Supply Company Limited (TANESCO), a restructured utility, as well as to other competitive service providers (private, cooperatives, nongovernment organizations [NGOs], and others). To maximize impact, the program will focus on electricity provision to rural enterprises and social facilities, the latter in order to provide the benefits of increased access to a far broader cross-section of the population within 10 years faster than is possible with just a household connection program.

Following the launching of Tanzania’s revised National Energy Policy (NEP), formally adopted in 2003, the GoT began restructuring the energy sector. The policy divided the commercial and rural energy services, giving the Ministry of Energy and Minerals (MoEM) the responsibility to increase government efforts to ensure that rural areas and poor households have access to modern energy services. This required a new institutional setup and a fund for subsidizing nonprofitable energy provision. In 2005, a new law1 was passed, enabling the establishment of an REA and an REF. The REA board has been appointed and its management is being recruited. As part of this strategy to increase access, the GoT asked the World Bank to include an off-grid electrification component in the Tanzania Energy Development and Access Project (TEDAP).

To ensure adequate environmental and social management during the TEDAP implementation and to comply with the national environmental laws and the World Bank’s Safeguard Policies, an Environmental and Social Management Framework (ESMF) was developed. Additionally, to comply specifically with the Bank's Involuntary Resettlement Policy (OP/BP 4.12), a Resettlement Management Framework (RMF) was developed. These instruments have been updated to simplify and facilitate their application during project implementation.

1.1 Purpose

The purpose of the RMF is to establish resettlement and compensation principles, organizational arrangements, and design criteria to be applied to meet the needs of the people who may be affected by the TEDAP’s off-grid component. The RMF is prepared in accordance with the GoT’s resettlement policy and the World Bank’s Involuntary Resettlement Policy OP/BP 4.12.

When land/sites are identified for appropriation, for sites that trigger OP/BP 4.12, resettlement or compensation plans will be closely coordinated with the planning and implementation of civil works, then prepared in accordance with this policy framework by the developer, and finally submitted to the Bank for approval before any land appropriation, resettlement, loss, denial of or restriction of economic resources, or any other impact on livelihood occurs.

Among others, the specific objectives of the RMF are to:

- Present principles and objectives governing resettlement and compensation;
- Describe the process for preparing and approving resettlement and compensations plans;
- Identify land for appropriation and likely categories of impact;
- Establish eligibility criteria for defining various categories of project-affected people (PAP);
- Provide legal framework for reviewing the fit between the laws and regulations of Tanzania and World Bank policy requirements and measures proposed to bridge any gaps between them;
- Identify methods of valuing affected assets;
- Provide organizational procedures for delivering entitlements, including for projects involving private sector intermediaries and for the responsibilities of the financial intermediary, the government, and the private developer;
- Describe the implementation process, linking resettlement and compensation during construction;
- Describe grievance redress mechanisms;
- Describe arrangements for funding resettlement and compensation, including the preparation and review of cost estimates, the flow of funds, and contingency arrangements;
- Describe mechanisms for consultations with and participation of displaced persons in planning, implementation, and monitoring; and
- Make arrangements for monitoring by the implementation agency and, if required, by independent monitors.

1.2 Scope

The RMF is an instrument to be implemented by developers to comply with the resettlement or compensation management required by the subproject. REA is responsible for ensuring the compliance of the RMF when it is required.

The scope of the RMF is for the off-grid component only of the TEDAP. Specifically, under the off-grid component, developers may receive financing to rehabilitate and expand their physical infrastructure to provide access to new customers. It is envisaged that some of these subprojects will involve expansion of servitudes, existing grids, new grids (interconnected or interdependent for transmission and distribution), substations, power stations, and microhydro facilities.
2. The Project

2.1 Description

The overall development objectives of the TEDAP are: (i) to improve the quality and efficiency of the provision of electric service and (ii) to establish a sustainable basis for access expansion. To that extent, the project will have a grid and an off-grid component. The present ESMF covers the off-grid component of TEDAP.

The purpose of the off-grid component is to support an institutional setup for the newly established REA and develop and test new off-grid electrification approaches for future scale-up.

The project’s global objective, in line with Global Environmental Facility (GEF) OP6,¹ is to remove the barriers to and reduce the implementation costs of renewable energy technologies to help mitigate greenhouse gas emissions. Proposed GEF cofinancing supports OP6 strategic priorities—expanding productive uses of renewable energy (institutional solar photovoltaic [PV] systems for social services) and promoting power sector policy frameworks supportive of renewable energy (stand-alone grids).

2.2 Components

To achieve these objectives, the TEDAP is structured into three components:

(i) The grid component focuses on urgent investments in the Tanzania Electric Supply Company Limited (TANESCO) transmission and distribution network;
(ii) The off-grid component supports an institutional setup for the newly established REA and develops and tests new off-grid electrification approaches for future scale-up; and
(iii) The technical assistance component supports preparation of a comprehensive access expansion strategy and syndication plan; new investment packages (grid and off-grid); support for legal/technical/financial advisory capacity building for TANESCO, the REA, the MoEM, and the National Environment Management Council (NEMC); and monitoring and evaluation.

In relation to the off-grid component, the investments will concentrate particularly on the demonstration of sustainable solar market packages and PV market development (scaling up the Swedish International Development Cooperation Agency’s ongoing operation); the implementation of several off-grid electrification minigrids; and the testing of new service provision models (including private sector, cooperatives, and NGOs). The project will also support development of small, renewable, grid-connected projects. Consistent with the joint assistance strategy (JAS), the off-grid component will also focus primarily on those off-grid areas where provision of electricity can spur economic growth (subproject screening includes an analysis of the productive use potential). Before the REA was operational, the component was initially to be implemented by the MoEM, but has since been transferred to the REA.

¹ Promoting the Adoption of Renewable Energy by Removing Barriers and Reducing Implementation Costs.
3. Principles and Objectives of the RMF

Involuntary resettlement impacts caused by implementation of development projects, if left unmitigated, often give rise to severe economic, social, and environmental risks resulting in production systems being dismantled; people facing impoverishment when their productive skills may be less applicable and the competition for resources greater; community institutions and social networks weakened; kin groups dispersed; and cultural identity, traditional authority, and the potential for mutual help diminished or lost.

The World Bank’s Safeguard Policy (Involuntary Resettlement) OP/BP 4.12, in most cases, is triggered because a subproject’s activity requires land to be appropriated for project use, and people may be affected because they are cultivating on the land, they may have buildings on the land, they may use the land for water and grazing of animals, or they may otherwise access the land economically, spiritually, or in another way that may not be possible during or after project implementation. Therefore, people often need to be compensated for their loss (of land, property, or access) either in kind or in cash, of which the former is preferred. Actual physical displacement of people under the TEDAP off-grid component is unlikely.

Therefore, the objectives of OP/BP 4.12 are the following:

(i) Involuntary resettlement and land appropriation should be avoided where feasible, or minimized, and all viable alternatives explored.
(ii) Where involuntary resettlement and land appropriation are unavoidable, resettlement and compensation activities should be conceived and executed as sustainable development programs, providing sufficient investment resources to give the persons economically or physically displaced by the project the opportunity to share in project benefits. Displaced and compensated persons should be meaningfully consulted and have opportunities to participate in planning and implementing resettlement and compensation programs.
(iii) Displaced (economically or physically) and compensated persons should be assisted in their efforts to improve, or at least restore, their livelihoods and standards of living, in real terms, to predisplacement levels or levels prevailing prior to the beginning of subproject implementation, whichever is higher.

Affected people, according to OP/BP 4.12, refers to people directly affected, socially and economically, by a project, as a result of:

(i) The appropriation of land and other assets causing:
   - Relocation or loss of shelter;
   - Loss of assets or access to assets;
   - Loss of income sources or means of livelihood, whether or not of the affected person; and
   - Persons must move to another location.

(ii) The restriction or denial of access to legally designated protected areas that results in adverse impacts on the livelihood of the economically or physically displaced persons.
OP/BP 4.12 applies to all (economically or physically) displaced persons regardless of the total number affected, the severity of impact, or whether or not they have legal title to the land. The needs of vulnerable groups that have been economically or physically displaced should also receive special attention, especially those below the poverty line: the landless, the elderly, women and children, indigenous groups, and ethnic minorities or other displaced persons who may not be protected through the GoT’s land compensation legislation.

Particularly for the TEDAP, OP/BP 4.12 also requires implementation of individual resettlement and compensation plans as a prerequisite to implementation of subproject developer activities requiring land appropriation/land use to ensure that displacement (economic or physical) or restriction to access does not occur before necessary measures for resettlement and compensation are in place. OP/BP 4.12 further requires that these measures include provision of compensation and of other assistance required for relocation, prior to (economical or physical) displacement, and preparation and provision of resettlement sites with adequate facilities, where required. In particular, land and related asset appropriation may take place only after compensation has occurred and, where applicable, resettlement sites, new homes, related infrastructure, public services, and moving allowances have been provided to economically or physically displaced persons. Furthermore, if relocation or loss of shelter occurs, the policy requires that measures to assist the displaced persons are implemented in accordance with the resettlement and/or compensation action plan.

Social impacts of subproject implementation are expected to be positive overall simply because increased access to affordable and reliable power in peri-rural areas, including in health and education facilities and for agriculture, and employment creation opportunities will significantly increase the standard of living for peri-urban and rural residents. However, there are considerable risks to subproject success as a whole if the negative social impacts on some of the targeted beneficiaries (that is, the rural poor) are left unmitigated. These negative social impacts include denial, restriction, or loss of access to economic resources in areas that may be required by the subproject developer. When this happens, people will be impacted and resettlement and/or compensation cannot be avoided, and Safeguard Policy OP/BP 4.12 will be triggered even though the PAP may not have to physically move to another location.

Offering PAP the opportunity to continue to participate in the planning process that leads to the preparation of resettlement/compensations plans is mandatory. Moreover, offering PAP the opportunity for employment in subproject activities or to be providers of services during construction of the civil works, for example, for supply of construction materials (such as gravel, sand, and the like), will provide additional income-generating opportunities to a significant number of PAP who may have to be resettled/compensated.

Furthermore, it is worthy to note that rush migration to selected land sites may occur by those wishing to take advantage of the rules of eligibility. Were this to happen, it would add additional pressures to the planning process and compensation budgets and increase the tendency for conflict among users. Avoiding this scenario is a key consideration when establishing cut-off dates, which are discussed in section 6.

A major objective of this RMF is to ensure that PAP are meaningfully consulted, have participated in the planning process, and are adequately compensated to ensure that their livelihood is restored or improved and that the process has been fair and transparent.

4.1 Legal and Institutional Aspects

Land in Tanzania is owned by the state, and ownership is vested with the president as trustee. Ownership is categorized as follows:

- General/public land on which socioeconomic activities are permitted, and reserved/restricted lands for national parks.
- Village land.
- Protected areas and forest/wildlife reserves. About 25 percent of Tanzania falls into the category of reserved/restricted; by international standards, this is a high proportion of land under restriction. Only about 20 percent of potentially arable land is actually cultivated. Communities and individuals are not permitted to use reserved or restricted land for economic activities. The president or the minister charged with conservation of natural resources has the authority to designate land as protected.
- Tenure rights to land in the first category can be held by individuals and by communities. Village communities are allowed to hold land and to manage it, although they do not formally own the land. Individuals can hold land in two ways: through a leasehold right of occupancy for varying periods, for example, 33,66,99 years, or by customary lands, that is, in usufruct in perpetuity.

Tenure rights are defined by the Land Act No.4 of 1999 and the Village Act. The Village Act No. 5 of 1999 provides for village land to be administered and managed by local communities. Land that is not village land can be allocated by the state to users under specified tenure regimes. In addition, Participatory Land Use Planning and Management (PLUM) are explicitly recognized in the Land Policy of 1995. The adjudication function on village lands is assigned to the village government.

Village government has administrative control over village land and acts as a liaison between the government and village residents. Within villages, land use is controlled by various committees of village government.

Taxation is the prerogative of local authorities. Villagers hold rights of occupancy and use for an indefinite (that is, unlimited) period. Village lands do not have to be titled for rights of users and occupants to be recognized and are not subject to rental payments.

4.2 Difference between National Law and the Bank’s Safeguard Policy OP/BP 4.12

In Tanzania, land tenure systems are wide and varied, and entitlements for payment of compensation are essentially based on the rights of ownership as allowed and defined by statute or customary law. The Bank's OP/BP 4.12 is fundamentally different from this and states that affected persons are entitled to some form of compensation whether or not they have legal title if they occupy the land by a cut-off date. Therefore, because this is a Bank-funded program and the fundamental principles of OP/BP 4.12 are not negotiable, OP/BP 4.12 must be adhered to. As a result, therefore, all land to be acquired or used by the
developer under this program would be so acquired or used subject to the laws of Tanzania and OP/BP 4.12. Where there is a conflict, OP/BP 4.12 must take precedence if the Bank is to fund the project.

Table 1 presents an entitlement matrix designed to highlight the differences/gaps between the requirements under Tanzania law and the Bank's OP/BP 4.12. The higher of the three standards (that is, Tanzania statute and customary laws and OP/BP 4.12) is followed in this entitlement matrix, since this procedure also satisfies the requirements of the lesser two standards. The missing values in the entitlement matrix will be determined at the time the Resettlement Action Plans (RAPs) are negotiated and prepared.

Table 1. Comparison of Tanzanian and World Bank Safeguard Policy OP/BP 4.12

<table>
<thead>
<tr>
<th>Types of affected /lost assets</th>
<th>Tanzanian law</th>
<th>World Bank OP/BP 4.12</th>
<th>Comparison/gaps</th>
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<tr>
<td>Landowners</td>
<td>The 1967 Land Acquisition Act, the 1999 Land Act, and the 1999 Village Land Act state clearly that landowners, with or without formal legal rights, are entitled to full, fair, and prompt compensation. They also get a disturbance allowance, transport allowance, accommodation allowance, and loss of profit if they were in actual occupation of the appropriated property. Lost assets are limited to &quot;unexhausted improvements,&quot; that is, the land and developments on the land. The law does not cover economic and social impacts of relocation, and as such socioeconomic surveys are not part of the land appropriation process.</td>
<td>Displaced persons are classified into three groups: (i) Those who have formal legal rights including customary and traditional rights; (ii) Those who do not have formal legal rights to the land, but have a claim to such land or assets provided that such claims are recognized under the law of the country; and (iii) Those who have no legal rights to the land they are occupying. Landowners under categories (i) and (ii) are among the PAP entitled to full, fair, and prompt compensation and other relocation assistance. Socioeconomic impacts to PAP are taken into consideration during RAP preparation.</td>
<td>There is no gap between Tanzania law and OP/BP 4.12 as far as considering whether or not displaced persons have or don't have formal legal rights to land they are occupying. However, the lost assets in Tanzania are restricted to land and developments on land, and, where relevant, loss of profits. The lost assets under OP/BP 4.12 are much broader than land and include loss of access to livelihoods and standard of living and the policy seeks to improve them or at least to restore them to predisplacement levels.</td>
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<td>Land tenants/squatters</td>
<td>Tanzanian law does not recognize tenants as being entitled to compensation.</td>
<td>Tenants would be under category (ii) above and are among the PAP who are entitled to full, fair, and prompt compensation and other relocation assistance.</td>
<td>OP/BP 4.12 recognizes a wider spectrum of PAP. The Tanzania spectrum is limited to those who can prove proprietary rights and does not include tenants.</td>
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<td></td>
<td>Squatters may be paid compensation on the whim of the government. In some cases, however, they are not paid. This includes those who work on road reserves.</td>
<td>Squatters may fit category (iii) above and are provided resettlement assistance as well as other relocation assistance in lieu of compensation for the land they occupy.</td>
<td>OP/BP 4.12 includes squatters among the PAP entitled to resettlement assistance as well as other assistance in lieu of the land they occupy. Under Tanzanian law such people are not entitled to any assistance.</td>
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<tr>
<td>Types of affected /lost assets</td>
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<tr>
<td><strong>Land users</strong></td>
<td>Tanzania law on land appropriation and compensation is limited to those who can prove de jure or de facto land ownership; users are not eligible.</td>
<td>OP/BP 4.12 includes displaced persons who have no recognizable legal right or claim to the land they are occupying.</td>
<td>The gap between Tanzania law and OP/BP 4.12 is about eligibility and hinges upon formal/informal ownership.</td>
</tr>
<tr>
<td><strong>Owners of nonpermanent buildings</strong></td>
<td>Tanzanian law makes no differentiation between owners of permanent and nonpermanent buildings. As long as ownership can be proved, compensation is payable. Determination of compensation is based on the market value of the property. In practice though, the depreciated replacement cost approach is used, meaning that PAP do not get the full replacement cost of lost assets.</td>
<td>Under OP/BP 4.12, permanent and nonpermanent buildings need to be compensated for. Where, however, the displaced persons have no recognizable legal rights, they are to be provided with resettlement and other assistance in lieu of compensation for the land they occupy. Cash compensation levels should be sufficient to replace lost land and other assets at full replacement cost in local markets.</td>
<td>While in Tanzania compensation is based on market value, determined using the depreciated replacement cost approach for developments on land, OP/BP 4.12 requires that compensation should be sufficient to replace lost land and other assets at full replacement cost.</td>
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<tr>
<td><strong>Owners of permanent buildings</strong></td>
<td>Tanzania law requires that compensation be full, fair, and prompt. Prompt means it should be paid within six months, failure to do so incurs an interest rate equivalent to the average rate offered by commercial banks on fixed deposits. Legally, compensation for the appropriated land does not have to be paid before taking possession, but in current practice, it is usually paid before existing occupiers are displaced.</td>
<td>OP/BP 4.12 displaced persons are provided prompt and effective compensation at full replacement cost for losses of assets directly attributable to the project.</td>
<td>In terms of timing, both Tanzanian laws and OP/BP 4.12 require that compensation be paid promptly. This, however, rarely happens in practice, as can be seen in the many projects that have involved large-scale land appropriation.</td>
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<td><strong>Timing of compensation payments</strong></td>
<td>According to the 2001 Land Assessment of the Value of Land for Compensation Regulations as well as the 2001 Village Land Regulations, compensation for loss of any interest in land shall include the value of unexhausted improvements, a disturbance allowance, transport allowance, accommodation allowance, and loss of profits. The basis for assessment of any land and unexhausted improvement for purposes of compensation is the market value of such land. The market value is arrived at by the use of comparative method evidenced by actual recent sales of similar properties, or use of the income approach, or the</td>
<td>OP/BP 4.12 requires that the displaced persons be provided with prompt and fair compensation at full replacement cost for losses of assets attributable direct to the project. The replacement cost method is used to determine the amount sufficient to replace lost assets and cover transaction costs. Depreciation is not to be taken into account when applying this method. For losses that cannot easily be valued or compensated in monetary terms (for example, access to public services, customers and suppliers, or to fishing, grazing, or forest areas), attempts are made to establish</td>
<td>Tanzania law provides for the calculation of compensation on the basis of the market value of the lost land and unexhausted improvements, plus a disturbance and accommodation allowance and loss of profits where applicable. Since depreciation is applied, the amount paid in most cases does not amount to that required to replace the lost assets. Furthermore, other types of assets (besides land) are not considered.</td>
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<td>Types of affected assets</td>
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</tr>
<tr>
<td>Replacement cost method if the property is of special nature and not saleable.</td>
<td>access to equivalent and culturally acceptable resources and earning opportunities.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>In practice, for land, an attempt is made to establish market value from recent sales, but these are usually not transparent. As for unexhausted improvements in terms of buildings and other civil infrastructure, the depreciated replacement cost approach is used.</td>
<td></td>
<td>Tanzanian law does not provide for relocation and resettlement.</td>
<td></td>
</tr>
<tr>
<td>Tanzanian laws do not provide for relocation and resettlement. However, there are a few cases where the government has provided both compensation and alternative land, but this has been done at its discretion. In general, however, the government feels that it has discharged its duty once compensation is paid, and it is up to the displaced persons to resettle and reestablish themselves elsewhere.</td>
<td>OP/BP 4.12 stipulates that where project impacts include physical relocation, measures should be taken to ensure that the displaced persons are: (i) provided with assistance (such as a moving allowance) during relocation and (ii) provided with residential housing, or housing sites, or, as required, agricultural sites for which a combination of productive potential, location advantages, and other factors are at least equivalent to the advantages lost.</td>
<td>The 1967 Land Acquisition Act allows the government to appropriate the land before paying compensation. Current practice endeavors to pay compensation before taking possession of the land.</td>
<td></td>
</tr>
<tr>
<td>Under the law, the government can take possession of the appropriated land at the end of the notice to acquire period, before paying compensation. However, current practice is that possession usually occurs after payment of compensation, with displaced persons given time to vacate the land, which is usually as soon as possible.</td>
<td>OP/BP 4.12 stipulates that it is necessary to ensure that displacement or restriction to access does not take place before necessary measures for resettlement are in place. In particular, taking possession of land and related assets may occur only after compensation has been paid and, where applicable, resettlement sites and a moving allowance have been provided to the displaced persons.</td>
<td>Occasionally, in a discretionary manner, alternative land is awarded.</td>
<td></td>
</tr>
<tr>
<td>There are no legal provisions requiring the government to restore livelihood or to provide assistance toward the restoration of such livelihoods. Indeed, compensation is not payable in the case of restrictions to access to areas of livelihood opportunities. Moreover, there are no provisions that require the government to pay special attention to vulnerable groups or indigenous peoples.</td>
<td>OP/BP 4.12 requires that the resettlement plan or policy include measures to ensure that the displaced persons are (i) offered support after displacement for a transitional period, based on a reasonable estimate of the time likely to be needed to restore their livelihood and standard of living and (ii) are provided with development assistance in addition to compensation measures, such as land preparation, credit facilities, and training or job opportunities.</td>
<td>There are no transitional measures provided under Tanzanian law and practice; nor are there provisions for compensation as a result of restrictions to access to livelihood. Tanzanian law does not make provisions requiring the government to pay special attention to vulnerable groups in the administration of compensation.</td>
<td></td>
</tr>
<tr>
<td>There are few provisions related to consultation and disclosure in OP/BP 4.12 requiring consultation</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
## Types of affected /lost assets

<table>
<thead>
<tr>
<th>Types of affected /lost assets</th>
<th>Tanzanian law</th>
<th>World Bank OP/BP 4.12</th>
<th>Comparison/gaps</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tanzanian law.</td>
<td></td>
<td>informed about their options and rights pertaining to resettlement and (ii) consulted on, offered choices among, and provided with technically and economically feasible resettlement alternatives.</td>
<td>and disclosure have no equivalent in Tanzanian law and practice.</td>
</tr>
<tr>
<td>The notice, under the 1967 Land Acquisition Act, informs landowners about the president’s need to appropriate their land and their right to object. The 1999 Land Act allows displaced persons to fill in forms requiring that their land be valued and state their opinion as to what their assets are worth.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Since resettlement is not provided for legally, there are no provisions about informing the displaced persons about their options and rights; nor are they offered choice among feasible resettlement alternatives.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Grievance mechanism and dispute resolution</td>
<td>Under s. 13 of the 1967 Land Acquisition Act, if dispute or disagreement regarding any of the matters listed below is not settled by the parties concerned within six weeks from the date of the publication of notice that the land is required for a public purpose, the minister or any person holding or claiming any interest in the land may institute a suit in the High Court of Tanzania for the determination of the dispute. (i) The amount of compensation; (ii) The right to appropriate the land; (iii) The identity of persons entitled to compensation; (iv) The application of section 12 to the land; or (v) Any right privilege or liability conferred or imposed by this act.</td>
<td>OP/BP 4.12 requires that displaced persons, their communities, and any host communities receiving them are provided with timely and relevant information, consulted on resettlement options, and offered opportunities to participate in planning, implementing, and monitoring resettlement. Appropriate and accessible grievance mechanisms must be established for these groups.</td>
<td>The law in Tanzania does not provide for the establishment of grievance resolution mechanisms specific to particular resettlement cases.</td>
</tr>
<tr>
<td>In practice, the government tries to resolve grievances through public meetings of the affected persons.</td>
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</tbody>
</table>


More specific information about the legal and institutional framework is presented in annex 1.

### 5. Management Instruments

If a subproject triggers World Bank Safeguard Policy OP/BP 4.12, a Resettlement/Compensation Action Plan (RAP) consistent with this RMF must be prepared. The scope and level of detail of the RAP will vary with the magnitude and
complexity of resettlement. If the number of PAP is less than 200 persons (physically displaced or less than the 10 percent of their productive assets are lost), an **Abbreviated Resettlement/Compensation Action Plan (ARAP)** may be prepared.

The plan is based on up-to-date and reliable information about the proposed resettlement and its impacts on the displaced persons and other adversely affected groups and the legal issues involved in resettlement. The RAP covers the elements below; when any element is not relevant to project circumstances, it should be noted in the plan.

To address the impacts under this policy, the RAPs or ARAPs must include measures to ensure that the PAP are:

- Informed about their options and rights pertaining to resettlement;
- Consulted on, offered choices among, and provided with technically and economically feasible resettlement alternatives;
- Provided prompt and effective compensation at full replacement cost for losses of assets and access attributable to the project; and
- Enabled to restore and preferably improve their living standards compared to preproject ones.

Therefore, the first stage in the process of preparing the individual RAPs is the screening process to identify the land needed for the subproject and land use needs that will cause resettlement. The RAPs will contain the analysis of alternative sites undertaken during the land screening process.

The land screening process presented in the next section is designed to take advantage of and build upon the existing planning structures that developers have in place and have successfully used in the past to plan for extensions and new services.

### 5.1 Checklist Screening Form

The screening process will lead to identification, selection, and appropriation of land consistent with the provisions of OP/BP 4.12 that would be required for use by the developer for their planned activities.

In planning for expansion and/or provision of access to new areas, the first step in this process will be to develop the Resettlement/Compensation Checklist Screening Form (**annex 2**) to confirm if OP/BP 4.12 is triggered or not. If the policy is triggered, the developer will retain a technical expert to carry out the required technical work, including a fairly comprehensive land survey in the areas where the work is being planned so that engineering drawings can be prepared to provide precise and comprehensive information for planning, costing, and designing. These drawings will also include the exact location and land site parameters that the planned subproject will need.

During the land survey, technical teams will meet with the district administration to carry out a preliminary assessment to determine whether there is potential for residents on the identified sites to be affected and therefore trigger OP/BP 4.12. If there are resettlement and compensation issues, at this stage, the technical teams will use their expertise to determine the impact of these issues and whether they would be too large and costly to mitigate according to the provisions of this RMF. Based on the decision of the technical teams, a
further decision would be made to identify alternative sites/routes that have little or no resettlement and compensation issues. If no resettlement and compensation issues are involved, or if there are no alternative routes/sites possible, then the original proposed route will be maintained. The reason for this is to arm the decision makers of the subproject developers with good information and choices from the field.

Once these drawings are ready and information on the site location and land-use requirements are available, and before a final decision by the developer is made to go ahead with the subproject, the consultative and participatory process with local communities must begin by sensitizing the local/traditional administration and leaders with the tentative land needs of the subproject. The local/traditional leaders will meet, consistent with their local practices, with all the leaders of the homesteads/villages involved. It is at this first meeting of local traditional leaders and administration and homesteads/villages that the cut-off date is to be decided upon and communicated to all the homesteads/villages in the potentially affected areas.

A representative of the developer should be present at these meetings to report back on when to start the socioeconomic studies and census on the land/areas required by the subprojects resulting in loss, denial, or restriction of access to economic resources.

Therefore, as the first step in the preparation of the RAP for situations where OP/BP 4.12 is triggered, for each land site (existing or new) that has potential PAP, each developer will conduct a socioeconomic study and census to identify potential PAP at the individual, household, and vulnerable groups level.

5.2 Socioeconomic Study

The purpose of the socioeconomic study is also to collect baseline data within the chosen/targeted sites/areas/homesteads/villages, thereby enabling the social impact assessment of potentially affected populations/communities/homesteads/villages. The socioeconomic study should focus on the identification of stakeholders (demographic data), the participation process, identification of affected people (including landowners and users) and impact on their property and their production systems, the institutional analysis, and the system for monitoring and evaluation. When the subproject requires a full RAP, detailed calculation of individual and household economies and identification of all impacts will be undertaken as part of the socioeconomic study and be the determinant in the potential compensation process. Standard characteristics of the affected households include a description of production systems, labor, and household organization; baseline information on livelihoods (including production levels and incomes derived from both formal and informal economic activities); and standards of living and health status of the PAP. Under this study, a comprehensive baseline census would be conducted to identify potentially affected people on the individual and household levels as well as vulnerable groups (women, children, the elderly, female-headed households, affected internally displaced people, affected internally displaced households, and so forth) and to discourage the inflow of people ineligible for assistance. When the subproject requires just an ARAP, this socioeconomic study concentrates on specific information as noted in the ARAP guidelines.

Although the socioeconomic study and baseline census will be carried out on behalf of the subproject developers, they are best conducted by experienced, qualified social science consultants from relevant national university departments.
5.3 Resettlement/Compensation Action Plan

For impacts that are not considered minor, preparation of a full RAP is required for each site. World Bank OP/BP 4.12 article 25 requires the RAP to include:

(i) Description of the project;
(ii) Potential impacts;
(iii) Objectives;
(iv) Socioeconomic studies;
(v) Legal framework;
(vi) Institutional framework;
(vii) Eligibility;
(viii) Valuation of and compensation for losses;
(ix) Resettlement measures;
(x) Site selection, site preparation, and relocation;
(xi) Housing, infrastructure, and social services;
(xii) Environmental protection and management;
(xiii) Community participation;
(xiv) Integration with host populations;
(xv) Grievance procedures;
(xvi) Organizational responsibilities;
(xvii) Implementation schedule;
(xviii) Cost and budget; and
(xix) Monitoring and evaluation.

Annex 3 covers the content and structure of the RAP in more detail.

5.4 Abbreviated Resettlement/Compensation Action Plan

The general contents of the ARAP are:

(i) A census survey of displaced (economically or physically) persons and valuation of assets;
(ii) Description of compensation and other resettlement assistance to be provided;
(iii) Consultations with displaced people about acceptable alternatives;
(iv) Institutional responsibility for implementation and procedures for grievance redress;
(v) Arrangements for monitoring and implementation; and
(vi) A timetable and budget.

Annex 4 covers the content and structure of the ARAP in more detail.

The RAPs will be forwarded for approval to the respective district executive director in compliance with the program institutional and administrative requirements and to the REA. The REA will send the plans to the World Bank for its review and “no objection.”

For the World Bank to approve funding for any subproject that needs to appropriate land, the developer must first secure legal title to the land, consistent with the provisions of this RMF. For investments on land already owned by the developer, the World Bank will only approve
funding for the subproject when it is satisfied that the provisions of this RMF are met for cases where OP/BP 4.12 is triggered.

In cases where the land was appropriated and there were no resettlement and compensation issues, the subproject would also have seek confirmation from the World Bank that provisions of OP/BP 4.12 do not apply before funding will be approved, and must secure the site and also choose a cut-off date for that site to avoid opportunistic migration by camp followers.
6. Concepts and Methodologies

6.1 Type of Affectation

Until the exact subproject location sites are determined, it will not be possible to estimate the number of people who may be affected, since the technical details of the proposed productive investments have not yet been developed and are unknown. However, the likely displaced (economically or physically) persons can be categorized into three groups: (i) affected individuals; (ii) affected households; and (iii) vulnerable households.

6.1.1 Individual affectation

This type of affectation refers to an individual who suffers loss of assets or investments, land, property, or access to natural and/or economical resources as a result of the activities and to whom compensation is due. For example, an affected individual is a person who farms or works and lives on a farm, a pastoralist whose routes have been altered, or a person who has built a structure on land that is now required by the developer. This will include affected individuals who have economic activity, rights of way, and other servitudes on road reserves and on customary land.

6.1.2 Household affectation

A household is affected if one or more of its members is affected by the program activities, either by loss of property, land or access, or is otherwise affected in any way by program activities. This includes:

- Any members in the households—men, women, children, dependent relatives, and friends;
- Vulnerable individuals who may be too old or ill to farm along with the others;
- Members of households who cannot reside together because of cultural rules, but who depend on one another for their daily existence;
- Members of households who may not eat together, but provide housekeeping or reproductive services critical to family maintenance; and
- Other vulnerable people who cannot participate for physical or cultural reasons in production, consumption, or coresidence.

In local cultures, members of production, consumption, and coresident groups form overlapping, often incongruent sets of people who may exchange domestic or farming services on a regular basis, even though living separately.

Compensation will not be limited to people who live together in a coresident group, since this might leave out people whose labor contributions are critical to the functioning of the household; for example, among polygamous settings, each wife has her own home.
6.1.3 Vulnerable people

In Tanzania, vulnerable households may have different land needs from other households or needs unrelated to the amount of land available to them. They may already be undergoing some form of rehabilitation including training to acquire vocational skills in purpose-built centers and/or other forms of special care. Vulnerable people include:

- **Unmarried women**: These women may be dependent on sons, brothers, or others for support. Since an affected individual is able to name the person with whom he or she is linked to in dependency as part of the household, resettlement will never sever this link.

- **Elderly**: Elderly people farm or work as long as they are able. Their economic viability may depend on how much land they farm or how much they produce, because by producing even small amounts of food to “exchange” with others, they can subsist on cooked food and generous return gifts of cereal from relatives, friends, and neighbors. Losing land will affect their economic viability.

- **People living with HIV/AIDS (human immunodeficiency virus/acquired immunodeficiency syndrome)**: Relatively high percentages of the poor and total population are living with HIV or are terminally ill with AIDS. Many are beneficiaries of numerous health programs from government, international organizations, and NGOs.

- **Orphans**: Due to the impacts of the HIV/AIDS crisis that plagues Tanzania, there are a considerable number of orphaned children whose parents have died from AIDS. These children today fall into three categories of care: (i) those being looked after by an uncle, aunt, grandparents, or other close relative; (ii) those being looked after by the government, local authorities, or NGOs; and (iii) those living alone and providing for themselves and other siblings. These children are more vulnerable since they are often “voiceless”; they have no parents to defend or stand up for them and they are considered too young to be heard. Orphaned children engage in any form of economic activity to provide for themselves and their siblings, including selling paraffin or water, artisanal mining, and exploitative employment, among others.

- **Exploited children**: Despite Tanzania law and the International Labour Organization (ILO) prohibiting the exploitation of children, it is a reality that street children are either in paid employment or are on the streets in some areas in Tanzania. They tend to live in close proximity to large towns and cities.

- **Street children**: Should they become impacted by the subproject in a way that means they have to be physically relocated, their compensation cannot be in cash. They would have to be put in a United Nations Children’s Fund (UNICEF) program or registered with one of the many children’s charities operating in Tanzania. Their compensation would take the form of paying for their rehabilitation and vocational training.

- **Female-headed households**: These households may depend on husbands, sons, brothers, or others for support. However, there are also cases where women are the main breadwinner in their household even when the men have remained with the family. Women therefore need relatively easy access to health service facilities. This includes situations where the land being appropriated is used by a woman with no formal rights to it or where a woman who is dependent on a man other than her husband for her primary
income. These women should not be resettled in a way that separates them from these sources of support because the very survival of their households may depend on them. Their compensation must take into account all these factors.

- **Small-scale women farmers**: These women farmers are vulnerable because they may not have men available within the household to carry out male-specific land preparation tasks such as ringing trees or clearing or plugging land. Either male relatives in other households help them voluntarily, or they hire men and pay by cash, beer (locally brewed), or food. Land compensation specifically includes the labor costs for preparing new land, so this expense is covered for women farmers.

- **Nonfarming women**: These women earn income from other sources and/or depend on relatives for exchanges of staple foods. Because they do not farm they will not be affected by a subproject’s need for agricultural land. However, if a building owned by a woman lies on land needed by a subproject, they will receive replacement cost compensation. If someone on whom they depend is displaced/resettled, they are protected because the displaced/resettled person can name them as part of the household.

These groups are identified as particularly vulnerable to ensure that they are included in the socioeconomic and baseline study so that: (i) they are individually consulted and given the opportunity to participate in the project activities; (ii) their resettlement and compensation are designed to improve their preproject livelihood; (iii) they receive special attention to ensure that their preproject livelihood is indeed improved upon; (iv) they are given technical and financial assistance if they wish to make use of the grievance mechanisms of the project; and (v) decisions concerning them are made in the shortest possible time.

### 6.2 Categories of Affected People

The World Bank’s OP/BP 4.12 suggests the following three categories of affected people:

(i) Those who have formal rights to land (including customary/village land, traditional, and religious rights recognized under Tanzanian law);

(ii) Those who do not have formal legal rights to land at the time the census begins, but have a claim to such land or assets, provided that such claims are recognized under the national and local laws of Tanzania or become recognized through a process identified in the resettlement plan; and

(iii) Those who have no recognizable legal right or claim to the land they are occupying, using, or obtaining their livelihood from.

People described under (i) and (ii) are to be compensated for the land they lose and provided other assistance in accordance with OP/BP 4.12. People described under (iii) are to be provided with resettlement and other assistance in lieu of compensation for the land they occupy, as necessary, to achieve the objectives set out in this policy, if they occupy the project area prior to a cut-off date that is acceptable to the Bank and established by the local traditional leaders in close consultation with the potential PAP, local community leaders, and respective village and district administration. Persons who encroach on the area after the cut-off date are not entitled to compensation or any other form of resettlement assistance. All persons included in (i), (ii), or (iii) are to be compensated for loss of assets other than land.
Therefore, it is clear that all PAP, irrespective of their status or whether they have formal titles or legal rights or are squatters or otherwise encroaching illegally on land, are eligible for some kind of assistance if they occupied the land before the entitlement cut-off date (table 2). Persons who encroach the area after the socioeconomic study (census and valuation) are not eligible for compensation or any form of resettlement assistance.
Table 2: Entitlement Matrix for Various Categories of PAP

<table>
<thead>
<tr>
<th>Category of PAP</th>
<th>Type of loss</th>
<th>Compensation for loss of structures</th>
<th>Compensation for loss of land and other assets</th>
<th>Compensation for loss of income</th>
<th>Moving allowance</th>
<th>Other assistance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Property owners</td>
<td>Loss of land</td>
<td>Replacement costs at full replacement value</td>
<td>Land replacement at new site, plus land clearing by the project (fences, block work, wire, wood) in US$</td>
<td>Crops at market rates in scarce season</td>
<td>None</td>
<td>Food during construction of new site</td>
</tr>
<tr>
<td></td>
<td>Loss of structure</td>
<td>Compensation at full replacement value, not depreciated</td>
<td>Wells at US$</td>
<td>For lost rental income, lump sum cash payment of six months rent per tenant</td>
<td>Moving to be provided free by project</td>
<td>Disturbance allowance of US$100 (minimum)</td>
</tr>
<tr>
<td>Residential tenant</td>
<td>Loss of rental accommodation</td>
<td>No loss of structure, no entitlement to housing at new site</td>
<td>Stores at US$. Replacement costs for nonmoveables if installation was agreed with owner</td>
<td>No loss of income</td>
<td>Free moving if notification before deadline</td>
<td>Six months rent equivalent for disturbance</td>
</tr>
<tr>
<td>Business tenant</td>
<td>Loss of premises</td>
<td>No loss</td>
<td>Replacement cost for facilities that cannot be moved</td>
<td>For loss of business income, payment of half of turnover for six months</td>
<td>Free moving if notification before deadline</td>
<td></td>
</tr>
<tr>
<td>Encroachers (using land)</td>
<td>Loss of land</td>
<td>None</td>
<td>Where possible, assistance in securing other access to land for farming subject to approval of local authorities/communities</td>
<td>Crops at market rates in scarce season; for street vendors on right of ways, possible access to other sites/locations</td>
<td>None</td>
<td>Food during construction of new site; possible employment with civil works contractors and so forth</td>
</tr>
<tr>
<td>Squatters (living on site)</td>
<td>Loss of shelter</td>
<td>Compensation at full replacement value for structure, relocation to resettlement site, with payment of site rent</td>
<td>None</td>
<td>Payments in lieu of wages while rebuilding</td>
<td>None</td>
<td>Disturbance allowance of money if is applicable</td>
</tr>
</tbody>
</table>

Note: All payments to be made in Tanzania shillings (TSh), US$ values indicated to allow for international interpretation/conversion only.
6.3 Eligibility for Community Compensation

Communities (districts, towns, wards, and villages) permanently losing land and/or access to assets and or resources under customary rights will be eligible for compensation. Examples of community compensation could be public toilets, market places, taxi parks, schools, or health posts. The rationale for this is to ensure that the preproject socioeconomic status of communities adversely impacted is restored.

6.4 Method to Determine Cut-off Dates

The entitlement cut-off date refers to the time when the assessment of persons and their property in the identified project areas is carried out, that is, the time when the developer has identified the land needed and the socioeconomic study is conducted. After the assessment and study, no new cases of affected people will be considered. Unfinished structures would be identified and secured, and unused materials will be piled at the site so that the cut-off survey can estimate investments that should be compensated for in lieu of expenses (including labor) incurred until the cut-off date.

The cut-off date is to be determined at a meeting of the local and traditional leaders and representatives of the developer. This date and its significance will then be disseminated by local or traditional leader to all the members of each household or to every individual. This is fully consistent with the way planning meetings and other meetings are held in rural areas of Tanzania.

The establishment of a cut-off date is required to prevent people from migrating into the selected sites in hopes of receiving compensation. Therefore, establishment of a cut-off date is of critical importance. Because the time period between the cut-off date and the actual start of the productive investments (civil works and so forth) is likely to be anytime from six months on, bearing in mind that work can only begin after PAP have been compensated and any replacement structures built according to the requirements of this RMF, special attention needs to be taken to secure the sites from opportunistic invasion. These measures should include close consultation with the recognized PAP, signs that inform the general public of the intended use of the site, security patrols to identify opportunistic invaders, or other necessary measures.

The cut-off date is subject to the approval of the district executive directors and must be in full compliance with the conflict resolution mechanisms in this RMF. The cut-off date must also be communicated effectively to potential PAP and the surrounding local villages/communities.

Because most land users obtain their customary use rights from their local traditional leaders, these leaders will play a crucial role identification of land users potentially due compensation.

6.5 Method of Valuing Affected Assets

Valuation methods for affected land and assets depend on the type of asset. The land asset types identified under Tanzanian law are (i) state land not within the jurisdiction of a village and (ii) village land, including customary rights of villagers. State-owned land may be allocated free or sold on a commercial basis to developers by the minister responsible for
land administration (except perhaps for processing and registration fees). In cases where the state-owned land is being used by farmers or for instance grazed upon, settled upon, or otherwise used, the developer would be expected to pay compensation to appropriate the land. Privately owned property would have to be compensated at the market value. The guiding principle is that whoever was using the appropriated land will be provided other land of equal size and quality.

The TEDAP off-grid investment program will in most cases require the use of village lands. Therefore, valuation methods for affected land and assets would depend on the type of asset and subject to customary laws. The developer will compensate for assets and investments, including labor, crops, buildings, and other improvements according to the provisions of the RAP. Compensation rates would be market rates as of the date and time that the replacement is to be provided. Market prices for cash crops would have to be determined. Calculations for compensation would not be made after the entitlement cut-off date in compliance with this policy. For community land held under customary law, the permanent loss of any such land will be covered by community compensation, which will be in kind only. However, because OP/BP 4.12 makes no distinction between statute and customary rights, not only assets and investments will be compensated for, but also land. Thus, a customary landowner or land user on state-owned land will be compensated for land, assets, investments, loss of access, and so forth at market rates at the time of the loss.

6.5.1 Compensation payments and related considerations

Individual and household compensation will be made in cash, in kind, and/or through assistance. The type of compensation will be an individual choice, although every effort will be made to instill the importance and preference of accepting in-kind compensation if the loss amounts to more that 20 percent of the total loss of subsistence assets.

Forms of compensations:

- **Cash payments:** Compensation will be calculated in Tanzania shillings. Rates will be adjusted for inflation. Compensation may include items such as land, houses, among others.

- **In-kind:** Compensation can include buildings, building materials, seedlings, agricultural inputs, and financial credits for equipment.

- **Assistance:** Assistance may include moving allowance, transportation, and/or labor.

Compensation payments raises issues regarding inflation, security, and timing that must be considered. One reason for providing in-kind compensation is to reduce inflationary pressures on the costs of goods and services. Local inflation may still occur, thus market prices will be monitored during the compensation period to allow for adjustments in compensation values. The question of security, especially for people who will be receiving cash compensation payments, needs to be addressed by the local administration. Local banks and microfinance institutions should work closely with the local administration at this level to encourage the use of their facilities, which will positively impact the growth of the local economies. The time and place for in-kind compensation payments will be decided upon by each recipient in consultation with the developer and the district, local, and traditional administrations.
Monetary payments should be paid at an appropriate time in relation to the seasonal calendar.

6.5.2 Compensation for land

Compensation for land is aimed at providing a farmer whose land is appropriated for project purposes with compensation for land, labor, and crop loss. For this reason, and for transparency, "land" is defined as an area or homestead: in cultivation; being prepared for cultivation; or cultivated during the last agricultural season.

This definition recognizes that the biggest investment a farmer makes in producing a crop is in his or her labor. A farmer works on his/her land most of the months of the year. The major input for producing a crop is not seed or fertilizer, but the significant labor put into the land each year by the farmer. As a result, compensation relating to land will cover the market price of labor invested as well as the market price of the crop lost.

6.5.3 Land measurement

For purposes of measuring land, the unit of measurement should be that used and understood by the affected farmers. Therefore, in rural areas, if a traditional unit of measurement exists, that unit should be used. If a traditional unit of measurement does not exist in a particular area, then it is recommended that land should be measured in meters or any other internationally accepted unit of measurement. However, in such an event, the unit that is being used must be explained to the affected farmers/users and must somehow be related to easily recognizable land features that the communities are familiar with, such as using locations of trees, stumps, and so forth as immovable pegs.

6.5.4 Calculation of crop compensation rate

The current prices for cash crops have to be determined. All crops are to be compensated using a single rate regardless of the crop grown. This rate incorporates the value of crops and the value of the labor invested in preparing a new land. Determining compensation using a single rate creates transparency because anyone can measure the area of land for which compensation is due and multiply that by a single rate known to all. This approach also allows assignment of values to a previous year's land (land in which a farmer has already invested labor) and land that has been planted but has not yet sprouted. Further, it avoids contention over crop density and quality of mixed cropping. The value of the labor invested in preparing agricultural land will be compensated at the average wage in the community for the same period of time. The rate used for land compensation is to be updated to reflect values at the time compensation is paid.

Crop values will be determined based on:

- A combination of staple foods and cash crops. Specifically, the 80/20 ratio of land that farmers typically have in food crops and cash crops is used to determine the chances they would lose food crop rather than a cash crop income.

- The value of staple crops to be taken as the highest market price (over three years) reached during the year, in recognition of these factors:

  - Although most farmers grow staple crops mainly for home consumption, they always have the option of selling these crops to take advantage of the market.
- Farmers most often purchase cereals when they run out during the "hungry season," when prices are high. Compensating at a lower value might put the individual or household at risk.
- Averaging the highest price of staple foods yields a high per hectare value that reimburses for the vegetables and other foods that are commonly intercropped with staples, but are almost impossible to measure for compensation.

- The labor cost for preparing replacement land is calculated on what it would cost a farmer to prepare the replacement land. This value is found by adding together the average costs of clearing, plowing, sowing, weeding twice, and harvesting the crop. Labor costs will be paid in Tanzania shillings at the prevailing market rates.

All agricultural labor activities are included for two reasons. First, because of the need for transparency, all land labor will be compensated at the same rate. Second, it is difficult to forecast when during the growing season a farmer might need to give up his or her land. Thus, the land compensation covers all investments that a farmer will make. In certain cases, assistance may be provided to land users in addition to compensation payments, for example, if farmers are notified that their land is needed after the agriculturally critical date of March (generic date, may be different in Tanzania and across climate zones) when they will no longer have enough time to prepare another land without help. Assistance will be provided in the form of labor-intensive village hires, or perhaps mechanized clearing, so that replacement land will be ready by the sowing dates. Farmers will still continue to receive cash compensation so that they can pay for sowing, weeding, and harvesting.

6.5.5 Compensation for building and structures

Compensation will be made by replacing structures such as huts, houses, farm outbuildings, latrines, and fences. Any homes lost will be rebuilt on acquired replacement land, however, cash compensation would be available as a preferred option for structures (that is, extra buildings) lost that are not the main house or house in which someone is living. The market price for construction materials will be determined. Alternatively, compensation will be made in kind for the replacement cost without depreciation of the structure. The project will survey these prices for administrative purposes on an ongoing basis.

Compensation will be made for structures that are:

- Abandoned because of relocation or resettlement of an individual or household; or
- Directly damaged by construction activities.

Replacement values will be based on:

- Drawings of the affected individual's house and all its related structures and support services;
- Average replacement costs of different types of household buildings and structures based on collection of information on the number of and types of materials used to construct different types of structures (for example, bricks, rafters, bundles of straw, doors, and so forth);
- Prices of these items in different local markets;
- Costs for transportation and delivery of these items to acquired/replacement land or building site; and
– Estimates for construction of new buildings, including required labor.

6.5.6 Compensation for sacred sites

OP/BP 4.12 does not permit the use of land that is defined to be cultural property by the Cultural Properties Safeguard (OP/BP 4.11). Sacred sites include, but are not restricted to: altars, initiation centers, ritual sites, tombs, and cemeteries. They include other such sites or features that are accepted by local laws (including customary), practices, traditions, and cultures as sacred. To avoid any possible conflicts between individuals and/or communities/homesteads/chieftdoms, the use of sacred sites for any project activity is not permitted under the TEDAP Project.

6.5.7 Compensation for vegetables, gardens, and beehives

These include gardens planted with vegetables and ingredients for daily use. Until a replacement garden starts to bear, the family displaced (economically or physically) as a result of project land appropriation will have to purchase these items in the market. The replacement costs therefore will be calculated based on the average amount that a town dweller spends on buying these items for one year per adult from the local market.

Beekeepers place beehives in various locations in the bush. If such hives would be disturbed by the project activities or access to hives is denied, beekeepers can move them and the bees will adapt to the new locations. Beekeepers would be compensated by the value of one season's production costs of honey for each hive that is moved and any reasonable costs associated with moving the hive.

6.5.8 Compensation for horticultural, floricultural, and fruit trees

With Tanzania's highly variable weather patterns, water costs, and the fact that much of the land is not suitable for growing fruits, village areas are sparsely populated with certain types of fruit trees.

Given their significance to the local subsistence economy, which this project intends to positively impact, compensated for fruit trees will be based on a combined replacement market value. Fruit trees used for commercial purposes will be compensated at market value based on historical production records. If households chose to resettle, they will be compensated for the labor invested in the trees they leave behind, because they will continue to own the trees left behind under customary rights. It is not uncommon for individuals to own trees in other villages in which they previously lived and, in some cases, continue to harvest fruit from those trees for subsistence purposes and/or to sell to traders. If a household/individual chooses to transfer ownership of the trees, transfer costs will be paid in addition to labor costs. The compensation rate will be based on information obtained from the socioeconomic study. A compensation schedule can be developed incorporating the following goals:

– Replace subsistence fruit production yields as quickly as possible;
– Provide subsistence farmers with trees to extend the number of months of the year during which the fruit are produced and can be harvested as a supplemental source of food for their families during their "hungry season";
– Provide farmers with the opportunity to derive additional production income from trees bearing more valuable fruits at off-season periods; and
- Provide cash payments to farmers to replace preproject income derived from the sale of excess production until replacement trees produce the equivalent (or more) in projected cash income.

The compensation schedule is based on providing a combination of new grafted and local trees to farmers, as well as cash payments to offset lost yearly income. No compensation will be paid for minor pruning of trees. Compensation for removal of limbs will be pro-rated on the basis of the number of square meters of surface area removed. The total surface area of the tree will be calculated using the following formula: \((1/2 \text{ diameter of canopy}) \text{ square} \times 3.14 \) (square centimeters or square meters).
7. Implementation Process

Before any subproject is implemented, PAP need to be compensated in accordance with this RMF. For activities involving land appropriation or loss or denial or restriction to access, it is further required that these measures include compensation and other assistance required for relocation, prior to displacement, and preparation and provision of resettlement sites with adequate facilities, where required. Specifically, appropriation of land and related assets may take place only after compensation has been paid and, where applicable, resettlement sites and moving allowances have been provided to displaced persons. For program activities requiring relocation or loss of shelter, the policy further requires that measures to assist the displaced persons are implemented in accordance with the individual RAP.

The measures to ensure compliance with this policy directive would be included in the specific RAP prepared for each land involving resettlement or compensation.

When the developer presents the RAPs to the district executive director for approval, part of the screening process used to approve recommended land includes confirming that the RAPs contain acceptable measures compliant with OP/BP 4.12 that link resettlement activity to civil works. The timing mechanism of these measures would ensure that no individual or affected household would be displaced (economically or physically) due to civil works activity before compensation is made and resettlement sites with adequate facilities are prepared and provided for the individuals or homesteads affected. Once the RAP is approved by the local and national authorities, the RAP is sent to the World Bank for final review and approval.

7.1 Public Participation

Public consultation and participation are essential because they afford potential PAP the opportunity to contribute to both the design and implementation of the program activities and reduce the likelihood of conflicts between and among PAP and the developers. Tanzania’s current land administration methods, based on long standing traditional and cultural practices, make public consultation with rural communities essential. Furthermore, because rural communities are the intended ultimate beneficiaries of the project, an effective consultation with them is a prerequisite for project success. Therefore to ensure success, public consultation with potentially affected individuals, households, or homesteads should be a high priority when there are resettlement and compensation concerns.

Public consultation should begin at the start of the planning stage, when potential land sites are being considered. The participation strategy should ideally and in practice provide multiple opportunities for involvement. Therefore, as a matter of strategy, public consultation should be an ongoing activity taking place throughout the entire project cycle. For example, public consultation should also occur during the preparation of the (i) the socioeconomic study; (ii) the RAPs; (iii) the environmental impact assessment; and (iv) during the drafting and reading of the compensation contract.

Public participation and consultation should occur through multiple formats, including meetings; radio programs; requests for written proposals/comments; completion of questionnaires/application forms; public readings and explanations of project ideas and requirements; and dissemination of public documents at the national, local, and homestead
levels at suitable locations such as official residences or offices of local chiefs and elders. These formats should account for the low literacy levels prevalent in rural communities and allow sufficient time for responses and feedback.

Notwithstanding the value of broad public participation, the best guarantors for public interest are the chiefs and other local leaders who are responsible members of their local communities and can also be part of the potentially displaced (economically or physically) individuals and households.

The village chief would have a key role in the monitoring the public participation process—which is part of the individual RAPs—and in the overall monitoring and evaluation mechanism of the entire project.

7.2 Notification

The respective district and local administration leaders, who were involved in identifying the land required by the developer, will notify the local and community leaders and representatives who will help identify and locate the land users. These community leaders and representatives will also be charged with the responsibility of notifying their members about the established cut-off date and its significance. The land users will be informed through both a formal notification in writing and, for as many people as are illiterate, by verbal notification delivered in the presence of the village chief or his representative. In addition, the chief, religious leaders, other elders, and individuals who control pastoral routes, fishing areas, wild trees, beehives, or hunting areas will accompany the survey teams to identify sensitive areas.

7.3 Documentation of Holdings and Assets

Local community leaders and officials representing the developer will arrange meetings with PAP to discuss the compensation process. For each individual or household affected, representatives of the developer complete a compensation dossier containing necessary personal information on the affected party and those that he or she claims as household members, total land holdings, inventory of affected assets, and information for monitoring their future situation. This information is confirmed and witnessed by the regional land board, traditional leaders, or their representatives.

Dossiers will be updated and include documentation on lands surrendered. This is necessary to ensure an PAP can be monitored over time. All claims and assets will be documented in writing.

7.4 Agreement on Compensation and Preparation of Contracts

All types of compensation are to be clearly explained to the individual and households involved. The developer draws up a contract listing all property and land surrendered and the types of compensation (cash and/or in kind) selected. A person selecting in-kind compensation has an order form that must be signed and witnessed. The compensation contract and the grievance redress mechanisms are read aloud in the presence of the
affected party, the regional land board representative, and local community leaders prior to signing.

All property surrenders—such as land and buildings—and compensation payments will be made in the presence of the affected party, traditional and local community leaders, officials of the developer, and representatives of the local district administration.

7.5 Community Compensation Payments

Community compensation will be in kind only, for the community as a whole, in the form of reconstruction of affected facility to at least the same standard or better as required by local planning regulation. Examples of community compensation include:

- School building (public or religious);
- Public toilets;
- Well or pump;
- Market place;
- Road; and
- Storage warehouse.

Community compensation may in itself require land appropriation and people may be affected, thus additional impacts that must be considered for compensation.
The estimate of the overall cost of resettlement/compensation will be determined during the socioeconomic study. At this stage, it is not possible to estimate the number of people who may be affected since the technical designs/details have not yet been developed and land needs have not yet been identified. When these locations are known, and after the conclusion of the site-specific socioeconomic study, information on specific impacts, individual and household incomes, estimate of number of affected people, and other demographic data will be available, thus facilitating the preparation of a detailed and accurate budget for resettlement and compensation. The developer will prepare the resettlement budget and will finance this budget through administrative and financial management rules and manuals, like any other activity eligible for payment under the program. This budget will be subject to the approval of the REA and the World Bank.

At this stage, however, all that can be reasonably and meaningfully prepared is an indicative budget, highlighting key features that the budget must contain, among others, as shown in table 3.

### Table 3: Estimated Budget for Resettlement/Compensation

<table>
<thead>
<tr>
<th>Item</th>
<th>Costs Unit (in TSh/)</th>
<th>Assumptions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Compensation for loss of land</td>
<td>Per hectare</td>
<td>For land appropriation purposes, based on cost realized in projects involving similar issues in Tanzania.</td>
</tr>
<tr>
<td>Compensation for loss of crops</td>
<td>Per hectare of farm lost</td>
<td>Includes costs of labor invested and average of highest price of staple food crops as per methods described in section 6 of this RMF.</td>
</tr>
<tr>
<td>Compensation for pastoralists loss of access</td>
<td>N/a</td>
<td>Those affected would be provided with shared access or alternate routes (decision made through consultation and participation of all).</td>
</tr>
<tr>
<td>Compensation for loss of access to fishing resources</td>
<td>Per fishmonger</td>
<td>Data provided from revised socioeconomic study will determine market values of catch, fish products, and the like that are produced.</td>
</tr>
<tr>
<td>Compensation for buildings and structures</td>
<td></td>
<td>This would be in-kind compensation. New buildings would be constructed and given to those affected.</td>
</tr>
<tr>
<td>Compensation for trees</td>
<td>Per year, per tree</td>
<td>Based on methods described in this RMF.</td>
</tr>
<tr>
<td>Cost of relocation assistance/expenses</td>
<td>Per household</td>
<td>This cost is to facilitate transportation and related expenses.</td>
</tr>
<tr>
<td>Cost of restoration of individual income</td>
<td>Tsh</td>
<td>Assumed to be higher than GDP per capita.</td>
</tr>
<tr>
<td>Cost of restoration of household income</td>
<td>Tsh</td>
<td>Through employment in program activities.</td>
</tr>
<tr>
<td>Cost of training farmers, pastoralists, and other PAP</td>
<td>TSh/person</td>
<td>This is a mitigation measure that seeks to involve people affected by project activities.</td>
</tr>
</tbody>
</table>

a. These costs will be confirmed during the socioeconomic study and revised at the time payments are made.
9. **Grievance Mechanism**

At the time individual RAPs are approved and individual compensation contracts signed, PAP and households should be informed of the process for expressing dissatisfaction and seeking redress. The grievance procedure should be simple—administered at the local levels if possible to facilitate access—and flexible—recognizing that most people are illiterate—to ensure that people receive a prompt and fair resolution of their grievances.

The developer, as a party to the contract, would not be the best person/official to receive, process, and rule on disputes. Therefore, taking these concerns into account, all grievances concerning nonfulfillment of contracts, levels of compensation, or seizure of assets without compensation should be addressed to the local ward leaders for resolution.

If a complaint pattern emerges, the developer, district and regional administrators, along with the chiefs, will discuss possible remediation. Local leaders will be required to give advice concerning the need for revisions to procedures. Once necessary and appropriate changes are agreed upon and officially written up, the developer, district and regional administrators, chiefs, and homestead representatives and leaders will be responsible for communicating a description of the changed process to future potential PAP at the beginning of the consultation process.
10. Monitoring and Evaluation

For the off-grid component, the REA will be the responsible for the monitoring and evaluation (M&E) of implementation for the resettlement/compensation plans.

The TEDAP will institute an administrative reporting system that:

- Alerts authorities to the need for land appropriation for a subproject to meet technical requirements;
- Provides timely information about the valuation and negotiation process;
- Reports any grievances that require resolution; and
- Documents timely completion of project resettlement obligations (that is, payment of the agreed sums, construction of new structures, and so forth) for all permanent and temporary loses, as well as unanticipated, additional construction damage.

Consistent with the ESMF, the engineering and survey departments of the developers will be responsible for periodically reporting to the REA on M&E results, so that the REA is promptly aware of any difficulties arising at the local level.

The M&E objective will be to make a final evaluation to determine:

(i) If PAP have been compensated in full before implementation of subproject activities; and

(ii) If PAP are now living at a higher standard than before subproject implementation, living at the same standard, or if they are poorer.

A number of socioeconomic indicators will be used to determine the status of affected people (compared to preproject, land being used, standard of house, level of participation in project activities, how many kids in school, health standards, and others). Therefore, the RAPs will set three major socioeconomic goals by which to evaluate success:

(i) Affected individuals, households, and communities are able to maintain their subproject standard of living, and even improve on it;
(ii) Local communities remain supportive of the project; and
(iii) Absence or prevalence of conflicts.

The indicators in table 4 will be used to monitor and evaluate the implementation of resettlement and compensation plans.
### Table 4: Verifiable Indicators for M&E

<table>
<thead>
<tr>
<th>Monitoring</th>
<th>Evaluation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Outstanding compensation or resettlement contracts not completed before next agricultural season</td>
<td>Outstanding individual compensation or resettlement contracts</td>
</tr>
<tr>
<td>Communities unable to set village-level compensation after two years</td>
<td>Outstanding village compensation contracts</td>
</tr>
<tr>
<td>Grievances recognized as legitimate out of all complaints lodged</td>
<td>All legitimate grievances rectified</td>
</tr>
<tr>
<td>Preproject production and income (year before land used) versus present production and income of resettlers, off-farm-income trainees, and users of improved agricultural techniques</td>
<td>Affected individuals and/or households compensated or resettled in first year who have maintained their previous standard of living at final evaluation</td>
</tr>
<tr>
<td>Preproject production versus present production (crop for crop, land for land)</td>
<td>Equal or improved production per affected household/homestead</td>
</tr>
<tr>
<td>Preproject income of vulnerable individuals identified versus present income of vulnerable groups</td>
<td>Higher postproject income of vulnerable individuals</td>
</tr>
</tbody>
</table>

Source: Authors’ compilation.
Annex 1: Legal and Institutional Framework

This RMF will apply the laws, legislation, regulations, and local rules governing the use of land and other assets in Tanzania. This legal and institutional framework is presented in six sections: (i) overview of the political economy and governance in Tanzania; (ii) property and land rights, as defined by Tanzanian law and customary practice; (iii) appropriation of land and other assets, including regulations over the buying and selling of these assets; (iv) rights and compensation, particularly the accepted norms influencing people’s basic rights to livelihood and social services; (v) dispute resolution and grievance mechanisms, specifically the legal and institutional arrangements for filing grievances or complaints and how those grievances are addressed through formal and informal systems; and (vi) comparison with World Bank OP/BP 4.12, using equivalence and acceptability standards.

A1.1 Overview

Tanzania is made up of two formerly independent countries that united in 1964. Tanzania (mainland) and Zanzibar have different laws and procedures related to land and property rights. Tanzania hereafter refers to the mainland only.

Tanzania is a multiparty parliamentary democracy. The country is among the poorest nations in the world, but is developing rapidly and enjoying peace and a macroeconomic stability. The country has a central government, regional administrations, and local governments. There are 21 regions, 117 rural and urban authorities, and 12,500 villages.

Tanzania has an area of 945,087 square kilometers, a population of 40 million that is growing at around 2.5 percent per year, and experiencing rapid urbanization. Around 30 percent of the population resides in urban areas. Over 80 percent of the population depends on agriculture, but only 2 percent of rural land and 20 percent of urban land are registered. Poverty is still rampant despite macroeconomic gains in the past decades.

The preamble of Tanzania’s 1977 Constitution (as amended) sets out the basis for Tanzania to build a democratic society founded on the principles of freedom, justice, fraternity and concord, in which the executive branch is accountable to the legislature, which is composed of elected members and representatives of the people, and also to the judiciary, which is independent and dispenses justice without fear or favor, thereby ensuring that all human rights are preserved and protected. The Constitution provides for the legislative supremacy of Parliament and independence of the judiciary. It also embraces the principles of rule of law, separation of powers, and a pluralistic political system.

Tanzania Vision 2025 expresses both hope and determination in its aim to rid the country of poverty, disease, and ignorance. It seeks to do so by achieving high and sustained growth at an average of 8 percent, halving abject poverty by 2010, and eliminating poverty by 2025. The National Strategy for Growth and Poverty Reduction seeks to realize the goals of Vision 2025.

Rapid development has many times necessitated the appropriation of land from its owners for investments such as infrastructure. There is a system of land appropriation and compensation based on law and practice, and many sectors have their own laws and regulations that address the issue of involuntary resettlement.

Tanzania has a set of solid policy, legal, and institutional frameworks for management of land and property appropriation and compensation. Basic principles recognizing ownership of lands and resources are enshrined in the national Constitution and the Land Policy and Land Acts. These are further defined in local laws and bylaws.
A1.2 Property and Land Rights in Tanzania

The Tanzania Constitution provides for the rights of citizens to own property and disallows the appropriation of legally held property unless the owner is fairly and adequately compensated. Article 24 (1) states: “Every person is entitled to own property and has a right to the protection of his property held in accordance to the law.” Subarticle (2) further provides that: “…it shall be unlawful for any person to be deprived of property for the purposes of nationalization or any other purposes without the authority of the law which makes provision for fair and adequate compensation.”

The National Land Policy of 1995 and the land laws that emerged from it address the issues of: land tenure; promotion of equitable distribution of land access for all citizens; improvement of land delivery systems; fair and prompt compensation when land rights are taken over or interfered with by the government; promotion of sound land information management; recognition of rights in unplanned areas; establishment of cost-effective mechanisms for land surveys and housing for low-income families; improved efficiency in land management and administration and land disputes resolution; and protection of land resources from degradation for sustainable development.

Among the land policy fundamentals that the land laws seek to implement are the following:

- To recognize that all land in Tanzania is public land vested in the president as a trustee on behalf of all citizens;
- To ensure that existing rights in and recognized long-standing occupation or use of land are clarified and secured by the law; and,
- To pay full, fair, and prompt compensation to any person whose right of occupancy or recognized long-standing occupation or customary use of land is revoked or otherwise interfered with to their detriment by the state.

The 1999 Land Act and Village Land Act created three categories of land, namely general land, village land, and reserved land. Hazard land is an additional category.

General land consists of all land that is neither village land nor reserved land. All urban land falls under this category, except land covered by laws constituting reserved land, or that which is considered hazard land. General land is governed by the 1999 Land Act and, hence, is under the control and jurisdiction of the Commissioner for Lands. This key ministerial person has delegated much of the powers to local government land officers. Property rights can be created over general land in terms of a granted rights of occupancy for a period of 33, 66 or 99 years, confirmed by a certificate of title. Long-standing occupation of land, except on government land, is recognized as conferring property rights. In the case of land appropriation, all occupiers of land irrespective of whether they have a granted right of occupancy or not are eligible to compensation.

Granted rights of occupancy carry conditions including land development and payment of land rent. Failure to abide with these conditions can lead to the loss of the right.

Village land is defined as land under the jurisdiction and management of a registered village. Because Tanzania consists of a vast countryside with only a few urban areas, most land in the country is village land. Each village is required to define three land-use categories within its own borders: (i) communal village land, (ii) individual and family land, and (iii) reserved land (for future village expansion). Village land is held under customary tenure and the government can issue customary certificates of tenure to individuals or communities where the village is surveyed and has a Certificate of Village Land. Customary tenure is akin to freehold.

Reserved land is defined as land reserved and governed for purposes subject to nine listed laws. Reserved land includes: environmental protection areas, such as national parks, forest reserves, wildlife reserves, and marine parks as well as areas intended and set aside for spatial planning and (future) infrastructure development.
The Commissioner for Lands can convert land from one category to the other. By far the majority of land occupiers have no certificates of title, in part because land has to be surveyed before it can be issued with a title. However, there is a lot of de facto recognition of property rights for the majority of land occupiers.

The 1996 National Land Policy of Tanzania provides guidance and directives on land ownership and tenure rights and the appropriation of land and other land-based assets. The policy stipulates organization and procedures for valuing assets and delivery of compensation. The overall aim of the policy is to promote and ensure a secure land tenure system in Tanzania that protects the rights in land and resources all of its citizens. The following principles are the basis of the land policy:

- All land in Tanzania is public land vested in the president as trustee on behalf of all citizens;
- Land has value;
- The rights and interest of citizens in land shall not be taken without due process of law; and
- Full, fair, and prompt compensation shall be paid when land is appropriated.

A1.3 Appropriation and Valuation of Land and Others Assets

Land appropriation

The 1967 Land Acquisition Act is the principal legislation governing appropriation of land in Tanzania. Sections 3–18 of the 1967 Land Acquisition Act empower the president to appropriate land, and provide the procedures to be followed when doing so. The president is empowered to procure land in any locality provided that such land is required for public purposes.

The procedures provided by the Land Acquisition Act include: investigation of the land to see if it is suitable for the intended purpose; notification to landowners to inform them of the decision to appropriate their land before the president takes possession; and payment of compensation to those who will be adversely affected. The law restricts compensation to unexhausted improvements on the land, excluding the land or such improvements as land clearing and fencing. This latter situation has been rectified by the 1999 Land Act.

If land is required for public purpose, the president is required to give six weeks’ notice to those with an interest in the land in question, but, if the situation demands, the notice can be shortened without the need to give explanation. After the expiration of the notice period, the president is entitled to enter the land in question even before compensation is made.

The person whose land is appropriated is entitled to compensation if deserved as provided under sections 11 and 12 of the 1999 Land Act. The persons entitled to compensation are those interested or claiming to be interested in such land, or persons entitled to sell or convey the land, or as the government may find out after reasonable inquiries.

The 1999 Land Act clarifies and adds certain aspects to be considered when determining the compensation package. Many other laws have provisions related to land appropriation, but they will always refer back to the Land Acquisition Act and the Land Act. Some of these additional laws are: the 2004 Village Land Act, the 2007 Roads Act, the 2007 Urban Planning Act, the 2007 Land Use Planning Act, the 2010 Mining Act, among others.

Tanzania has a dual system of land tenure for public lands: (i) customary rights and (ii) statutory rights of occupancy. Land tenure rights can be held by individuals and by communities. Individual holdings can be covered by the following:

- Leasehold right of occupancy for varying periods, for example, 33, 66 or 99 years, which must be confirmed by a certificate of occupancy; and
Customary rights of occupancy that must be confirmed by a certificate (Hati ya Ardhi ya Mila) and have no term limit. Communities (villages) are allowed to hold land and to manage it, although they do not formally own the land.

**Valuation**

The 1967 Land Acquisition Act (s.14) requires the following to be considered when assessing compensation:

- The value of such land at the time of the public notification of intent to appropriate the land, without regard to any improvement, work or construction on thereafter, or to be made or constructed in the implementation of the purpose for which it is appropriated;
- If only part of the land belonging to any person is appropriated, consider any probable enhancement to land value resulting from proximity to any improvements or works made or constructed or to be made or constructed on the part appropriated; and
- Damage, if any, sustained by the person having an estate or interest in the land by reason of the severance of such land from any other land or lands belonging to the same person, or other injurious effect upon such other land or lands.

Two areas that do not need to be considered during compensation assessment are:

- Any probable enhancement in the value of the land in future; and
- The value of the land where a grant of public land has been made in lieu of the land appropriated.

A practice developed that, since land belonged to the public, the valuation for compensation excluded the value of bare land. However, two clarifications among others were made in the 1999 Land Act:

- Consider that an interest in land has value, and that value is considered in any transaction affecting that interest; and
- That in assessing compensation, the market value of the real property is considered.

Current practice is guided by the 2001 Land (Assessment of the Value of Land for Compensation) Regulations and the 2001 Village Land Regulations, which provide that the basis for assessment of the value of any land and unexhausted improvement for the purposes of compensation is the market value of such land.

The market value of any land and unexhausted improvement is arrived at by the use of the comparative method, evidenced by actual recent sales of similar properties, or by the use of the income approach or replacement cost method if the property is of special nature and not readily transacted in the market.

Assessment can only be carried out by a qualified assessor with the involvement of the government (national and local); such assessment must be verified by the chief government assessor.

Tanzania laws indicate that current market values should be used as basis for valuation of land and properties. Regulation 3 of the 2001 Land Policy (Assessment of the Value of Land for Compensation) Regulations and Part I–III of the 2002 Village Land Regulations provide for practical guidelines on compensation assessment. Full and fair compensation is only achieved by including all components of land quality. Presently, in assessing the value of the unexhausted improvements for compensation purposes, the law emphasizes that the value should be the price for which said improvements can fetch if sold on the open market. But in normal circumstances, this price is lower than the replacement value, but higher than the initial construction cost of said improvements.

A number of national laws have provisions requiring environmental and social planning for investments that may cause adverse environmental impacts to the resource and mitigation measures for individuals.
affected by development activities. Agriculture and land acts provide for the rights of individuals whose property may be appropriated and for their compensation according to national laws.

The 1982 Local Government (District Authorities) Act No. 7 and 1982 Local Government (Urban Authorities) Act No. 8 stipulate the functions of district/urban councils. Issues of land are included as objectives of functions and therefore part of the mandates of local government in their respective areas.

The prices for cash crops will be determined as the average value over the previous year, corrected for inflation. The prices for subsistence crops will be determined as the highest value over the previous year, corrected for inflation. Crop values will be determined based on a combination of staple foods and cash crops. Specifically, the 80/20 ratio of land that a farmer typically has in food crops and cash crops is used to determine the chances that he or she would lose food crop rather than cash crop income. Another way of valuing agricultural production is through the value of staple crops to be taken as the highest market price reached during the year. This is based on three factors: first, although most farmers grow staple crops mainly for home consumption, they always have the option of selling these crops to take advantage of the market. Second, farmers most often purchase cereals when they have run out, during the "hungry season," when prices are high. Compensating at a lower value might put the individual or household at risk. Third, averaging the highest price of staple foods yields a high per hectare value that reimburses for the vegetables and other foods that are commonly intercropped with staples, but are almost impossible to measure for compensation.

A1.4 Compensation

The principle of providing compensation for land that is necessarily appropriated exists in both the Constitution and the land laws.

Article 24, subarticle (2) of the Constitution states:

…it shall be unlawful for any person to be deprived of property for the purposes of nationalization or any other purposes without the authority of the law which makes provision for fair and adequate compensation.

Under the 1967 Land Acquisition Act, the government is required to pay compensation for appropriated land. The compensation may be as agreed upon, or as determined under the act. The government, in addition to paying compensation, with consent of the person entitled to compensation, may also give alternative land. There are situations where the government is compelled to give alternative land (for example, in cases where land was used as a cemetery) in lieu of or in addition to compensation. The land granted must be of the same value and held under the same terms as the land appropriated, and must be in the same local government authority area unless the person whose land is being appropriated consents to being given land elsewhere.

The Land Acquisition Act does not provide for compensation if land is vacant. Also, if land is inadequately developed, compensation is to be limited to the value of unexhausted improvements of the land.

However, provisions in the 1999 Land Act override or clarify those in the 1967 Land Acquisition Act.

In the case of appropriation, the government is required to pay full, fair, and prompt compensation to any person whose right of occupancy or recognized long-standing occupation or customary use of land is revoked or otherwise interfered with to their detriment by the state under this Act or is acquired under the Land Acquisition Act; provided that in assessing compensation for the land appropriated in the manner provided for under this Act, the concept of opportunity cost shall be based on the following:

(i) Market value of the real property;
(ii) Transport allowance;  
(iii) Loss of profits or accommodation;  
(iv) Cost of acquiring or getting the subject land;  
(v) Disturbance allowance; and  
(vi) Any other cost, loss or capital expenditure incurred to the development of the subject land.

Interest at market rate to be charged in case of delays in payment of compensation and any other costs incurred in relation to the acquisition.

The question of legal documentation is not a key consideration in compensation eligibility. In practice, at least in recent days, compensation has been paid in all cases for people who claim to be landowners and who are adversely affected by planned project. However, the definition of beneficiaries has not been considered to include tenants.

The 2001 Land (Assessment of the Value of Land for Compensation) Regulations and the 2001 Village Land Regulations provide for compensation to include the value of unexhausted improvements, a disturbance allowance, a transport allowance, an accommodation allowance, and loss of profits.

- The disturbance allowance is calculated by multiplying the value of the land by an average rate of interest offered by commercial banks on fixed deposits for 12 months at the time of loss of interest in land.
- The transport allowance is the actual cost of transporting 12 tons of luggage by road or rail, whichever is cheaper, within 20 kilometers from the point of displacement.
- The accommodation allowance is calculated by multiplying the monthly market rent for the appropriated property by 36 months.
- The loss of profit in the case of business carried out on the appropriated property will be assessed by calculating the net monthly profit, evidenced by audited accounts where necessary and applicable, and multiplied by 36 months.

Transport allowance, accommodation allowance, and loss of profit do not apply if the land appropriated is unoccupied at the date of loss of interest.

Compensation is to be paid promptly, but if it is not paid within six months, it will accrue interest equal to the average rate of interest offered by commercial banks on fixed deposits.

In the case of agricultural land, compensation is intended to provide a farmer whose land is appropriated and used for project purposes to cover the productive values of the land, labor, and crop loss. For this reason, and for transparency, "land" is defined as an area: (i) under cultivation; (ii) being prepared for cultivation; or (iii) cultivated during the last agricultural season. This definition recognizes that the biggest investment a farmer makes in producing a crop is not seed or fertilizer, but the significant labor put into the land each year by the farmer. Farmers work on their land most months of the year. As a result, compensation relating to land will cover the market price of labor invested times the amount of time spent preparing a plot equivalent to that taken. The market price of the crop lost is considered separately.

The other compensation rates cover the labor cost for preparing replacement land based on a calculated value of what it would cost a farmer to clear and create replacement land. This value is found by adding together the average costs of clearing, plowing, sowing, weeding twice, and harvesting the crop. Labor costs will be paid in Tanzania shillings at the prevailing market rates.

All agricultural labor activities are included for two reasons. First, all land labor will be compensated at the same rate. Second, it is difficult to forecast the growing season that would define appropriation of the land. The eventual consideration is when land compensation covers all investments that a farmer will make. In certain cases, assistance may be provided to land users in addition to compensation.
payments, for example, if the farmer is notified that his or her land is needed after the agriculturally critical date. Often, the timing coincides with the time when the farmer no longer has enough time to prepare another land without additional labor. Assistance will be provided in the form of labor-intensive village hire, or perhaps mechanized clearing, so that replacement land will be ready by the sowing date. The farmer will still continue to receive his or her cash compensation so that compensation can cover the costs for sowing, weeding, and harvesting.

Compensation for structures will be based on replacement cost, for example, huts, houses, farm outbuildings, latrines, and fences. Any homes lost will be rebuilt on acquired replacement land, however, cash compensation would be available as a preferred option for structures (that is, extra buildings) lost that are not the main house or house in which someone is living. The going market prices for construction materials will be determined. Alternatively, compensation will be made in kind for the replacement cost without depreciation of the structure.

Compensation will be made for structures that are abandoned because of relocation or resettlement of an individual or household or directly damaged by construction activities.

Replacement values will be based on:

- Drawings of individual households and all related structures and support services;
- Average replacement costs of different types of household buildings and structures based on collection of information on the number and types of materials used to construct different types of structures, for example, bricks, rafters, bundles of straw, doors, and so forth—for vulnerable groups, replacement values will be based on actual replacement cost;
- Prices of these items in different local markets;
- Costs for transportation and delivery of these items to appropriated/replacement land or building site; and
- Construction estimates of new buildings, including labor required.

A1.5 Dispute Resolution and Grievance Mechanism

When there is a dispute, the government tries to reach an amicable solution through discussion. If a solution is not found within six weeks, the 1967 Land Acquisition Act application can be made to the High Court of Tanzania for determination of the dispute. Every legal suit shall be governed insofar as the same may be applicable by the Civil Procedure Code, and the decree of the High Court of Tanzania may be appealed to the Court of Appeal.

Since the 2002 Courts (Land Disputes Settlements) Act, disputes concerning land appropriation and compensation are dealt with by the Land Division of the High Court.

In the case of a dispute over the amount to be paid, either the minister or the person claiming compensation may refer such dispute to the Regional Commissioner overseeing the area where the land is situated, and the decision of the Regional Commissioner shall be final.

A1.6 Comparison with World Bank OP/BP 4.12

Annex 2: Resettlement/Compensation Checklist Screening Form

A. Subproject Data

Subproject Title: ___________________________________ Date: _____________

Location: District: __________________ Province: __________________ Village: _____________

Developer: _________________________________ Social Specialist: __________________

B. Screening Questions for Resettlement Categorization

<table>
<thead>
<tr>
<th>Probable Involuntary Resettlement Effects*</th>
<th>Yes</th>
<th>No</th>
<th>Not known</th>
<th>Possible</th>
<th>Remarks</th>
</tr>
</thead>
<tbody>
<tr>
<td>– Will the subproject include any physical construction work?</td>
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<td>– Does the subproject include upgrading or rehabilitation of existing physical facilities?</td>
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<td>– Is any subproject effect likely lead to loss of housing, other assets, resource use, or incomes/livelihoods? Estimated number?</td>
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<tr>
<td>– Is land appropriation likely to be necessary? Estimated area?</td>
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<tr>
<td>– Is the site for land appropriation known?</td>
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<tr>
<td>– Is the ownership status and current usage of the land known?</td>
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<td>– Will easements be utilized within an existing right of way?</td>
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<td>– Are there any people without land titles who live or earn their livelihood at the site or within the right of way? Estimated number?</td>
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<tr>
<td>– Will there be loss of housing? Estimated number?</td>
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<td>– Will there be loss of agricultural plots?</td>
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<tr>
<td>– Will there be losses of crops, trees, or fixed assets?</td>
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<tr>
<td>– Will there be loss of businesses or enterprises?</td>
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<tr>
<td>– Will there be loss of incomes and livelihoods?</td>
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<tr>
<td>– Will people lose access to facilities, services, or natural resources?</td>
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<tr>
<td>– Will any social or economic activities be affected by land use–related changes?</td>
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</tbody>
</table>

If involuntary resettlement impacts are expected:

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<tbody>
<tr>
<td>– Are local laws and regulations compatible with the World Bank’s Involuntary Resettlement Policy?</td>
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<tr>
<td>– Will coordination with the REA be required to deal with land appropriation?</td>
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<tr>
<td>– Does the developer retain sufficient skilled staff for resettlement planning and implementation?</td>
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<tr>
<td>– Are training and capacity-building interventions required prior to resettlement planning and implementation?</td>
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</table>
### Information on affected persons:

<table>
<thead>
<tr>
<th>Question</th>
<th>Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>Any estimate of the likely number of households that will be affected by the project?</td>
<td>____</td>
</tr>
<tr>
<td>Are any of the households poor, headed by a woman, or vulnerable to poverty risks?</td>
<td>____</td>
</tr>
<tr>
<td>Are any of the PAP from indigenous or ethnic minority groups? If yes, please explain:</td>
<td>____</td>
</tr>
</tbody>
</table>

*Whenever possible, consider also any future subprojects or investments.

### B. Involuntary Resettlement/Compensation Category

After reviewing the answers above, the Project Team Leader and Social Development/ Resettlement Specialist agree, subject to confirmation, that the project is categorized as noted below.

**Project Categorization and Resettlement Planning Requirements**

- **[ ] Category A** Significant resettlement impact (more than 200 people affected), Full Resettlement/Compensation Action Plan (RAP) is required.
- **[ ] Category B** Limited resettlement impact (less than 200 people affected), Abbreviated Resettlement Action Plan (ARAP) is required.
- **[ ] Category C** No resettlement impact, no resettlement plan is required.

- [ ] Additional information is needed for categorization and is to be gathered by the REA.
- [ ] Consultant support is required to prepare RAP or ARAP.

__________________________

Developer signature

__________________________

Reviewed and accepted by REA signature
Annex 3: Guidelines for an Resettlement/Compensation Action Plan

This template is extracted from OP/BP 4.12 annex A, which can also be found on the World Bank’s Web site at www.worldbank.org.

The scope and level of detail of the resettlement plan will vary based on the magnitude and complexity of resettlement. The plan is based on up-to-date and reliable information about the proposed resettlement and its impacts on displaced persons and other adversely affected groups and the legal issues involved in resettlement. The resettlement plan should cover elements listed here, when any element is not relevant to subproject circumstances, it should be noted in the plan.

1. Subproject Description

Provide general description of the subproject and identification of the subproject area.

2. Potential Impacts

Identify (i) the subproject component or activities that give rise to resettlement, (ii) the zone of impact of such component or activities, (iii) the alternatives considered to avoid or minimize resettlement, and (iv) the mechanisms established to minimize resettlement, to the extent possible, during subproject implementation.

3. Objectives

Provide the main objectives of the resettlement plan.

4. Socioeconomic Studies

Provide findings of the socioeconomic studies conducted in the early stages of project preparation with the involvement of potentially displaced people, including:

The results of a census survey covering:

(i) Current occupants of the affected area to establish a basis for design of the resettlement program and to exclude subsequent inflows of people from eligibility for compensation and resettlement assistance;

(ii) Standard characteristics of displaced households, including a description of production systems, labor and household organization, and baseline information on livelihoods (including, as relevant, production levels and income derived from both formal and informal economic activities) and standards of living (including health status) of the displaced population;

(iii) The magnitude of the expected loss, total or partial, of assets, and the extent of displacement, physical or economic;

(iv) Information on vulnerable groups or persons for whom special provisions may have to be made; and

(v) Provisions to update information on PAP’s livelihoods and standards of living at regular intervals so that the latest information is available at the time of their displacement.

Other studies describing:

(i) Land tenure and transfer systems, including an inventory of common property natural resources from which people derive their livelihoods and sustenance, non-title-based usufruct systems (including fishing, grazing, or use of forest areas) governed by local recognized land allocation mechanisms, and any issues raised by different tenure systems in the subproject area;
(ii) The patterns of social interaction in the affected communities, including social support systems, and how they will be affected by the subproject;

(iii) Public infrastructure and social services that will be affected; and

(iv) Social and cultural characteristics of displaced communities, including a description of formal and informal institutions such as community organizations, ritual groups, and NGOs that may be relevant to the consultation strategy and to designing and implementing resettlement activities.

5. Legal Framework

The findings of a legal framework analysis covering:

(i) The scope of the power of eminent domain and the nature of compensation associated with it, in terms of both the valuation methodology and the timing of payment;

(ii) The applicable legal and administrative procedures, including a description of the remedies available to displaced persons in the judicial process and the normal timeframe for such procedures, and any available alternative dispute resolution mechanisms that may be relevant to resettlement under the subproject;

(iii) Relevant law (including customary and traditional law) governing land tenure, valuation of assets and losses, compensation, and natural resource–usage rights, customary personal law related to displacement, and environmental laws and social welfare legislation;

(iv) Laws and regulations relating to the agencies responsible for implementing resettlement activities;

(v) Gaps, if any, between local laws covering eminent domain and resettlement and the World Bank’s resettlement policy, and the mechanisms to bridge such gaps; and

(vi) Any legal steps necessary to ensure the effective implementation of resettlement activities under the project, including, as appropriate, a process for recognizing claims to legal rights to land, including claims that derive from customary and traditional usage.

6. Institutional Framework

The findings of any analysis of the institutional framework covering:

(i) The identification of agencies responsible for resettlement activities and NGOs that may have a role in subproject implementation;

(ii) An assessment of the institutional capacity of such agencies and NGOs; and

(iii) Any steps that are proposed to enhance the institutional capacity of agencies and NGOs responsible for resettlement implementation.

7. Eligibility

Definition of displaced persons and criteria for determining their eligibility for compensation and other resettlement assistance, including relevant cut-off dates.

8. Valuation of and Compensation for Losses

The methodology for valuing losses to determine their replacement cost, a description of the proposed types and levels of compensation under local law, and necessary supplementary measures to achieve replacement cost for lost assets.

9. Resettlement Measures

Describe the packages and other resettlement measures that will assist each category of eligible displaced persons to achieve the objectives of OP/BP 4.12. In addition to being technically and economically feasible, the resettlement packages should be compatible with the cultural preferences of the displaced persons and prepared with their input and participation.
10. Site Selection, Site Preparation, and Relocation

Describe alternative relocation sites considered and explain reason for selection, including:

(i) Institutional and technical arrangements for identifying and preparing relocation sites, whether rural or urban, for which a combination of productive potential, location advantages, and other factors is at least comparable to the advantages of the old sites, with an estimate of the time needed to acquire and transfer land and ancillary resources;

(ii) Any measures necessary to prevent land speculation or influx of eligible persons at the selected sites;

(iii) Procedure for physical relocation under the project, including timetables for site preparation and transfer; and

(iv) Legal arrangements for regularizing tenure and transferring titles to resettlers.

11. Housing, Infrastructure, and Social Services

Plans to provide (or to finance resettlers’ provision of) housing, infrastructure (for example, water supply, feeder roads), and social services to host populations and any necessary site development, engineering, and architectural designs for these facilities.

12. Environmental Protection and Management

Describe the boundaries of the relocation area, the assessment of the environmental impacts of the proposed resettlement, and measures to mitigate and manage these impacts (coordinated as appropriate with the environmental assessment of the main investment requiring the resettlement).

13. Community Participation

Describe the involvement of resettlers and host communities, including:

(i) Describe the strategy for consultation with and participation of resettlers and hosts in the design and implementation of resettlement activities;

(ii) A summary of the views expressed and how these views were considered in preparation of the resettlement plan;

(iii) A review of the resettlement alternatives presented and the choices made by PAP regarding their available options, including choices regarding: types of compensation and resettlement assistance; relocating as individual families or as parts of preexisting communities or kinship groups; sustaining existing patterns of group organization; or retaining access to cultural property (for example, places of worship, pilgrimage centers, or cemeteries); and

(iv) Institutionalized arrangements by which PAP can communicate their concerns to project authorities throughout planning and implementation, and measures to ensure that vulnerable groups such as indigenous people, ethnic minorities, the landless, and women are adequately represented.

14. Integration with Host Population

Describe measures to mitigate the impact of resettlement on any host communities, including:

(i) Consultations with host communities and local governments;

(ii) Arrangements for prompt tendering of any payment due to hosts for land or other assets provided to resettlers;

(iii) Arrangements for addressing any conflict that may arise between resettlers and host communities; and

(iv) Any measures necessary to augment services (for example, education, water, health, and production services) in host communities to make them at least comparable to services available to resettlers.
15. **Grievance Procedures**

Describe the affordable and accessible procedures for third-party dispute resolution for resettlement issues. Grievance mechanisms should consider the availability of judicial recourse and community and traditional dispute settlement mechanisms.

16. **Organizational Responsibilities**

Provide the organizational framework for implementing resettlement, including identification of agencies responsible for delivery or resettlement measures and provision of services; arrangements to ensure appropriate coordination between agencies and jurisdictions involved in implementation; any measures (including technical assistance) needed to strengthen implementing agencies’ capacity to design and carry out resettlement activities; provisions for the transfer to local authorities or resettlers the responsibility for managing facilities and services provided under the project and for transferring other such responsibilities from the resettlement implementing agencies, when appropriate.

17. **Implementation Schedule**

Provide an implementation schedule covering all resettlement activities from preparation through implementation, including target dates for realization of expected benefits to resettlers and hosts and termination of various forms of assistance. The schedule should indicate how the resettlement activities are linked to the implementation of the overall project.

18. **Cost and Budget**

Provide itemized cost estimates for all resettlement activities, including allowances for inflation, population growth, and other contingencies; a timetable for expenditures; sources of funds; arrangements for the timely flow of funds; and funding for resettlement, if any, in areas outside the jurisdiction of the implementing agencies.

19. **Monitoring and Evaluation**

Provide arrangements for: monitoring of resettlement activities by the implementing agency, supplemented by independent monitors as considered appropriate by the World Bank, to ensure complete and objective information; performance monitoring indicators to measure inputs, outputs, and outcomes for resettlement activities; involvement of PAP in the monitoring process; evaluation of the impact of resettlement for a reasonable period after all resettlement and related development activities have been completed; use of resettlement monitoring results to guide subsequent implementation.
Annex 4: Guidelines for an Abbreviated Resettlement/Compensation Action Plan

This template is extracted from OP/BP 4.12 annex A, which can also be found on the World Bank's Web site at www.worldbank.org.

1. Introduction

An abbreviated plan covers the following minimum elements:
(i) Description of the event that causes displacement;
(ii) A census and socioeconomic survey of displaced households and/or businesses;
(iii) Impacts caused by displacement;
(iv) Valuation of assets;
(v) Description of compensation and other resettlement assistance to be provided;
(vi) Consultations with displaced people about acceptable alternatives;
(vii) Timetable;
(viii) Budget;
(ix) Institutional responsibility for implementation and procedures for grievance redress; and
(x) Arrangements for monitoring and evaluation.

2. Statement of Problem

Describe the project activities that will cause displacement and efforts made to reduce the number of people to be displaced. Describe the site and the services currently available (schools, places of worship, public transportation, health posts, markets, and the like) and their distance from the site.

3. Legal Framework

Brief review of local laws, regulations, and procedures on land appropriation and resettlement. In case there are gaps between local laws and World Bank policy, describe ways to bridge these gaps.

4. Census and Socioeconomic Survey of Affected Properties, Families, and/or Businesses

Properties (goods and assets affected)

<table>
<thead>
<tr>
<th>Household number</th>
<th>Business number</th>
<th>Name of household head or business owner</th>
<th>Plot area</th>
<th>Description of houses and constructions</th>
<th>Uses of the property (housing, economic activity)</th>
<th>Level of affectation (total, partial, minimum)</th>
<th>Tenure status (titled owner, owner without documents, tenant, sharecropper)</th>
<th>Appraisal value</th>
<th>Comments</th>
</tr>
</thead>
</table>

(i) Households should be defined as commensal units, that is, people who eat out of the same pot.
(ii) Business should be defined as any economic activity.
(iii) Check “partial” in the case of people that can develop the current activity; if not, check “total.”
(iv) If they are not owners, include the name and address of the owner.

Socioeconomic Characteristics of Families

<table>
<thead>
<tr>
<th>Household number</th>
<th>Name of household head</th>
<th>No. of persons in household</th>
<th>No. of children &lt; 13 years of age</th>
<th>No. of adults +60 years of age</th>
<th>No. of students</th>
<th>Sources of income</th>
<th>Place of work or study and distances</th>
<th>Time living in the affected property</th>
<th>Comments</th>
</tr>
</thead>
</table>


Socioeconomic Characteristics of Businesses

<table>
<thead>
<tr>
<th>Business number</th>
<th>Name of business owner</th>
<th>Age of business owner</th>
<th>Type of activity</th>
<th>Number of employees</th>
<th>Average monthly income</th>
<th>Destination of production</th>
<th>Place of selling</th>
<th>Time of affected business</th>
<th>Comments</th>
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</table>

5. Impacts Caused by Displacement

<table>
<thead>
<tr>
<th>Household or business number</th>
<th>Loss of land</th>
<th>Loss of house or business place</th>
<th>Loss of income</th>
<th>Loss of access to educational services</th>
<th>Loss of access to health services</th>
<th>Loss of access to public services</th>
<th>Loss of access to social networks</th>
<th>Loss of access to economic networks</th>
<th>Comments</th>
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</table>

Main findings of survey

Additional information on dwelling value, willingness to be resettled, consultation meetings and so forth.

6. Proposed Assistance to Resettled Families

Description of type of assistance to be provided to PAP, terms of agreement with PAP, indication of willingness of PAP to work with discussed assistance and timetable.
- Describe how incomes will be restored or enhanced;
- Special attention on people who are aged, invalids, single mothers, or otherwise in need of special assistance;
- Describe how access to services will be restored or enhanced;
- Describe measures to reestablish socioeconomic networks; and
- Describe possible impacts on host groups and measures implemented to avoid rejection or other negative reaction.

Types of assistance

- Compensation and assistance for resettlement; and
- Resettlement to new housing.

Agreed Solutions

<table>
<thead>
<tr>
<th>Household or business number</th>
<th>Resettlement solution</th>
<th>Comments</th>
</tr>
</thead>
<tbody>
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</table>

7. Responsible Agency

Provide name of entity that will be responsible for implementation and monitoring of activities involved in relocation process. Describe the task team; analyze its capacity to implement the plan or measures to strengthen team.

8. Source of Budget and Cost Estimate
Include cost of land, housing, moving costs, administrative costs, moving allowances, settle-in allowances. Describe budget sources.

9. Resettlement Schedule

Description of activities involved, dates, budget, and comments including any follow-up activities to ensure PAP have been able to reestablish their livelihoods/living situation. This schedule should be aligned with the schedule for design and construction of the civil works.

<table>
<thead>
<tr>
<th>Activities</th>
<th>Dates</th>
<th>Budget</th>
<th>Comments</th>
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</thead>
<tbody>
<tr>
<td>Planning of census and surveys</td>
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<tr>
<td>Information to people affected</td>
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<tr>
<td>Conduct census and socioeconomic survey</td>
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<tr>
<td>Analysis of data and identification of impacts</td>
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<tr>
<td>Definition of assistance measures</td>
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<td></td>
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<tr>
<td>Serve official notice</td>
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<tr>
<td>Relocation/assistance</td>
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<tr>
<td>Follow-up visit with responsible agency</td>
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</table>

10. Monitoring and Evaluation

Institution responsible should follow up on plan implementation and readdress any activity as necessary to achieve goals.

No later than 6–12 months after the relocation date, the responsible agency will follow up with the relocated families and/or businesses to determine if they have been able to reestablish their livelihoods and living situation. If this is not the case for any or all of the persons relocated, further assistance will be provided by the relevant government institution.

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1 The 2005 Rural Energy Act.
2 The significance in establishing a cut-off date is discussed in section 6.
3 The 1977 Constitution of Tanzania (as amended), Land Act (No. 4 of 1999), Village Land Act (No. 5 of 1999), Land Regulations 2001 Subsidiary Legislation, Land Acquisition Act (1967), Land Ordinance (1923 Cap. 113), and Town and Country Planning Ordinance (1956 Cap. 378) contain provisions related to land tenure and ownership in Tanzania.