THE UNITED REPUBLIC OF TANZANIA

COVER NOTE
Tanzania Energy Development and Access Project (TEDAP)
Safeguard Documents

This introductory page provides a brief background to the attached safeguard documents: the Environmental and Social Management Framework (ESMF) and the Resettlement Policy Framework (RPF) for the Tanzania Energy Development and Access Project (TEDAP). Following the restructuring of the Energy Rural Transformation Project (ERTP) some of its components have been subsumed into TEDAP. TEDAP has 3 components: i) on-grid, ii) off-grid and iii) technical assistance. For the purposes of public disclosure, the Environmental and Social Management Framework (ESMF) and the Resettlement Policy and Framework (RPF) for the on-grid have already been prepared and disclosed and are hereby referred as (Part A).

For the off-grid component the following safeguard documents are attached for disclosure: the Environmental and Social Management Framework (ESMF) and the Resettlement Policy and Framework (RPF) are being disclosed as (Part B).

All TEDAP environment and social documents have been updated to reflect the transition from ERTP to TEDAP; including changes in project name and implementation schedule. They have been in part also re-written to reflect the more substantive institutional arrangements in the new project. The above-mentioned documents have been prepared and were reviewed with MEM and TANESCO to ensure readiness for disclosure in the Bank’s info-shop, and in country in line with the safeguard policies of GoT and the World Bank.
Tanzania Energy Development and Access Project (TEDAP)

P092154

Offgrid component

RESETTLEMENT POLICY FRAMEWORK

(RPF)
Part B
(July 2007)
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Glossary of Key Terms

- **Cut-off Date** – refers to a day on and beyond which any person who occupies land required for project use, will not be eligible for compensation. The date is often the day when the assessment of persons and their property in the project area commences.

- **Environmental and Social Management Framework (ESMF)** - report is a safeguards instrument (document) which establishes a mechanism to determine and assess future potential environmental and social impacts of productive investments of project sponsors that have successfully qualified under the proposed TEDAP off-grid component, then to set out mitigation, monitoring and institutional measures to be taken during design, implementation and operation of the project activities, to eliminate adverse environmental and social impacts, offset them, 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 RPF.

- **Market rate** – based on commercial terms according to Tanzania law for sale of land.

- **Project Affected Persons (PAPs)** – are persons affected by land use or acquisition needs of the project sponsors supported activities. These person(s) are affected because they may lose shelter, denied or restricted access to economic assets, income sources or means of livelihood. These persons are affected whether or not they must move to another location.

- **Project Sponsors** – Project Sponsors are the private (or commercialized public) service providers and operators in the electricity sector, such as Tanzania Electric Supply Company Limited (TANESCO), off-grid service providers, including private sector, cooperatives, NGOs.

- **Resettlement and Compensation Plan (RAP)**, is also known as a Resettlement Action Plan or Resettlement Plan – is a resettlement instrument (document) to be prepared when project activities are identified, that require land acquisition 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. RAPs are prepared by the party impacting people and livelihoods (in this case the project sponsors) in this manner and contains specific and legal binding requirements to be taken by that party to resettle and compensate the affected party before project activities causing this adverse impact are implemented.

- **Resettlement Policy Framework (RPF)**, is also a resettlement instrument (this document) that is prepared by the borrower (in this case by the Government of Tanzania, represented by the Ministry of Energy and Minerals) when project activities that require land acquisition 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, are not identified at the project preparation stage. The RPF is therefore prepared and disclosed before the
proposed project is appraised setting out the 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 project, when project activities are identified. The RAP is prepared consistent with the provisions of the RPF.
A. INTRODUCTION

1. Tanzania’s low electricity access rates are serious constraints in rural areas. Despite healthy real economic growth (above 5% p.a. since 2001), low inflation and adequate foreign exchange reserves, access rates remain low: less than 10% of the overall population and only about 1% of the rural population have access electricity. These low rates are a major constraint to higher rural non-farm incomes and an improved quality of life that can be gained not just from improved household lighting, but also from productive uses and improved service delivery in rural health, education and water facilities.

2. To address these constraints, GoT has launched an ambitious access scale-up program through an establishment of the Rural Energy Agency and the Rural Energy Fund with a target to reach 25% electrification by 2010, using lower-cost technology and transparent, results-oriented subsidies delivered to Tanzania Electric Supply Company Limited (TANESCO), a restructured parastatal utility, as well as to other competitive service providers (private sector, cooperatives, NGOs etc.). To maximize the impact, there will be a 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 ten years than is possible with just a household connection program.

3. Following the launching of Tanzania’s revised National Energy Policy, formally adopted in 2003, a restructuring of the energy sector was initiated. The policy made a division between commercial and rural energy services, giving the Ministry of Energy and Minerals (MEM) 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 set up, and a fund for subsidising non-profitable energy provision. In 2005, a new law\(^1\) was passed, enabling the establishment of a Rural Energy Agency (REA) and a Rural Energy Fund (REF). REA Board has been appointed and its management is being recruited.

4. As part of this strategy, the GoT has asked the World Bank to include an offgrid electrification component in the proposed Tanzania Energy Development and Access Project (TEDAP). The overall development objectives of this project are to (i) improve the quality and efficiency of the provision of electric service, and to (ii) establish a sustainable basis for access expansion. To that extent, the project will have a grid and an offgrid component. The present ESMF covers the offgrid component of TEDAP. Separate safeguard documents have been prepared and disclosed for the grid component.

5. The purpose of the offgrid component is to support an institutional set-up for the newly established Rural Energy Agency (REA) and develop and test new offgrid electrification approaches for future scale-up. The project will support this new approach to rural electricity access by funding capital subsidies, business development and

\(^1\) The Rural Energy Act, 2005
operational support, with technical assistance to build the capacity of sector institutions and new service providers. The project will provide IDA funds, GEF grants, and facilitate “carbon finance” for purchases of carbon reduction credits.

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

6. Therefore, to achieve these objectives, the TEDAP is structured into three components as follows;

(i) The **grid component** to focus on urgent investments in Tanzania Electric Company Supply Limited (Tanesco) transmission and distribution network, tentatively **US$85 million**.

There are large investment needs in transmission and distribution as little investment has gone into maintaining and replacing T&D systems since the late 1980’s. Tanesco’s current 5-yr investment plan focuses on capacity expansion and needs to be complemented with measures to exploit recent advances in energy efficiency and demand-side management interventions. Of a cumulative investment plan of about US$ 1.3 billion (which includes access expansion), TANESCO has identified urgent T&D investments of over US$ 100 million for key urban areas, for which bidding packages are either under preparation or can be prepared very quickly by technical consultants.

The grid component would improve the capacity of existing networks, thus contributing to the financial recovery of Tanesco; improve service quality for existing clients; and allow new clients to connect to the grid in the major urban areas, which are the main growth centers. The project would apply some innovative features for improved technical and commercial performance in these areas, based on experiences in other countries (e.g. Nigeria) to maximize impact of the investments.

Specifically, these investments will improve the power system performance by reducing system losses, frequent outages due to overloaded transformers and old equipment, low and fluctuating voltage conditions and poor system power factors. The investments will include adding, replacing or upgrading transmission and distribution lines and substations and medium and low voltage equipment, meters, spare parts and tools. The project will support investments that aim at improving (i) distribution networks for reliable supply (ii) commercial character, (iii) customer interface of TANESCO, and possibly (iv) limited access expansion. The main rationale of these investments is to create value in the electricity business,
and to demonstrate its viability in a replicable manner. The component will be implemented by Tanesco.

(ii) The **offgrid component of US$14 million** (plus US$6.5 million of GEF) would support an institutional set-up for the newly established Rural Energy Agency (REA) and develop and test new offgrid electrification approaches for future scale-up. The investments would concentrate particularly on the demonstration of sustainable solar market packages and PV market development (scaling up SIDA’s ongoing operation); the implementation of several offgrid electrification mini-grids; and the testing of new service provision models (including private sector, coops, NGOs). The project would also support development of small, renewable, grid-connected projects. Consistent with the JAS growth strategy, the offgrid component will also focus primarily on those offgrid areas where provision of electricity can spur economic growth (sub-project screening includes an analysis of the productive use potential). The component will be implemented initially by the Ministry of Energy and Minerals (MEM) and passed on to REA once REA’s implementation capacity is established. (SIDA would support capacity building TA for REA). The component would follow a phased approach, so that the model projects can be developed in line with the growing REA capacity.

(iii) The **technical assistance component of US$ 6 million for a technical assistance** will support preparation of the comprehensive access expansion strategy and syndication plan, new investment packages (grid and offgrid), support for legal/technical/financial advisory support for the next least cost IPP, technical studies to optimize TANESCO operations, support to independent offgrid operators, capacity building for TANESCO and REA, and monitoring and evaluation.

7. The proposed RPF will regulate environmental and social aspects of the offgrid component only. Safeguards documents for the grid component have been prepared separately. Specifically, under the offgrid component, Project Sponsors may receive financing to rehabilitate and expand their physical infrastructure to provide access to new customers. It is envisaged that some of these sub projects will involve expansion of servitudes, existing grids, new grids (interconnected or interdependent for transmission and distribution), sub stations, power stations, micro-hydro facilities.

8. Under this Component therefore, land would have to be acquired or reserved servitudes (rights of ways) used to locate these new infrastructure requirements. However, since Tanzania is such a large country, approximately 945,000 km², with a population size of only about 36m, representing an average population density as low as 38 persons/sq. km, and also because most of these investments would be for the extension of distribution lines, it would be possible in a majority of cases to make significant efforts to locate these physical infrastructural investments on land that deliberately avoids or minimizes impacts on people, land, property, including and especially peoples access to natural and other economic resources, as far as is possible.
9. Notwithstanding, land acquisition and/or land use by the project sponsors that may lead to either the physical or economic displacement of people or their loss, denial or restriction of access to economic resources and therefore ultimately to resettlement and compensation of people seems inevitable in some cases for certain types of investments. It is expected that these cases would be few and far between, and would be the exception rather than the rule. This is possible because of the uneven and varying settlement patterns and population densities across Tanzania, since significantly large portions of the country are designated as environmentally sensitive areas\(^2\), such as the national parks and the surrounding/adjacent areas of many wetlands, lakes and rivers, etc. The areas around national parks and game reserves are generally very lightly populated and those around wetlands, river and lakes are more densely populated due to livelihood opportunities for many Tanzanians, from use of economic resources in these ecosystems.

10. When these cases occur, the World Bank Operational Policy OP4.12 on Involuntary Resettlement and certain laws of Tanzania will be triggered.

11. At this stage of preparation of the TEDAP however, the Government of the Tanzania or intended Project Sponsors are not required to prepare a Resettlement and Compensation Plan since the sub project locations have not yet been identified and therefore their land needs have also not been determined. However, the Government of the Tanzania is required by the World Bank to prepare a Resettlement Policy Framework (RPF) during project preparation to be publicly disclosed in Tanzania and at the info shop of the Bank, before appraisal of this project. The RPF establishes the 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 offgrid component. The RPF is prepared to the standards of the GoT’s own policy on resettlement and the policy of the World Bank, OP4.12.

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

13. This RPF covers the following sections;

   B. Principles and objectives governing resettlement preparation and implementation.

   C. A description of the process for preparing and approving resettlement plans.

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\(^2\) Tanzania has a much bigger land surface area devoted to resource conservation (29%) than most countries. The hierarchical protected-area system consists of national parks (12), game reserves (28), the Ngorongoro Conservation Area (1), and game-controlled areas (38), comprising a total of 240,000 km\(^2\). In addition to the wildlife-protected areas, there are 540 forest reserves covering 132,000 km\(^2\), equivalent to 15% of the total woodland and forest area in Tanzania. There is also the Mafia Island Marine Park.
D. Land acquisition and likely categories of impact.

E. Eligibility criteria for defining various categories of project affected persons.

F. A legal Framework reviewing the fit between the laws of Tanzania and regulations and Bank policy requirements and measures proposed to bridge any gaps between them.

G. Methods of valuing affected assets.

H. Organizational procedures for the delivery of entitlements, including, for projects involving private sector intermediaries, the responsibilities of the financial intermediary, the government, and the private developer.

I. A description of the implementation process, linking resettlement implementation to civil works.

J. A description of the grievance redress mechanisms.

K. A description of the arrangements for funding resettlement, including the preparation and review of cost estimates, the flow of funds, and contingency arrangements.

L. A description of mechanisms for consultations with, and participation of, displaced persons in planning, implementation, and monitoring.

M. Arrangements for monitoring by the implementation agency and, if required, by independent monitors.

14. This RPF governs all activities funded under the TEDAP’s offgrid component, and is to be used in conjunction with the Environmental and Social Management Framework (ESMF) that has also been prepared for this program as a separate stand alone document, also disclosed at the Bank info shop and in Tanzania.

B. PRINCIPLES AND OBJECTIVES GOVERNING RESETTLEMENT PREPARATION AND IMPLEMENTATION.

The impacts due to involuntary resettlement from development projects, if left unmitigated, often gives 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 being weakened; kin groups being dispersed; and cultural identity, traditional authority, and the potential for mutual help are diminished or lost.
The World Bank Safeguard policy OP 4.12, in most cases, is triggered because the project activity causes land acquisition, whereby a physical piece of land is needed and people may be affected because they are cultivating on that 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 any other way which may not be possible during and after the project is implemented. Therefore, people are in most cases 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 offgrid component is unlikely.

Therefore, the objectives of this policy are the following;

(i) Involuntary resettlement and land acquisition should be avoided where feasible, or minimized, exploring all viable alternatives.

(ii) Where involuntary resettlement and land acquisition is 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 the project benefits. Displaced and compensated persons should be meaningfully consulted and should have opportunities to participate in planning and implementing resettlement programs.

(iii) Displaced (economically or physically) and compensated persons should be assisted in their efforts to improve their livelihoods and standards of living or at least to restore them, in real terms, to pre-displacement levels or levels prevailing prior to the beginning of project implementation, whichever is higher.

Affected people, according to the Bank Safeguard Policy OP 4.12, refers to people who are directly affected socially and economically by the bank assisted investment projects, caused by:

(a) the involuntary taking of land and other assets resulting in:
   a. relocation or loss of shelter
   b. loss of assets or access to assets
   c. loss of income sources or means of livelihood, whether or not the affected persons must move to another location;

or

(b) the involuntary restriction or access to legally designated parks and protected areas results in adverse impacts on the livelihood of the economically or physically displaced persons.

The Bank Safeguard Policy OP 4.12 applies to all components under the program, whether or not they are directly funded in whole or in part by the Bank.
The policy applies to all (economically or physically) displaced persons regardless of the total number affected, the severity of impact and whether or not they have legal title to the land. Particular attention should be paid to the needs of vulnerable groups among those (economically or physically) displaced especially those below the poverty line; the land less, the elderly, women and children, indigenous groups and ethnic minorities or other (economically or physically) displaced persons who may not be protected through the GoT’s Land compensation legislation.

In particular for the TEDAP, the policy also requires that the implementation of individual resettlement plans are a prerequisite for the implementation of the project sponsors activities requiring land acquisition/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. It is further required 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, the taking of land and related assets may take place only after compensation has been paid and where applicable, resettlement sites, new homes, related infrastructure, public services and moving allowances have been provided to economically or physically displaced persons. Furthermore, where relocation or loss of shelter occurs, the policy further requires that measures to assist the displaced persons are implemented in accordance with the resettlement plan of action.

In this program, implementation of the project sponsors subprojects are expected to have overall positive social impacts, simply because increased access to affordable and reliable power in peri rural areas, and in health and education facilities and in agriculture, and employment creation opportunities, will thereby significantly increase the standard of living of peri-urban and rural residents. Notwithstanding, there are considerable risks to the success of the project as a whole if the negative social impacts on some of the targeted beneficiaries (i.e. the rural poor) are left unmitigated. These negative social impacts include denial, restriction or loss of access to the economic resources in the areas that may be required by the project sponsors in pursuance of their activities. When this happens, people will be impacted and resettlement and compensation cannot be avoided and the World Bank Safeguard Policy OP 4.12 will be triggered even though they may not have to physically move to another location.

Offering Project Affected People the opportunity to continue to participate in the planning process that would lead to the preparation of Resettlement Plans is mandatory and Section L of this RPF deals with this requirement. Moreover, offering Project Affected People the opportunity for employment in project activities or to be providers of services during construction of the civil works, e.g. for supply of construction materials (e.g. gravel, sand etc.), will provide additional income generating opportunities to a significant number of impacted persons who may potentially have to be resettled.

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 in Section B of this RPF.
this to happen it would bring to bear additional pressures on the whole planning process, compensation budgets and increase the tendency for conflict among users. This has major considerations therefore when establishing the cut-off dates. The establishment of cut of dates is discussed in Section E.

A major object of this RPF is to ensure that project affected persons are meaningfully consulted, have participated in the planning process, are adequately compensated to ensure that their livelihood has been restored or improved and that the process has been a fair and transparent one.

C. DESCRIPTION OF THE PROCESS FOR PREPARING AND APPROVING RESETTLEMENT PLANS.

The RPF has been prepared since the location of the sub-projects to be financed under TEDAP offgrid component is not known at the time of the preparation of the project. Once the individual sub-projects are identified and if OP 4.12 is triggered individual Resettlement Plans must be prepared, consistent with this RPF.

To address the impacts under this policy, resettlement plans must include measures to ensure that the project affected persons are;

(a) informed about their options and rights pertaining to resettlement.

(b) consulted on, offered choices among, and provided with technically and economically feasible resettlement alternatives.

(c) provided prompt and effective compensation at full replacement cost for losses of assets and access attributable to the project.

(d) enabled to restore and preferably improve their living standards compared to pre-project ones.

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

The targeted project sponsors will be the service providers and operators in the electricity sector, including Tanzania Electric Supply Company Limited (TANESCO) and other project sponsors, such as private sector companies, cooperatives, NGOs in the offgrid areas and on the renewable energy side -- solar PV technology, Micro-hydro power, wind, biomass, etc.

The land screening process presented here below is designed to take advantage of and to build upon the existing planning structures that the project sponsors have in place and have successfully been using in the past to plan for extension and new services.
The Land Selection Screening Process

This process would lead to the identification, selection and acquisition of Land consistent with the provisions of OP 4.12 that would be required for use by the project sponsors for their planned activities.

In planning for expansion and/or provision of access to new areas, as is current practice, the first step in this process would be for the project sponsors to acquire expert assistance (technical teams) to carry out the required technical work. The technical teams will carry out a fairly comprehensive land survey in the areas where the work is being planned to enable engineering drawings to be prepared that would provide precise and comprehensive detailed information for planning, costing and designing. On these drawings also, will be information on the exact location and land site parameters that the planned sub project will need. This is the modus operandi of the project sponsors at the moment.

During the land surveying exercises, the technical teams will meet with the District administration to carry out a preliminary assessment to determine whether there may be potentially affected people on the sites they have identified on the drawings that may trigger the provisions of OP4.12 as detailed in Section. If there are resettlement and compensation issues, at this stage, the technical teams will use their discretion based on their acquired skills, to determine the impact of these issues and whether they would be fairly large and too costly to mitigate according to the provisions of this RPF. 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 project sponsors 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, before a final decision by the project sponsors is made to go ahead with the project, for cases where resettlement and compensation issues arise, the consultative and participatory process with local communities must begin at this stage by sensitizing the respective local/traditional administration and leaders about the tentative land needs of the sub project. The respective local/traditional leaders will meet consistent with their local practices, with all the respective leaders of the homesteads/villages involved. It is at this first meeting of the local traditional leaders and administration and homesteads/villages that the cut-off date is to be decided for each affected land/area and communicated to all the homesteads/villages in the potentially affected areas.

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3 The significance in establishing a cut of date is discussed in Section E.
A representative of the Project Sponsor would have to be present at these meetings to report back to the Project Sponsors on when to start the socio-economic studies and census on the land/areas required by the sub projects resulting in loss, denial, restriction of access to economic resources.

Therefore, for the situations where OP4.12 apply, for each land site (whether existing or new) that has potential PAPs, each project sponsor will commission the carrying out of a socio-economic study and a census to identify the potential PAPs on the individual, household and vulnerable groups level, as the first step in the preparation of the RAPs.

The purpose of the socio-economic study is also to collect base line data within the chosen/targeted sites/areas/homesteads/villages thereby enabling the social impact assessment of potentially affected populations/communities/homesteads/villages. The socio-economic study would focus on the identification of stakeholders (demographic data), the participation process, identification of affected people (including owners and users of land) and impact on their property and their production systems, the institutional analysis and the system for monitoring and evaluation. Detailed calculation of individual and household economies and identification of all impacts will be undertaken as part of the socio-economic study and be the determinant in the potential compensation process. Standard characteristics of the affected households, including a description of production systems, labor, and household organization, and 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 PAPs. Under this study a comprehensive base line census would be carried out to identify potentially affected people on the individual and household levels, vulnerable groups (women, children, the elderly, female headed households, affected internally displaced people, affected internally displaced households, etc.) and to discourage inflow of people ineligible for assistance.

The socio-economic study and baseline census will be carried out on behalf of the project sponsors. The socio-economic study and baseline census data and studies are best carried out by qualified consultants in the field of social sciences and experienced relevant national university departments.

On completion of the socio-economic study and the baseline census the project sponsor will prepare a resettlement and compensation plan (RAP) for each site that is affected by resettlement and compensation.

The approval of the respective District Executive Director and the World Bank through the Department of Energy, for the process of land selection and screening will be sought by the project sponsors.

Where the impacts on the entire displaced population are minor (i.e. if affected people are not physically displaced and less than 10% of their productive assets are lost) or fewer than 200 people are displaced (economically or physically) per project sponsor, the bank may approve the preparation of an Abbreviated Resettlement Plan (ARAP). The contents of the ARAP are to be:
(a) a census survey of displaced (economically or physically) persons and valuation of assets.
(b) Description of compensation and other resettlement assistance to be provided.
(c) Consultations with displaced people about acceptable alternatives.
(d) Institutional responsibility for implementation and procedures for grievance redress.
(e) Arrangements for monitoring and implementation, and
(f) A timetable and budget.

For impacts that are not considered minor, the preparation of a Resettlement Plan (RAP) is required for each site. World bank OP 4.12 article 25 sets the requirements of the RAP to include:

(a) Description of the project;
(b) Potential Impacts;
(c) Objectives;
(d) Socioeconomic Studies;
(e) Legal Framework;
(f) Institutional Framework;
(g) Eligibility;
(h) Valuation of and compensation for losses;
(i) Resettlement measures;
(j) Site selection, site preparation, and relocation;
(k) Housing, infrastructure, and social services;
(l) Environmental protection and management;
(m) Community participation;
(n) Integration with host populations
(o) Grievance procedures;
(p) Organizational responsibilities;
(q) Implementation schedule;
(r) Cost and budget
(s) Monitoring and evaluation.

The resettlement and compensation plans would then be forwarded for screening and approval to the respective District Executive Director in compliance with the program institutional and administrative requirements.

All approved productive investments that trigger OP4.12 and their resettlement and compensation plans would be subject to the final approval of the World Bank to ensure compliance with bank safeguards. Thus ensuring that before land is actually acquired or access to resources is lost, denied or restricted, that the individual resettlement and compensation plans are in line with the directive of OP 4.12.

For the World Bank to approve funding for any project sponsor that needs to acquire land to support proposed investments under this program, the project sponsor must first secure legal title to land that is acquired, consistent with the
provisions of this RPF. For investments on land that is already owned by the project sponsor, the World Bank will only approve funding for the project sponsors sub projects once it is satisfied that the provisions of this RPF were met in cases where OP 4.12 apply.

In cases where the land was acquired and there were no resettlement and compensation issues the project sponsors would have to also seek the confirmation of the World Bank that provisions of OP 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 so that opportunistic migration by camp followers can be avoided.

The above screening process should be used by the project sponsors in their preparation of their productive investments to enhance their likelihood for approval.

Furthermore, the respective District Executive Directors (DEDs) should as a guideline consider the cumulative factor and not approve multiple sites that have individual high impact intensity. For example, where land acquisition is required to such an extent that it would require more than 20% of a community’s/village or individual’s/homestead’s total land under use or when the mitigation measures are so cumbersome that their efficacy cannot be predetermine or they cost more than 15% of the investment budget.

Before the decision to approve a site is taken, the DEDs would need to approve or disapprove the resettlement and compensation plans of the project sponsors proposed investments in totality with the overall environmental and social screening process that has been applied for each of their proposed investments and to also approve or disapprove of the proposed mitigation measures, if any.

The proposed investments are expected to be significantly large (in terms of geographical coverage) and in the context of Tanzania’s long and strong cultural practices governing rural life, the cumulative effect of even minimal resettlement in this program, on the entire country’s way of life must be made and reviewed at the level of the DEDs on the possible impact these mitigation measures would have on future land reform and residential planning.

Capacity will be built at the level of the project sponsors and their technical team and at the offices of the DEDs, by providing technical assistance to allow the project sponsors themselves to screen their proposed productive investments for environmental and social concerns. This training will also include the capacity to develop mitigation measures to meet environmental and social impacts and to prepare implementation of such measures. This would build capacity at the level of the project sponsors with regards to environmental and social safeguards issues, which is crucial for success of this program.

D. LAND ACQUISITION AND LIKELY CATEGORIES OF AFFECTED HOUSEHOLDS AND DISAGGREGATION OF PAPS

Until the exact project location sites are determined, it will not be possible to estimate the likely number of people who may be affected since the technical details of the proposed productive investments by the project sponsors have not yet been developed and are unknown.
However, the likely displaced (economically or physically) persons can be categorized into these 3 groups, namely;

(i) **Affected Individual** – An individual who suffers loss of assets or investments, land and property and/or access to natural and/or economical resources as a result of the program activities and to whom compensation is due. For example, an affected individual is a person who farms a land or works and lives on a farm, pastoralists whose routes have been altered, or a person who has built a structure on land that has been demarcated and is now required by the project sponsor. This will include affected individuals who have economic activity on road reserves, rights of way and other servitudes and on customary land.

(ii) **Affected Household** – a household is affected if one or more of its members is affected by the program activities, either by loss of property, land, loss of access or otherwise affected in any way by program activities. This provides for:

(a) any members in the households, men, women, children, dependent relatives and friends, tenants

(b) vulnerable individuals who may be too old or ill to farm along with the others

(c) members of households who cannot reside together because of cultural rules, but who depend on one another for their daily existence

(d) members of households who may not eat together but provide housekeeping, or reproductive services critical to the family’s maintenance, and

(e) other vulnerable people who cannot participate for physical or cultural reasons in production, consumption, or co-residence.

In the local cultures, members of production, consumption, and co-resident 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 co-resident 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 their own home.

(iii) **Vulnerable Households** – in Tanzania vulnerable households may have different land needs from most 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. This provides for;

a) **Unmarried women** – may be dependent on sons, brothers, or others for support. Since an affected individual is able to name the person with whom s/he is linked in dependency as part of the household, resettlement will never sever this link.
b) **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 people such as their kith and kin and neighbors. Losing land will affect their economic viability. What would damage their economic viability even more than losing land is resettlement that separates them from the person or household on whom they depend for their support. The definition of household by including dependents avoids this.

c) **AIDS afflicted persons** – a relatively high percentage 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 (central and local), international organizations and the NGO community.

d) **Orphans** – due to the impacts of the AIDS crisis that plagues Tanzania today, 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” because they have no parents to defend or stand up for them and also because they are considered too young to be heard. Orphaned children engage in any form of economic activity to provide for themselves and their siblings, by engaging in activities such as paraffin selling, artisanal mining, water selling, exploitative employment etc.

e) Despite the laws of Tanzania and the International Labor 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.

Children in d) and e) above should they become impacted by this project 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 Unicef program or registered with one of the many children’s charities that are operating in Tanzania today. Their compensation would take the form of paying for their rehabilitation and training to acquire useful vocational skills.
f) **Women headed households**—may depend on husbands, sons, brothers or others for support. However, in other cases too, women are the main breadwinner in their household even where the men have remained with the family. Women therefore need relatively easy access to health service facilities, as mothers and wives. For example, where the land being acquired is used by a woman with no formal rights to it or 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 their households as the very survival of their households may depend on them. Their compensation must take into account all these factors.

g) **Small-scale female farmers**—are also vulnerable because they may not have men available within the household to carry out male specific land preparation tasks such as ringing trees, clearing or ploughing land. Either male relatives in other households help them voluntarily, or they hire men for cash, beer (locally brewed) or food. Land compensation specifically includes the labor costs of preparing a new land, so these women are provided for by the compensation plan.

h) **Non-farming females**—these earn income from other sources and/or depend on relatives for “exchanges” of staple foods. Since they do not farm they will not be affected by the sub-projects need for agricultural land. If a building of theirs lies on land needed by a subproject, they will receive replacement cost compensation. If someone on whom they depend is resettled, they are protected because the resettler can name them as part of the household.

These household types are not mutually exclusive, so that a female heading a household may also be a small-scale farmer or on orphan may be an aids afflicted person.

These groups are being identified as particularly vulnerable so that special attention would be paid to them by identifying their needs from the socio-economic and baseline study so that (i) they are individually consulted and given the opportunity (i.e. not left out) to participate in the project activities, (ii) that their resettlement and compensation is designed to improve their pre-project livelihood (iii) special attention is paid to monitor them to ensure that their pre-project 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.
E. ELIGIBILITY CRITERIA FOR DEFINING VARIOUS CATEGORIES OF PROJECT AFFECTED PERSONS

The Bank’s OP4.12 suggests the following three criterion for eligibility;

a) Those who have formal rights to land (including customary/village land, traditional and religious rights, recognized under Tanzanian Law).

b) 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.

c) Those who have no recognizable legal rights or claim to the land they are occupying, using or getting their livelihood from.

Those covered under a) and b) above are to be provided compensation for the land they lose, and other assistance in accordance with the policy. Persons covered under c) above are to be provided with resettlement assistance in lieu of compensation for the land they occupy, and other assistance, as necessary, to achieve the objectives set out in this policy, if they occupy the project area prior to a cut-off date established by the local traditional leaders in close consultation with the potential PAPs, local community leaders and the respective Village Administration and the District Administration and acceptable to the Bank. 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 a), b) or c) above are to be provided with compensation for loss of assets other than land.

Therefore, it is clear that all project affected persons irrespective of their status or whether they have formal titles, legal rights or not, 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. Persons who encroach the area after the socio-economic study (census and valuation) are not eligible for compensation or any form of resettlement assistance.

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. Example of community compensation could be for public toilets, market place, taxi parks, schools and health posts. The rationale for this is to ensure that the pre-project socio-economic status of communities where adversely impacted, is also restored.

Method to Determine the 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 are carried out, i.e. the time when the project sponsors have identified the land sites they would need and when the socio-economic study is taking place. Thereafter, 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 investment which 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 respective local and traditional leaders and the representatives of the project sponsors. This date and its significance will then be disseminated to all the various members of each household or to every individual by local or traditional leader. This is thoroughly consistent with the way planning meetings and other meetings are held in rural areas in Tanzania.

The establishment of a cut-off date is required to prevent project followers from migrating into the selected sites. Therefore, establishment of a cut-off date is of critical importance. Because the time period between the cut-off date and the time actual productive investments (civil works, etc.) would start bearing also in mind that only after PAPs have been compensated and any replacement structures built according to the requirements of this RPF, is likely to be anytime period from six months on, special attention needs to be taken to secure the sites from rush and opportunistic invasion. These measures should include close consultation with the recognized PAP’s, signs that inform general public of intended use of site, security patrols to identify opportunistic invaders etc.

This date is subject to the approval of the District Executive Directors (DEDs) and must also be in full compliance with the conflict resolution mechanisms in this RPF and this date must be communicated effectively to the potential PAP’s and the surrounding local villages/communities.

The local community and traditional leaders will play a crucial role in identifying users of land since most of them would have acquired their customary rights to use the land from their local traditional leaders.
F. A LEGAL FRAMEWORK REVIEWING THE FIT BETWEEN THE LAWS AND REGULATIONS OF THE UNITED REPUBLIC OF TANZANIA AND BANK POLICY REQUIREMENTS AND MEASURES PROPOSED TO BRIDGE ANY GAPS BETWEEN THEM.

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

- general/public land on which socio-economic activities are permitted; reserved/restricted lands for national parks;
- Village Land;
- protected areas; and forest/wildlife reserves. About 25% of Tanzania falls into the category of reserved/restrictive. By international standards this is a high proportion of land under restriction. Only about 20% of potentially arable land is actually cultivated. Communities and individuals are not permitted to use reserved or restricted land for economic activities. Land is so designated by order of the President or the Minister charged with conservation of natural resources.

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. Holdings of individuals can be as follows:

- By leasehold right of occupancy for varying periods; e.g. for 33, 66, 99 years
- By customary lands i.e. 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 the 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) is 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 the village land and acts as a liaison between the government and the inhabitants of the village. Within villages, use of land 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 (i.e. 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.
### Comparison of Tanzanian Law and World Bank OP4.12 regarding compensation.

<table>
<thead>
<tr>
<th>Category of PAPS/ Type of Lost Assets</th>
<th>Tanzanian Law</th>
<th>World Bank OP4.12</th>
</tr>
</thead>
<tbody>
<tr>
<td>Land Owners</td>
<td>Cash compensation based upon market value. Under statute. Land for Land under Customary Law</td>
<td>Recommends land-for-land compensation. Other compensation is at replacement cost.</td>
</tr>
<tr>
<td>Land Tenants</td>
<td>Entitled to compensation based upon the amount of rights they hold upon land under relevant laws.</td>
<td>Are entitled to some form of compensation whatever the legal recognition of their occupancy.</td>
</tr>
<tr>
<td>Land Users</td>
<td>In some cases land users have some form of secured tenure extended to them under new laws. In other cases land users not entitled to compensation for land, entitled to compensation for crops and any other economic assets. Land for Land under customary</td>
<td>Entitled to compensation for crops, may be entitled to replacement land and income must be restored to pre-project levels at least.</td>
</tr>
<tr>
<td>Owners of &quot;Non permanent&quot; Buildings</td>
<td>Cash compensation based on market value or entitled to new housing on authorized land under government (state or local) housing programs.</td>
<td>Entitled to in-kind compensation or cash compensation at full replacement cost including labor and relocation expenses, prior to displacement.</td>
</tr>
<tr>
<td>Owners of &quot;Permanent&quot; buildings</td>
<td>Cash Compensation is based on market value.</td>
<td>Entitled to in-kind compensation or cash compensation at full replacement cost including labor and relocation expenses, prior to displacement.</td>
</tr>
<tr>
<td>Perennial Crops</td>
<td>Cash compensation based upon rates calculated as an average net agricultural income.</td>
<td>As per section G of this RPF once approved by the Bank and disclosed in Tanzania and at the Bank infoshop.</td>
</tr>
</tbody>
</table>

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 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, as this is a Bank funded program and the fundamental principles of OP 4.12 are not negotiable, the Bank OP 4.12 must be adhered to. As a result, therefore, all land to be acquired or used by the project sponsors under this program would be so acquired or used subject to the laws of Tanzania and the Bank OP 4.12. Where there is a conflict, the Bank OP 4.12 must take precedence if the Bank is to fund this program.

Based on this comparison, the below presented entitlement matrix is so designed to assist the process by bridging the gaps between the requirements under Tanzania Law and the World Bank OP 4.12. The higher of the three standards (i.e. Tanzania Statute and Customary Laws and OP 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 plans (RAPS) will be negotiated and prepared.
## THE ENTITLEMENT MATRIX FOR VARIOUS CATEGORIES OF PAPS

<table>
<thead>
<tr>
<th>Category of PAP</th>
<th>Type of Loss</th>
<th>ENTITLEMENTS</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</td>
<td>Crops at market rates in scarce season</td>
<td>None</td>
<td>Food during construction of new site.</td>
<td></td>
</tr>
<tr>
<td>Loss of Structure Residential or Business</td>
<td>Compensation at full replacement value not depreciated.</td>
<td>(Fences (blockwork, wire, wood) at US $…. Wells at US $…. Stores at US$….</td>
<td>For lost rental income, Lump sum cash payment of 6 months rent per tenant.</td>
<td>Moving to be done free by project</td>
<td>Disturbance Allowance of US $100 (min.)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Residential Tenant: Business Tenant</td>
<td>Loss of rental accommodation</td>
<td>No loss of structure, no entitlement to housing at new site.</td>
<td>Replacement costs for non-movables if installation was agreed with owner.</td>
<td>No loss of income</td>
<td>Free moving if notification before deadline</td>
<td>6 months rent equivalent for disturbance</td>
<td></td>
</tr>
<tr>
<td>Loss of Premises</td>
<td>No Loss</td>
<td>Replacement cost for facilities that cannot be moved</td>
<td>For loss of business income, payment of half of turnover for 6 months</td>
<td>Free moving if notification before deadline</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Encroachers (using Land)</td>
<td>Loss of Land</td>
<td>None</td>
<td>Where possible assistance in securing other access to land for crops growing subject to approval of local authorities/communities.</td>
<td>Crops at market rates in scarce season. For street vendors on right of ways possible access to other sites/locations</td>
<td>None</td>
<td>Food during construction of new site. Possible employment with civil works contractors, etc.</td>
<td></td>
</tr>
<tr>
<td>Squatters (living on Site)</td>
<td>Loss of Shelter</td>
<td>Compensation at full replacement value for structure, relocation to resettlement site, with payment of site rent.</td>
<td>None</td>
<td>Payments in lieu of wages while rebuilding</td>
<td>None</td>
<td>Disturbance allowance of US$ (say)</td>
<td></td>
</tr>
</tbody>
</table>

n.b.: All payments to be made in Tanzania Shillings (TSh). Dollar values indicated in table is to allow for international interpretation/conversion only.
G. METHODS OF VALUING AFFECTED ASSETS.

Valuation methods for affected land and assets would 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
ii) Village Land, including customary rights of villagers

State owned land may be allocated free or sold on a commercial basis to Project Sponsors by the Minister responsible for land administration (perhaps except for processing and registration fees), the project sponsors would be expected to pay compensation to acquire land in this category in cases where the state-owned land is being used by farmers or for instance grazed upon, settled upon or otherwise being used. “Privately” owned property, would have to be acquired at the market value. The guiding principle is that whoever was using the land to be acquired would be provided other land of equal size and quality.

The TEDAP offgrid investment program will require in the most cases, 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 project sponsors would compensate for assets and investments, including labor, crops, buildings, and other improvements, according to the provisions of the resettlement plan. Compensation rates would be market rates as of the date and time that the replacement is to be provided. The 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 the bank policy on resettlement, OP4.12, makes no distinction between statute and customary rights, not only assets and investments will be compensated for, but also land. Thus, a customary land owner or land user on state owned land will be compensated for land, assets, investments, loss of access etc. at market rates at the time of the loss.

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% of the total loss of subsistence assets.

<table>
<thead>
<tr>
<th>FORMS OF COMPENSATION</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash Payments</td>
<td>Compensation will be calculated in Tanzania Shillings. Rates will be adjusted for inflation.</td>
</tr>
<tr>
<td>In-kind Compensation</td>
<td>Compensation may include items such as land, houses, other buildings, building materials, seedlings, agricultural inputs and financial credits for equipment.</td>
</tr>
<tr>
<td>Assistance</td>
<td>Assistance may include moving allowance, transportation and labor</td>
</tr>
</tbody>
</table>
Making compensation payments raises some issues regarding inflation, security and timing that must be considered. One purpose of 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 within the time period that compensation is being made 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 micro finance 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 Project Sponsors and the District, local and traditional administrations. Monetary payments should be paid at a time in relation to the seasonal calendar.

**Compensation for Land**

Compensation for land is aimed at providing a farmer whose land is acquired and used 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 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.

**Land measurement**

For purposes of measuring land, the unit of measurement would be that which is used and understood by the affected farmers. Therefore, in rural areas if a traditional unit of measurement exist, 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 location of trees, stumps, etc. as immovable pegs.

**Calculation of Crops Compensation Rate**
The current prices for cash crops would have to be determined. All crops 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 previous year’s land (land in which a farmer has already invested labor) and land that have been planted but have 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. The following example, which is based on 2003 data, derives a total value for a one hectare land from the value of the crops on the land and the value of labor invested in preparing a replacement land.

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 s/he would lose food crop rather than a cash crop income.

- The value of stable crops to be taken as the highest market price (over 3 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 have 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 stable foods yields a high per ha value that reimburses for the vegetables and other foods that are commonly inter-cropped 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 create a 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 for at the same rate. Second, it is difficult to forecast when during the growing season a farmer might need to give up his/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 the farmer is notified that his/her land is needed
after the agriculturally critical date of March (generic date, may be different in Tanzania and across climate zones) when s/he will no longer have enough time to prepare another land without help. 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 dates. The farmer will still continue to receive his/her cash compensation so that s/he can pay for sowing, weeding and harvesting.

**Compensation for Buildings and Structures.**

Compensation will be paid 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 (i.e. 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 paid 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 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 numbers and types of materials used to construct different types of structures (e.g. bricks, rafters, bundles of straw, doors etc.),
- Prices of these items collected in different local markets,
- Costs for transportation and delivery of these items to acquired/replacement land or building site,
- Estimates of construction of new buildings including labor required.

**Compensation for Sacred Sites**

This policy does not permit the use of land that is defined to be cultural property by the Banks Safeguards OP 4.11. Sacred sites include but not restricted only to; altars, initiation centers, ritual sites, tombs and cemeteries. It includes other such sites or places/features that are accepted by local laws (including customary), practice, tradition and culture as sacred. To avoid any possible conflicts between individuals and/or communities/homesteads/chiefdoms the use of sacred sites for any project activity, is not permitted under this project.
Compensation for vegetable gardens and beehives

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

Beehives are placed in various locations in the bush by some individuals that specialize in honey gathering. 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.

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.

Where they exist on affected land the following example, on Mango trees for instance will serve as a guide on how to value fruit trees and other trees of nutritional, medicinal and other significant economic value.

Given their significance to the local subsistence economy, which this project intends to positively impact, fruit trees will be compensated 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 formally lived and, in some cases, to continue to harvest fruit from those trees for subsistence purposes and/or sale 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 socio-economic study. From this study, a compensation schedule for guava and mango trees can be developed incorporating the following goals:

- Replace subsistence Fruit (e.g. guava/mango) production yields as quickly as possible.
- Provide subsistence farmers with trees to extend the number of months of the year during which the fruit (e.g. guavas/mangoes) 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.
- Provide cash payments to farmers to replace pre-project income derived from the sale of excess guava or mango 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. The schedule could assume the following (the figures in TSH (x no.) to be determined in the socio-economic study):

No compensation will be paid for minor pruning of trees. Compensation for removal of limbs will be prorated on the basis of the number of square metres of surface area removed. The total surface area of the tree will be calculated using the following formula: 
\[
(\frac{1}{2} \text{ diameter of canopy})^2 \times 3.14.
\]

Other domestic fruit and shade trees.

These trees have recognized local market values, depending upon the species and age. Individual compensation for wild trees “owned” by individuals which are located in lands as defined in this policy will be paid. Note that wild, productive trees belong to the community when they occur in the true bush as opposed to a fallow land. These trees will be compensated for under the umbrella of the village or community compensation.


Compensation (and resettlement) will be funded like any other activity eligible under the programs’ administrative and financial management rules and manuals.

Funding would be processed and effected through the Project Sponsors financial processing arrangements.

The compensation process which will involve several steps would be in accordance with the individual project sponsor’s resettlement and compensation plans, significantly:

- **Public Participation** with the PAPs would initiate the compensation process as part of an ongoing process that would have started at the planning stages when the technical designs are being developed and at the land selection/screening stage. PAPS would be sensitized at the land selection/screening stage on the employments of the project sponsors and their contractors. This would ensure that no affected individual/household is simply “notified” one day that they are affected in this way. Instead, this process seeks their involvement and wishes to involve PAPs in a participatory approach with the program, from the beginning as outlined in item k. of this report.

- **Notification** of land resource holders – the respective District and Local administration leaders having been involved in identifying the land that the
project sponsors require will notify the local and community leaders and representatives who will help to identify and locate the land users. These community leaders and representatives will also be charged with the responsibility to notify their members about the established cut-off date and its significance. The user(s) 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, or beehives, hunting areas will accompany the survey teams to identify sensitive areas.

- **Documentation of Holdings and Assets** – the local community leaders and officials of the project sponsors will arrange meetings with affected individuals to discuss the compensation process. For each individual or household affected, officials of the project sponsors completes a compensation dossier containing necessary personal information on, the affected party and those that s/he claims as household members, total land holdings, inventory of assets affected, and information for monitoring their future situation. This information is confirmed and witnessed by regional land board, traditional leaders or their representatives. Dossiers will be kept current and will include documentation of lands surrendered. This is necessary because it is one way in which an individual can be monitored over time. All claims and assets will be documented in writing.

- **Agreement on Compensation and Preparation of Contracts** – All types of compensation are to be clearly explained to the individual and households involved. The respective project sponsor draws up a contract listing all property and land being surrendered, and the types of compensation (cash and/or in-kind) selected. A person selecting in-kind compensation has an order form which is signed and witnessed. The compensation contract and the grievance redress mechanisms are read aloud in the presence of the affected party and the representative of the regional land board and the local community leaders prior to signing.

- **Compensation Payments** – All handing over of property such as land and buildings and compensation payments will be made in the presence of the affected party, the traditional and local community leaders and their officials of the project sponsor and representatives of the local district administration.

**Community Compensation Payments**

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

- School Building (public or religious)
- Public Toilets
- Well or Pump
- Market Place
- Road
- Storage warehouse
Community compensation may in itself require land take and people may be affected, thus a change of impacts which will be compensated for.

I. A DESCRIPTION OF THE IMPLEMENTATION PROCESS, LINKING RESETTLEMENT IMPLEMENTATION TO CIVIL WORKS.

Before any program activity is implemented, PAPs will need to be compensated in accordance with the resettlement policy framework. For activities involving land acquisition or loss, denial or restriction to access, it is further required that these measures include provision of compensation and of other assistance required for relocation, prior to displacement, and preparation and provision of resettlement sites with adequate facilities, where required. In particular, the taking 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 resettlement plan of action.

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

Specifically, precise details must be provided in Section q. Implementation Schedule (see page 14) for each RAP or Section e. Arrangements for Monitoring and Implementation for each ARAP that is prepared by the management committee. In both of these sections the schedule for the implementation of activities agreed to between the Project Sponsors and the PAPs must be included, such as target dates for start and completion of civil works, timetables for transfers of completed civil works to PAPs, dates of possession of land that PAPs are using (this date must be after transfer date for completed civil works to PAPs and payments of all compensation), and how these activities are linked to the implementation of the overall sub project.

When the Project Sponsors present their resettlement and compensation plans to the DEDs for approval, part of the screening process that he would use to approve recommended land would be to confirm that the resettlement plans contain acceptable measures that link resettlement activity to civil works in compliance with this policy. 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 paid and resettlement sites with adequate facilities are prepared and provided for to the individual or homestead affected. Once the resettlement plan is approved by the local and national authorities, the resettlement plan should be sent to the World Bank for final review and approval.
J. A DESCRIPTION OF GRIEVANCE REDRESS MECHANISMS.

At the time that the individual resettlement plans are approved and individual compensation contracts are signed, affected individuals and households would have been informed of the process for expressing dissatisfaction and to seek redress. The grievance procedure will be simple, administered as far as possible at the local levels to facilitate access, flexible and open to various proofs taking into cognizance the fact most people are illiterate requiring a speedy, just and fair resolution of their grievances.

The Project Sponsor being a party to the contract would not be the best office to receive, handle and rule on disputes. Therefore, taking these concerns into account, all grievances concerning non-fulfillment of contracts, levels of compensation, or seizure of assets without compensation should be addressed to the local ward leaders for addressing grievance.

If a complaint pattern emerges, the project sponsor, the district and regional administrations, with the chiefs will discuss possible remediation. The local leaders will be required to give advice concerning the need for revisions to procedures. Once they agree on necessary and appropriate changes, then a written description of the changed process will be made. The project sponsors, the district and regional administrations and the chiefs and homestead representatives and leaders will be responsible for communicating any changes to future potential PAPs when the consultation process with them begins.


The estimate of the overall cost of resettlement and compensation would be determined during the socio-economic study. At this stage, it is not possible to estimate the likely 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 socio-economic study, information on specific impacts, individual and household incomes and numbers of affected people and other demographic data would be available, thus facilitating the preparation of a detailed and accurate budget for resettlement and compensation. The project sponsors will prepare the resettlement budget and will finance this budget through the 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 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, inter alia, as follows;

<table>
<thead>
<tr>
<th>#</th>
<th>Item</th>
<th>Costs (in)</th>
<th>Assumptions</th>
</tr>
</thead>
</table>

35
<table>
<thead>
<tr>
<th></th>
<th>Compensation for loss of Land</th>
<th>/hectare</th>
<th>For land acquisition purposes, based on cost realized in projects involving similar issues in Tanzania.</th>
</tr>
</thead>
<tbody>
<tr>
<td>2</td>
<td>Compensation for loss of Crops</td>
<td>/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 G of this RPF</td>
</tr>
<tr>
<td>3</td>
<td>Compensation for loss of access to pastoralists</td>
<td>N/a</td>
<td>Those affected would be provided with shared access, or alternate routes (decision agreed through consultation and participation of all)</td>
</tr>
<tr>
<td>4</td>
<td>Compensation for loss of access to fishing resources.</td>
<td>Say, /fishmonger</td>
<td>Data provided from revised socio-economic study will determine market values of catch, fish products etc. that is produced.</td>
</tr>
<tr>
<td>5</td>
<td>Compensation for Buildings and Structures</td>
<td></td>
<td>This compensation would be in-kind. These new buildings would be built and then given to those affected. Cost based on basic housing needs for a family of ten, including house with four bedrooms, ventilated pit latrines, outside kitchen and storage.</td>
</tr>
<tr>
<td>6</td>
<td>Compensation for Trees</td>
<td>/year/tree</td>
<td>Based on methods described on page 28-29 of this RPF for compensation for trees.</td>
</tr>
<tr>
<td>7</td>
<td>Cost of Relocation Assistance/Expenses</td>
<td>/household</td>
<td>This cost is to facilitate transportation, etc.</td>
</tr>
<tr>
<td>8</td>
<td>Cost of Restoration of Individual Income</td>
<td>Say</td>
<td>Assumed to be higher than the GDP/capita.</td>
</tr>
<tr>
<td>9</td>
<td>Cost of Restoration of Household Income</td>
<td>Say</td>
<td>Through employment in Program Activities.</td>
</tr>
<tr>
<td>10</td>
<td>Cost of Training Farmers, pastoralists and other PAPs</td>
<td></td>
<td>This is a mitigation measure which seeks to involve those affected by the project activities. This figure represents a costs of around TSH/person</td>
</tr>
</tbody>
</table>

* These costs are to be confirmed during the socio-economic study and revised at the time the payments are made.

L. A DESCRIPTION OF MECHANISMS FOR CONSULTATIONS WITH, AND PARTICIPATION OF, DISPLACED (ECONOMICALLY OR PHYSICALLY) PERSONS IN PLANNING, IMPLEMENTATION, AND MONITORING.

Public consultation and participation are essential because they afford potential PAPS the opportunity to contribute to both the design and implementation of the program activities and reduce the likelihood for conflicts between and among PAPs and the Project Sponsors. The way land administration is undertaken in Tanzania today based on long standing traditional and cultural practices makes public consultation with the rural communities, indispensable. Furthermore, as the rural communities are the intended ultimate beneficiaries of this program, an effective consultation with them is a pre-requisite for program success. In recognition of this, particular attention would be paid to public consultation with potentially affected individuals/households/homesteads when resettlement and compensation concerns are involved.

Public consultation will take place at the inception of the planning stages when the potential land areas are being considered. The participation strategy would evolve around the provision of a full opportunity for involvement. Therefore, as a matter of strategy, public consultation would be an on-going activity taking place through out the entire project cycle. For example, public consultation would also occur during the preparation of the (i) the socio-economic study, (ii) the resettlement and compensation
plan (iv) the environmental impact assessment and (v) during the drafting and reading of the compensation contract.

Public participation and consultation would take place through meetings, radio programs, request for written proposals/comments, filling in of questionnaires/application forms, public readings and explanations of project ideas and requirements, making public documents available at the National, local and homestead levels at suitable locations like the official residences/offices of local chiefs/elders. These measures would take into account the low literacy levels prevalent in these rural communities by allowing enough time for responses and feedback.

Notwithstanding, the best guarantor for public interest is the chiefs and other local leaders who are responsible members of their local communities and can inadvertently be part of the potentially displaced (economically or physically) individuals/households either in part or in whole.

Monitoring of this process would be through the village chief as part of the individual resettlement and compensation plans and overall the monitoring and evaluation mechanism of the entire project. This requirement is line with the Bank policy on disclosure.

M. ARRANGEMENTS FOR MONITORING BY THE IMPLEMENTATION AGENTY AND, IF REQUIRED, BY INDEPENDENT MONITORS.

The arrangements for monitoring would fit the overall monitoring plan of the entire TEDAP offgrid investment program which would be initially through the Ministry of Energy and Minerals (MoEM), and subsequently delegated to the Rural Energy Agency (REA) once REA has fully established demonstrated implementation capacity, including with respect to the Bank's safeguards.

The TEDAP will institute an administrative reporting system that:

(a) alerts project authorities to the necessity for land acquisition in a Project Sponsor's technical requirements,
(b) provides timely information about the valuation and negotiation process,
(c) reports any grievances that require resolution, and
(d) documents timely completion of project resettlement obligations (i.e. payment of the agreed-upon sums, construction of new structures, etc.) for all permanent and temporary loses, as well as unanticipated, additional construction damage.

Consistent with the Environmental and Social Management Framework, the Engineering and Survey Departments of the project sponsor's and the DEDs would be responsible for periodically transferring the information compiled “on the ground” to the MoEM and the respective line Departments of State, such as the Department of Energy, Tanesco, etc., so that it is alerted in a timely manner to any difficulties arising at the local level.

The objective will be to make a final evaluation in order to determine;

(i) if affected people have been paid in full and before implementation of the sub project activities,
(ii) if the people who were affected by the project have been affected in such a way that they are now living a higher standard than before, living at the same standard as before, or are they actually poorer than before.

A number of socio-economic indicators would be used in order to determine the status of affected people (land being used compared to before, standard of house compared to before, level of participation in project activities compared to before, how many kids in school compared to before, health standards, etc). Therefore, the resettlement and compensation plans will set two major socio-economic goals by which to evaluate its success:

- Affected individuals, households, and communities are able to maintain their pre-project standard of living, and even improve on it; and
- The local communities remain supportive of the project.
- The absence or prevalence of conflicts

In order to access whether these goals are met, the resettlement and compensation plans will indicate parameters to be monitored, institute monitoring milestones and provide resources necessary to carry out the monitoring activities.

The following parameters and verifiable indicators will be used to measure the resettlement and compensation plans performance;

- Questionnaire data will be entered into a database for comparative analysis at all levels of Government,
- Each individual will have a compensation signed dossier recording his or her initial situation, all subsequent program use of assets/improvements, and compensation agreed upon and received.
- The Project Sponsors will maintain a complete database on every individual impacted by the project land use requirements including relocation/resettlement and compensation, land impacts or damages
- Percentage of individuals selecting cash or a combination of cash and in-kind compensation,
- Proposed use of payments
- The number of contention cases out of the total cases
- The number of grievances and time and quality of resolution
- Ability of individuals and families to re-establish their pre-displacement activities, land and crops or other alternative incomes
- Pastoral and Agricultural productivity of new lands
- Wildlife Conservation, eco-tourism activity on acquired land as per plan.
- Number of impacted locals employed by the Project Sponsor’s civil works contractors
- Seasonal or inter annual fluctuation on key foodstuffs
- General relations between the project and the local communities

The following indicators will be used to monitor and evaluate the implementation of resettlement and compensation plans;
<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>Pre- project 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>Pre- project production versus present production (crop for crop, land for land).</td>
<td>Equal or improved production per affected household/homestead.</td>
</tr>
<tr>
<td>Pre-project income of vulnerable individuals identified versus present income of vulnerable groups</td>
<td>Higher post-project income of vulnerable individuals.</td>
</tr>
</tbody>
</table>

Financial records will be maintained by the Project Sponsors, the DEDs and Regional Administrations and the MoEM, to permit calculation of the final cost of resettlement and compensation per individual or household. Each individual receiving compensation will have a dossier containing:

- Individual biological information,
- Number of people s/he claims as household/homestead dependents
- Amount of land available to the individual or household when the dossier is opened.

Additional information will be acquired for individuals eligible for resettlement and/or compensation:

- Level of income and of production
- Inventory of material assets and improvements in land, and
- Debts.

Each time land is used/acquired by a Project Sponsor, the dossier will be updated to determine if the individual or household/homestead is being affected to the point of economic non-viability and eligibility for compensation/resettlement or its alternatives. These dossiers will provide the foundation for monitoring and evaluation, as well as documentation of compensation agreed to, received, and signed for.

It is normal that some compensation procedures and rates may require revision at some time during the project/program cycle. The Project Sponsors, the DED and Regional Administrations and the MoEM, will implement changes through the Change Management Process in the Monitoring and Evaluation manuals of the project/program (PIM or Project Implementation Manual), which will require feedback from:
• Indicators monitored by the local regional governments to determine whether goals are being met, and
• a grievance procedure for the local community to express dissatisfaction about implementation of compensation and resettlement.

This framework is suggesting that the office of the District Administration is structured into the whole M&E component of the project/program. This would take the form of giving the District Administration the mandate to carry out independent monitoring of the implementation of the resettlement and compensation plans at periodic intervals of quarterly or half yearly (as circumstances dictate) during the project/program life. Their report would then be sent to the MoEM, NEMC and the Project Sponsors and become part of the official documents of the project/program.

The technical assistance component of the project will include resources for MEM and REA for the capacity building for effective monitoring of environmental and social safeguards, including OP 4.12 and the provisions established in this RFP. REA will establish an Environmental and Social Unit, which will receive capacity building from SIDA trust fund and the proposed project, according to the following plan:

REA will establish Environmental and Social Unit (ESU). A key requirement for successful implementation of rural electrification projects is to develop a clear understanding of environmental and social management requirements for the construction, operation and maintenance of RE projects (grid and offgrid). This will enable REA to ensure that appropriate clauses concerning all aspects of environmental and social management are included in future contracts with service providers. This will enable REA to clearly define and implement monitoring programs to ensure compliance with these contractual obligations.

**Indicative time required and budget for implementation**

<table>
<thead>
<tr>
<th>Issue</th>
<th>Indicative Time required</th>
<th>Indicative Budget (US Dollars) Shared between TEDAP and SIDA</th>
</tr>
</thead>
<tbody>
<tr>
<td>Develop a structure and operational framework for ESU</td>
<td>4 m/m</td>
<td>US$20,000 (SIDA)</td>
</tr>
<tr>
<td>Carry out training needs assessment</td>
<td>2 m/m</td>
<td>US$ 10,000 (SIDA)</td>
</tr>
<tr>
<td>Capacity Development in the Environment</td>
<td>6 m/m over a two year period</td>
<td>US$ 20,000 (consulting fees) (SIDA)</td>
</tr>
</tbody>
</table>
| TEDAP/G3/TEDAP/G3 | US$ 50,000  
(logistical support: training in districts) TEDAP |
ANNEX 1.0

ENVIRONMENTALLY SENSITIVE AREAS (ESA'S) and ECOSYSTEMS

1. Areas prone to natural disasters (geological hazards, floods, rain storms, earthquakes, landslides, volcanic activity, etc.)

2. Wetlands: (Flood plains, Swamps, lakes, rivers, etc.) water bodies.

3. Areas susceptible to erosion e.g. (a) hilly areas with critical slopes and (b) unprotected or bare lands.

4. Areas of importance to threatened cultural groups.

5. Areas with rare/endangered/or threatened plants and animals.

6. Areas of unique socio-cultural, historic archaeological, scientific, tourist areas.

7. Polluted areas.

8. Area subject to desertification and bush fires.

9. Coastal areas and Marine ecosystems, such as coral reefs, Islands, lagoons and estuaries, continental shelves, beach fronts and inter tidal zones.

10. Areas declared as, national parks, water shed reserves, forest reserves, wildlife reserves and sanctuaries, sacred areas wildlife corridors and hot spring areas.

11. Mountainous areas, water catchment areas and recharge areas of aquifers.

12. Areas classified as prime agricultural lands or range lands.

13. Green belts or public open spaces in urban areas.


15. Areas declared as, national parks, water shed reserves, forest reserves, wildlife reserves and sanctuaries, sacred areas wildlife corridors and hot spring areas.

16. Mountainous areas, water catchment areas and recharge areas of aquifers.

17. Areas classified as prime agricultural lands or range lands.

18. Green belts or public open spaces in urban areas.

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11. Burial sites and graves.

This template is extracted from OP 4.12 Annex A which can also be found on the Bank’s website at www.worldbank.org.

The scope and level of detail of the resettlement plan vary with magnitude and complexity of resettlement. The plan is based on up-to-date and reliable information about (a) the proposed resettlement and its impacts on displaced persons and other adversely affected groups, and (b) the legal issues involved in resettlement. The resettlement plan covers elements, as relevant. When any element is not relevant to project circumstances, it should be noted in the resettlement plan.

**Description of the sub project:** General description of the sub project and identification of sub project area.

**Potential Impacts:** Identification of (a) the sub project component or activities that give rise to resettlement, (b) the zone of impact of such component or activities, (c) the alternatives considered to avoid or minimize resettlement; and (d) the mechanisms established to minimize resettlement, to the extent possible, during project implementation.

**Objectives:** The main objectives of the resettlement program.

**Socio-economic studies:** The findings of socio-economic studies to be conducted in the early stages of project preparation and with the involvement of potentially displaced people, including;

(a) 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 the displaced people’s livelihoods and standards of living at regular intervals so that the latest information is available at the time of their displacement.

(b) Other studies describing the following;
(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 sub project area.

(ii) The patterns of social interaction in the affected communities, including social support systems, and how they will be affected by the sub project

(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 (e.g. community organizations, ritual groups, non governmental organizations (NGO’s) that may be relevant to the consultation strategy and to designing and implementing the resettlement activities.

**Legal Framework:** The findings of an analysis of the legal framework, covering,

(a) 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,

(b) 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 sub project,

(c) 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,

(d) laws and regulations relating to the agencies responsible for implementing resettlement activities,

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

(f) 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.

**Institutional Framework:** The findings of any analysis of the institutional framework covering;

(a) the identification of agencies responsible for resettlement activities and NGOs that may have a role in project implementation;

(b) an assessment of the institutional capacity of such agencies and NGOs; and

(c) any steps that are proposed to enhance the institutional capacity of agencies and NGOs responsible for resettlement implementation.
Eligibility: Definition of displaced persons and criteria for determining their eligibility for compensation and other resettlement assistance, including relevant cut-off dates.

Valuation of and compensation for losses: The methodology to be used in valuing losses to determine their replacement cost; and a description of the proposed types and levels of compensation under local law and such supplementary measures as are necessary to achieve replacement cost for lost assets.

Resettlement Measures: A description of the packages of compensation and other resettlement measures that will assist each category of eligible displaced persons to achieve the objectives of OP 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 in consultation with them.

Site selection, site preparation, and relocation: Alternative relocation sites considered and explanation of those selected, covering,

(a) 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,
(b) any measures necessary to prevent land speculation or influx of eligible persons at the selected sites,
(c) procedure for physical relocation under the project, including timetables for site preparation and transfer; and
(d) legal arrangements for regularizing tenure and transferring titles to resettlers.

Housing, infrastructure, and social services: Plans to provide (or to finance resettler’s provision of) housing, infrastructure (e.g. water supply, feeder roads), and social services to host populations; any necessary site development, engineering, and architectural designs for these facilities.

Environmental protection and management: A description of the boundaries of the relocation area; and an 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).

Community Participation: a description of the strategy for consultation with and participation of resettlers and host communities, including

(a) a description of the strategy for consultation with and participation of resettlers and hosts in the design and implementation of resettlement activities,
(b) a summary of the views expressed and how these views were taken into account in preparing the resettlement plan,
(c) a review of the resettlement alternatives presented and the choices made by displaced persons regarding options available to them, including choices related to forms of compensation and resettlement assistance, to relocating as individual families or as parts of pre-existing communities or kinship groups, to sustaining
existing patterns of group organization, and to retaining access to cultural property (e.g. places of worship, pilgrimage centers, cemeteries); and (d) institutionalized arrangements by arrangements by which displaced people can communicate their concerns to project authorities throughout planning and implementation, and measures to ensure that such vulnerable groups as indigenous people, ethnic minorities, landless, and women are adequately represented.

**Integration with host populations:** Measures to mitigate the impact of resettlement on any host communities, including,

(a) consultations with host communities and local governments,
(b) arrangements for prompt tendering of any payment due the hosts for land or other assets provided to resettlers,
(c) arrangements for addressing any conflict that may arise between resettlers and host communities, and
(d) any measures necessary to augment services (e.g. education, water, health, and production services) in host communities to make them at least comparable to services available to resettlers.

**Grievance procedures:** Affordable and accessible procedures for third-party settlement of disputes arising from resettlement, such grievance mechanisms should take into account the availability of judicial recourse and community and traditional dispute settlement mechanisms.

**Organizational responsibilities:** 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; and any measures (including technical assistance) needed to strengthen the implementing agencies capacity to design and carry out resettlement activities; provisions for the transfer to local authorities or resettlers themselves of responsibility for managing facilities and services provided under the project and for transferring other such responsibilities from the resettlement implementing agencies, when appropriate.

**Implementation Schedule:** An implementation schedule covering all resettlement activities from preparation through implementation, including target dates for the achievement of expected benefits to resettlers and hosts and terminating the various forms of assistance. The schedule should indicate how the resettlement activities are linked to the implementation of the overall project.

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

**Monitoring and evaluation:** Arrangements for monitoring of resettlement activities by the implementing agency, supplemented by independent monitors as considered appropriate by the Bank, to ensure complete and objective information; performance
monitoring indicators to measure inputs, outputs, and outcomes for resettlement activities; involvement of the displaced persons in the monitoring process; evaluation of the impact of resettlement for a reasonable period after all resettlement and related development activities have been completed; using the results of resettlement monitoring to guide subsequent implementation.