## BASIC INFORMATION

### A. Basic Project Data

<table>
<thead>
<tr>
<th>Country</th>
<th>Project ID</th>
<th>Parent Project ID (if any)</th>
<th>Project Name</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tanzania</td>
<td>P164906</td>
<td></td>
<td>Land Tenure Improvement Project (P164906)</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Region</th>
<th>Estimated Appraisal Date</th>
<th>Estimated Board Date</th>
<th>Practice Area (Lead)</th>
</tr>
</thead>
<tbody>
<tr>
<td>AFRICA</td>
<td>May 28, 2018</td>
<td>Aug 30, 2018</td>
<td>Social, Urban, Rural and Resilience Global Practice</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Financing Instrument</th>
<th>Borrower(s)</th>
<th>Implementing Agency</th>
</tr>
</thead>
<tbody>
<tr>
<td>Investment Project Financing</td>
<td>Ministry of Finance and Planning</td>
<td>Ministry of Lands, Housing and Human Settlements Development</td>
</tr>
</tbody>
</table>

**Proposed Development Objective(s)**

To strengthen the land administration system and increase tenure security in both urban and rural areas.

**Financing (in USD Million)**

### SUMMARY

<table>
<thead>
<tr>
<th>Total Project Cost</th>
<th>75.00</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Financing</td>
<td>75.00</td>
</tr>
<tr>
<td>Financing Gap</td>
<td>0.00</td>
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</table>

### DETAILS

<table>
<thead>
<tr>
<th>Total World Bank Group Financing</th>
<th>75.00</th>
</tr>
</thead>
<tbody>
<tr>
<td>World Bank Lending</td>
<td>75.00</td>
</tr>
</tbody>
</table>

Environmental Assessment Category

B-Partial Assessment

Concept Review Decision

Track II-The review did authorize the preparation to continue
Other Decision (as needed)

B. Introduction and Context

Country Context

With steady, pro-poor growth averaging 6.5 percent per annum, Tanzania has been one of the stronger performers in Sub-Saharan Africa (SSA) over the last decade but more needs to be done to achieve its development vision. Based on the national poverty line, headcount poverty fell from 34 to 28 percent between 2007 and 2012, and extreme poverty fell by 2 percentage points over the same period, but remains high in absolute terms. While the last decade saw a reduction in overall inequality and an increase in the rate of consumption growth of the bottom 40 percent, large income and welfare differences exist between urban and rural citizens. Tanzania’s stable political and macroeconomic environment and diverse natural resources provide many opportunities for inclusive growth. For Tanzania to realize the potential presented by these strategic advantages, it will need to strengthen institutional capacity, create an open and competitive policy environment, promote public-private partnerships to raise investment levels to fill the large infrastructure gaps, raise human capital levels and coordinate across government to manage Tanzania’s rich natural resources for equitable growth.

Tanzania’s population of nearly 54 million is growing rapidly at about 3 percent per year and is expected to reach 100 million by 2040. About a third of the population lives in urban areas and at current rates it is estimated that half of the population will be living in urban areas by 2050, driven primarily by population growth and rural to urban migration. Increasing urbanization is having, and will continue to have, an impact on urban development and heightens the need to ensure sustainable urban living conditions, including housing, sanitation, and waste disposal. The population expansion will severely strain the government’s capacity to deliver services in health and education, among others.

Currently, 68 percent of the population still lives in rural areas and poverty remains high in rural areas, with about 10 million defined as poor, and 14 million in the bottom 40 percent (2012). About 73 percent of Tanzanian households depend on agriculture for their livelihoods. The sector contributes about 31.5 percent to the GDP. The agricultural sector is dominated by small farms which occupy 91 percent of Tanzania’s total farmland. Subsistence farming is at the heart of smallholder activity and 60 percent of small farms and 52 percent of large farms are producing crops exclusively. Global interest in investing in Tanzania’s rural and urban land has grown in recent years. After crop production, livestock production is a major activity for an estimated 40 percent of smallholder households and 47 percent of large-scale farms. Only a small share of the former deal exclusively in livestock (including pastoralism) compared to 19 percent of the latter. Nevertheless, smallholders contributed 99.6 percent to the livestock population in 2007/08.

Sectoral and Institutional Context

The Constitution of Tanzania provides that every person has the right to own property. Tanzania’s 1995 National Land Policy (NLP) states that all land in Tanzania is considered public land vested in the President. In 1999 the Village Land Act and the Land Act were published and established three categories of land: General, Reserved and Village Land. In 2005 the Government prepared the Strategic Plan for the Implementation of the Land Laws (SPILL), which was revised in 2013. The Five-Year Development Plan II (FYDP II) implementation strategy includes the formalization of land ownership, resolution of land disputes, and the improvement of processes for investors to acquire land. Currently, Tanzania ranks 142 of 187 economies in terms of ease of registering property in the 2018 Doing Business Report.
Tanzania has one of the lowest land registration records (<10%) in Africa. The current land registration process is not systematic but sporadic, which is expensive and does not allow for tracking of progress. While community norms may provide a perceived tenure security, as pressure on land resources increases, documentation of land rights may help property holders to be more secure and more likely to invest in improvements to the property, as well as reducing potential for land conflicts. The lack of property ownership/use data also negatively affects tax revenue and effective planning for growth and development.

Land disputes are a common feature of both rural and urban areas. Conflicts are tied to increasing population pressure; conflicting land uses, such as grazing versus cultivation; proliferating peri-urban development, overlapping land concessions, and “land grabbing”. Women’s land rights are relatively well-supported in Tanzania’s formal legal framework but women’s land rights are often undermined by customary laws, which favor male inheritance, which are widely practiced.

The 1999 Village Land Act determines that village lands may be demarcated and land use plans created to provide for Certificates of Village Land (CVL) (issued to the village first) as well as Certificates of Customary Rights of Occupancy (CCROs) for people living within the villages. The process has been slow and costly, resulting in 11,000 out of 12,500 CVLs, 13% adapted village land use plans and less than 10% of approximately 6 million households with CCROs issued.¹ In urban areas, people may apply for Certificates of Rights of Occupancy (CROs) and residential licenses, which grant the right to occupy land in non-hazardous areas. However, formal issuance of certificates is difficult for the poor to access.

The Ministry of Lands, Housing, and Human Settlements Development (MLHSSD) houses the Departments of Land Administration, Survey and Mapping, Physical Planning, and Housing. It is responsible for land administration throughout the country and supervises eight Zonal Land Administration Offices. District Councils, District Land Offices, and village land authorities are accountable to MLHSSD but are vested in the Presidents’ Office for Regional Administration and Local Government (PO-RALG). Land disputes are handled by District Land and Housing Tribunals, Ward Tribunals and Village Land Councils.

The on-going Private Sector and Competitiveness Project (PSCP) (P085009), managed by World Bank Trade & Competitiveness Global Practice, includes a substantial land administration component (US$ 35.2 million). The expected closing date of the project is July 31, 2018. At the end of PSCP the government will have a more robust and effective land administration system supported by a newly established National Integrated Land Management Information System (ILMIS) and a modern geodetic reference infrastructure for the whole country. The system and infrastructure developed will support recording of property data using various ‘Fit-For-Purpose’ approaches and technologies. Tanzanians lacking documented rights will be able to secure their rights at reasonable cost and faster with ease of retrieval for reference or other uses like conflict resolution.

As the Bank is supporting the central level land administration infrastructure, several donors are supporting on the ground pilots to issue certificates. The US Agency for International Development (USAID) is supporting a pilot to issue low cost CCROs in one district of Tanzania. The UK Department for International Development (DFID), along with Danish Aid (DANIDA) and the Swedish International Development Agency (SIDA) are also piloting approaches for issuance of CCROs. Both of these projects use the Mobile Application to Secure Tenure (MAST) which has demonstrated significant cost savings and potential for scale-up. A number of other pilot experiences - IFAD and

Finland on land use planning; World Bank financed projects for urban mass registration – provide valuable experience, procedures, costing and other information for project preparation.

Relationship to CPF

The proposed Project is included under Focus Area 1: Enhance Productivity and Accelerate Equitable and Sustainable Growth of the draft County Partnership Framework (CPF) for the years FY18-22. The growing population in Tanzania has blunted per capita income growth, and in order to generate additional productive jobs the Country must move resources from lower- to higher-value activities in agriculture and manufacturing and this will require land rights to be clarified and made more secure.

The proposed Project’s support for land administration activities, including the rollout of the new ILMIS, will support the enhanced business environment for job creation (Objective 1.1). In addition, the issuance of CCROs will improve tenure security for small holder farmers leading potentially to increased agricultural investment and productivity. The project’s focus on expanding land rights for women could, with additional support for the financial sector, improve women’s access to finance. Project activities such as acquisition of satellite imagery and the issuance of CCROs and CROs will provide better information for improved natural resource management (Objective 1.3) and greater tenure security for smallholder should encourage farmers to invest in long-term sustainable solutions and improved land management.

C. Proposed Development Objective(s)

The government of Tanzania has an overall program for land administration and strengthening tenure security estimated at US$ 300 million and an objective to increase security of land rights and efficiency in land administration to promote land based investments for social economic development in both urban and rural areas.

The proposed specific development objective (PDO) for this Project of US$75 million would be: to strengthen the land administration system and increase tenure security in both urban and rural areas.

Key Results (From PCN)

Key results indicators for the proposed project would be:

- Number of CCROs/CROs issued and registered (gender disaggregated)
- Increased number of land and property transactions
- Reduced number of land conflicts
- Increased perception of tenure security (survey data)

D. Concept Description

Potential project components:

Component 1: Increased Tenure Security which would include urban and rural mass registration, issuance of CCROs, CROs and other related activities. This component would focus on upscaling successful pilots for mass issuance of CCROs in the rural areas and CROs in the urban areas. The pilots being implemented by several donors provide good
experience, process manuals, cost figures and other information vital for preparation for issuance of CCROs in rural areas. The experience in urban areas is less clear and will require additional review and process improvements, but could build on the successful models being utilized in rural areas. The work will be done in a cost-effective manner but one that also is responsive to local social conditions, women’s tenure and potential land use conflicts (between for instance pastoralists and farmers). To the extent possible and based on the needed market analysis, this work would be outsourced with monitoring by MLHHSD.

Component 2: Land Information Management which would include the rollout of ILMIS, improvements to the geodetic network, base mapping, and establishment of a National Spatial Data Infrastructure (NSDI). The ILMIS is currently being designed and piloted through another World Bank financed project – Private Sector Competitiveness Project. However more will be needed to fully implement the system in all zonal office and to design an effective way to reach all localities for maintenance of the land information. All activities will be designed with sustainability as a key aspect of the design to ensure that the technology and infrastructure built are sustainable financially and in terms of human capacity to manage and maintain. This is important not just for ILMIS, but also for the base mapping and geodetic network.

Component 3: Institutional Strengthening which would include capacity building and legal/regulatory reform activities, public awareness campaigns and other related activities to improve land administration. MLHHSD has a wide mandate and land administration is just a part of it. This component could consider appropriate institutional arrangements for land administration for the future including the creation of a land administration agency. Training and capacity building will be a significant part of this component, which could also look at university and other training programs to improve curriculum and educational capacity.

Component 4: Project management and M&E: A Project Implementation Unit (PIU) would be established within the MLHHSD. The key tasks to be carried out by the PIU would be general project coordination, procurement, financial management, safeguards supervision, and monitoring and evaluation. Capacity building for the Ministry staff would be necessary as the proposed project would be the first World Bank funded standalone project to be implemented by the MLHHSD. Capacities exist within the Ministry but need to be strengthened to ensure successful project implementation. Equipment and training would also be needed to upgrade the capacities of the Ministry.

SAFEGUARDS

A. Project location and salient physical characteristics relevant to the safeguard analysis (if known)

Given the national scope of the need for improved tenure security, the project is seen as the first phase of a potential series of projects. The project area will include both urban and rural settlements, however the definition of areas is yet to be determined. Criteria will be developed that address both economic development potential, conflict risk, as well as equity to determine which areas will be included in the first phase.

Environmental impacts could be likely from proposed activities under Component 1, specifically from proposed construction of zonal offices and boundary demarcation, which might necessitate access roads. Construction works, acquisition, transportation and handling of construction materials and clearance of vegetation for demarcation could lead to site specific environmental impacts, which would be mitigated during project implementation. Since the designs and locations of the proposed physical works or facilities to be financed under the project are not determined at this stage, the project will prepare an Environmental and Social Management Framework (ESMF). The ESMF will provide guidance on
screening of potential environmental and social impacts and recommend appropriate safeguards instrument to be prepared. At this stage it is unlikely that the project may also support regularization of settlements. However, in case this activity is considered during implementation, the ESMF will guide the project to prepare required instrument in compliance with both World Bank Safeguard policies and the Government guidelines.

A Social Assessment (SA) will also be prepared to better understand social issues associated with land and land rights in Tanzania, including gender issues. The SA will provide a framework for more detailed social diagnostics of the selected locations at the time of systematic registration works to provide details on specific relevant social issues and appropriate mitigation measures.

B. Borrower’s Institutional Capacity for Safeguard Policies

The current capacity to manage social and environmental risks in MLHSD is inadequate and deliberate measures will be made in this project to build and enhance the capacities in this area. Further, it will be important that the project undertakes a Social Assessment (SA) to better understand social issues associated with land and land rights in Tanzania. The SA will provide a framework for more detailed social diagnostics of the selected locations at the time of systematic registration works to provide details on specific relevant social issues and appropriate mitigation measures.

It is important to note that MLHSD has various government and private sector clients due to its mandate on handling land related issues. Among others this includes roads, electricity distribution and transmission, agriculture, livestock, irrigation agencies, etc. While outside the direct scope of the Project, there is a need for further work and understanding on compulsory acquisition of land for development projects. The Project will consider undertaking a robust gap analysis between the Government’s policy and legal framework for land acquisition, as well as international good practices. The results of the analysis will contribute to the identification of key areas for review and update. Further for capacity building efforts, it will be important to consider the twinning of the project with both Ardhi and Dar es Salaam Universities to develop a home-grown course/modules on managing the impacts of land acquisition, resettlement and rehabilitation, to be included in any selected post graduate program.

C. Environmental and Social Safeguards Specialists on the Team

Mary C.K. Bitekerezo, Social Safeguards Specialist
Jane A. N. Kibbassa, Environmental Safeguards Specialist

D. Policies that might apply

<table>
<thead>
<tr>
<th>Safeguard Policies</th>
<th>Triggered?</th>
<th>Explanation (Optional)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Environmental Assessment OP/BP 4.01</td>
<td>Yes</td>
<td>The project activities are envisaged to include construction of zonal offices and boundary demarcation, which might necessitate access roads. Proposed project activities, will however have limited and site specific environmental impacts. Since details and location of most of the project activities will be defined at later stages, an Environmental and Social Management Framework (ESMF) has been considered an appropriate instrument to be prepared prior</td>
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The World Bank  
Land Tenure Improvement Project (P164906)

<table>
<thead>
<tr>
<th>Description</th>
<th>Status</th>
<th>Details</th>
</tr>
</thead>
<tbody>
<tr>
<td>Natural Habitats OP/BP 4.04</td>
<td>TBD</td>
<td>This is to be determined based on the findings of the ESMF and further project design.</td>
</tr>
<tr>
<td>Forests OP/BP 4.36</td>
<td>No</td>
<td>The policy is not triggered as the focus of most of the physical project activities will be on settlements.</td>
</tr>
<tr>
<td>Pest Management OP 4.09</td>
<td>No</td>
<td>This policy is not being triggered because the Project will not support the purchase or increased use of pesticides and other agricultural chemicals as defined under the policy. The Project will not include any support for forest plantations or other agriculture land use, which would promote pest management.</td>
</tr>
<tr>
<td>Physical Cultural Resources OP/BP 4.11</td>
<td>No</td>
<td>It is not expected that the Project will have any impact on physical cultural resources.</td>
</tr>
<tr>
<td>Indigenous Peoples OP/BP 4.10</td>
<td>TBD</td>
<td>This will be determined based on the selection of communities for the rural certificate issuance. At this time it is not expected that the project will support issuance of certificates in areas that would trigger the policy.</td>
</tr>
<tr>
<td>Involuntary Resettlement OP/BP 4.12</td>
<td>Yes</td>
<td>The proposed project may support the construction or rehabilitation of land zonal offices and district land registries. Such potential civil works may lead to the need for compulsory acquisition of land and will trigger the Bank’s Operational Policy (OP) 4.12 Involuntary Resettlement. As the details of the scope of works may not be available prior to project appraisal, a Resettlement Policy Framework (RPF) will be prepared to guide site specific resettlement action plans or their equivalent during project implementation. The framework will be publicly disclosed prior to Appraisal.</td>
</tr>
<tr>
<td>Safety of Dams OP/BP 4.37</td>
<td>No</td>
<td>This policy is not being triggered because the Project will neither support the construction or rehabilitation of dams nor will it support other investments related with services of existing dams.</td>
</tr>
<tr>
<td>Projects on International Waterways OP/BP 7.50</td>
<td>No</td>
<td>The project does not affect international waterways.</td>
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<tr>
<td>Projects in Disputed Areas OP/BP 7.60</td>
<td>No</td>
<td>None of the project activities is in disputed areas.</td>
</tr>
</tbody>
</table>

**E. Safeguard Preparation Plan**

Tentative target date for preparing the Appraisal Stage PID/ISDS

May 07, 2018
Time frame for launching and completing the safeguard-related studies that may be needed. The specific studies and their timing should be specified in the Appraisal Stage PID/ISDS

The ESMF and RPF will be prepared during preparation. Draft TORs have already been shared with the Ministry to begin work. A social assessment will also be done during the preparation period.

**CONTACT POINT**

**World Bank**
Victoria Stanley  
Sr Land Administration Specialist

**Borrower/Client/Recipient**
Ministry of Finance and Planning

**Implementing Agencies**
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**APPROVAL**

| Task Team Leader(s): | Victoria Stanley |