Compensation Monitoring Survey of Project Affected People (PAP) by construction of Regional Rusumo Hydro Power Project (RRHPP) on Tanzanian (Rusumo Village)

OCTOBER 2014
Executive summary

Background

Regional Rusumo Falls Hydro Power Project (RRFHPP) is implemented by the Republics of Rwanda, Tanzania and Burundi in partnership with Nile Equatorial Lakes Subsidiary Action Program (NELSAP). The hydro power plant is estimated to produce about 80 MW on the Kagera River at the Rusumo Falls located on the border between Rwanda and Tanzania under a Run of River (RoR) scheme. A Resettlement Action Plan (RAP) was prepared in accordance with World Bank (WB) social safeguard requirements; OP 4.12 “Involuntary Resettlement”, the African Development Bank (AfDB) Involuntary Resettlement policy (2003) and in accordance with the legislative policies governing resettlement in the two affected Republics of Rwanda and Tanzania. The same RAP was also officially approved by partner countries and the Financiers. The project impacts will be felt within Kirehe District in Rwanda and Ngara District in Tanzania, both districts are separated by River Kagera where Rusumo falls are located. The RAP ensures that project affected people (PAP) who will suffer any economic or physical displacement resulting from the Project, whether permanent or temporary, will be compensated in a socially responsible manner and according to good international practice. The RAP names all affected households and the types of losses they will incur.

Project Implementation Unit (PIU) conducted a compensation monitoring survey as a recommendation of the RAP to assess any changes given the changing conditions on the ground due to the construction of other infrastructure in the project area such as Japan’s International Cooperation Agency’s (JICA) - One Stop Boarder Post (OSBP) and Isaka - Kigali Railway line. The survey aimed at ensuring that all project affected people (PAP) entitled to compensation under the project are reviewed and their assets valued in accordance to the provisions of the RAP, including respecting the legislative procedures governing expropriation of people in the public interests of the two affected countries (Tanzania and Rwanda).

Objectives of the Compensation Monitoring Survey

- To assess, confirm and value assets identified in the RAP related to land acquisition for the construction of the power plant and confirm the compensation cost of each affected household in accordance to the legal procedures of the government of Rwanda and provisions of the World Bank’s policy on Involuntary Resettlement (OP 4.12), as articulated in the RAP.
- To set up and sign compensation agreements between PAP and the project as witnessed by the resettlement committee members.
- To confirm the number of vulnerable households as noted in the RAP as well as define any further assistance these households may need to ensure their full participation in the implementation of the RAP.
To confirm households which qualify for Livelihood Restoration Program so as to enable planning of the same at the district level.

Key Survey Findings and conclusions

Unlike on the Rwandan side, there were no major changes in the number of PAP as a result of the infrastructure developments within the project area. While diversion of the highway on Rwandan side caused voluntary relocation of formerly affected project people on Rwandan side, there was no such incidence on the Tanzanian side. While the RAP documented the number of individual household affected by the project to be one hundred and thirty three (133HH), the compensation monitoring survey documented two extra individual households who had been omitted by the RAP. This means that the total number of individual households who will be affected by project construction activities on the Tanzanian side are one hundred thirty five households (135 HH). The survey noted that the 91 HH will suffer both physical and economic displacement. This is because apart from being physically displaced they all have different economic activities which will be displaced by the project. (See section 4.4 of this report for details).

Forty four households (44HH) operate movable kiosks in front of the above mentioned 91 buildings. These will also suffer economic displacement. There are three operating commercial groups which will be affected by the construction of the project facilities. These include one brick making group which is made up of forty one households (41 HH) and two fishing groups, where one is made up of six households (6 HH) and the other having twenty two households (22 HH). This means that a total of one hundred thirteen households (113 HH) will suffer economic displacement only.

The total number of household affected by project construction activities on the Tanzanian side both physically and economically add up to two hundred four households (204 HH).

The total cash compensation for all affected assets is valued at four billion, eight hundred eight million, four hundred seven thousand, eight hundred sixty seven Tanzanian shillings (4,808,407,867 Tshs), which is equivalent to three million, five thousand, two hundred fifty five United States of American dollars (3,005,255 USD).

Below is a table indicating the cash compensation summary for all affected assets on Tanzanian side including transition allowances.
The table below indicates the Compensation cost summary

<table>
<thead>
<tr>
<th>NO.</th>
<th>AFFECTED ASSETS</th>
<th>COMPENSATION IN TSHS</th>
<th>COMPENSATION IN USD</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>LAND COMPENSATION COST</td>
<td>1,392,489,750</td>
<td>870,306</td>
</tr>
<tr>
<td>2</td>
<td>BUILDING COMPENSATION COST</td>
<td>1,552,243,190</td>
<td>970,152</td>
</tr>
<tr>
<td>3</td>
<td>CROPS COMPENSATION COST</td>
<td>1,225,806,250</td>
<td>766,129</td>
</tr>
<tr>
<td>4</td>
<td>GRAVE REALLOCATION COST</td>
<td>29,700,000</td>
<td>18,563</td>
</tr>
<tr>
<td>5</td>
<td>TOTAL ALLOWANCES (Transition allowances included)</td>
<td>608,168,677</td>
<td>380,105</td>
</tr>
<tr>
<td>Total Compensation cost</td>
<td><strong>4,808,407,867</strong></td>
<td><strong>3,005,255</strong></td>
<td></td>
</tr>
</tbody>
</table>

A total of six (6) households were confirmed as vulnerable and special assistance needed to enable their full participation in the RAP implementation process while enhancing their livelihood was assessed in participatory manner and documented. All affected household qualify for livelihood restoration program because they will all suffer economic losses see annex 6 details on VP.