

# THE UNITED REPUBLIC OF TANZANIA

## AGRICULTURAL SECTOR DEVELOPMENT PROGRAM (ASDP)

### RESETTLEMENT POLICY FRAMEWORK (RPF)

**(MARCH 2006)**

## TABLE OF CONTENTS

	<u>Page No.s</u>
Glossary of Terms	..3
A. Introduction	..5.
B. Principles and objectives governing resettlement preparation and implementation.	..10
C. A description of the process for preparing and approving Resettlement plans.	.12
D. Land acquisition and likely categories of impact.	..16
E. Eligibility criteria for defining various categories of project affected persons.	..19
F. A legal Framework reviewing the fit between the laws of Tanzania and regulations and Bank policy requirements and measures to bridge any gaps proposed between them.	..21
G. Methods of valuing affected assets.	..25
H. Organizational procedures for the delivery of entitlements, including, for projects involving private sector intermediaries, the responsibilities financial intermediary, the government, and the private developer.	..33
I. A description of the implementation process, linking resettlement implementation to civil works.	..34
J. A description of the grievance redress mechanisms.	..35
K. A description of the arrangements for funding resettlement, including the preparation and review of cost estimates, the flow of funds, and contingency arrangements.	.36
L. A description of mechanisms for consultations with, and participation of, displaced persons in planning, implementation, and monitoring.	..38
M. Arrangements for monitoring by the implementation agency and, if required, by independent monitors.	.39
Annex 1: ESA	.43
Annex 2: Template for RAPS.	.44

## 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 in the District Agricultural Development Plans (DADPs) that have successfully qualified under the proposed ASDP, 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 Person(s) (PAPs)** – are persons affected by land use or acquisition needs of the project beneficiaries supported activities. These person(s) are affected because they may lose shelter, lose, 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 Beneficiaries** – individual farmers and farmer groups.
- **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 program investments in the District Agricultural Development Plans (DADPs) (are identified and approved), 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 beneficiaries) 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 Agriculture, Food and Cooperatives) 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 investments in the DADP's are identified . The RAP is prepared consistent with the provisions of the RPF.

## A. INTRODUCTION

1. Meeting Tanzania's Poverty Reduction Strategy and Millennium Development Goal of halving poverty by 2015, will require annual GDP growth of at least 6-7 percent which is significantly higher than that achieved over the last decade. As agriculture remains the largest sector in the economy accounting for about half of GDP and exports and 70 percent of rural incomes, higher agricultural growth is a key requirement to meeting the MDGs. Future agricultural growth and profitability will need to rely more on productivity gains with the reduced space for further improvements in macro-economic policy, a key contributing factor to improved agricultural incentives in the late 1980s and 1990s.
2. In August 2001, The Government of Tanzania (GoT) approved the Agricultural Sector Development Strategy (ASDS) which envisages an agricultural sector that, by 2025, is modernized, commercial, highly productive and profitable, and utilizes natural resources in a sustainable manner
3. The Agricultural Sector Development Programme (ASDP), developed jointly by the four Agriculture Sector Lead Ministries (ASLM's)<sup>1</sup>, provides the overall framework and processes for implementing the ASDS.
4. Development activities at the national level are to be funded based on the strategic plans of the line ministries while activities at the district level are to be implemented by local Government Authorities (LGAs), based on District Agricultural Development Plans (DADPs). The DADPs are to be part of the broader District Development Plan (DDP).
5. To this end, the GoT with financial assistance from the World Bank, International Fund for Agricultural Development (IFAD) and other bilateral donors is planning to implement the Agricultural Services Support Programme (ASDP) as the main operational tool to implement the ASDS. The ASDP also provides GoT, especially the four Agricultural Sector Lead Ministries with a sector-wide framework for overseeing the institutional reforms and investment priorities.
6. The ASDP is to be supported through a multi-donor "basket funded" arrangement to prevent high transaction costs of parallel programmes. The basket would move towards budget support and, through detailed design of the programme, would ensure improved efficiency of these sector expenditures. Efforts would be made to ensure that the "basket" abides by the principles of the budget process to ensure greater sustainability of the programme.
7. The ASDP is designed as a three phase program with Phase 1, 2 and 3 each planned for three years. The Program Development Objectives of the ASDP are; (i) Sustained 5 percent annual growth of agricultural GDP (averaged over a rolling three

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<sup>1</sup> The ASLMs include the three sector line ministries: The Ministry of Agriculture, Food and Cooperatives (MAFC), Ministry of Livestock Development (MLD) and Ministry of Industries, Trade and Marketing (MITM), as well as the Prime Minister's Office – Regional Administration and Local Government (PMO-RALG)

year period) through improved productivity and profitability of the sector and (ii) higher farm productivity, profitability and incomes through improved access to and use of relevant agricultural knowledge and technology by farmers; increased district level investment; and improved market development.

8. This three phased Adaptable Program Loan, APL, would allow over a 9-10 year period support by development partners to the Government's efforts to (i) improve the responsiveness of agricultural services to farmer needs; (ii) implement district agricultural development plans; and (iii) market development (local, regional and international). Over the three phases the program would progressively increase both its sectoral and geographic coverage. The sequencing and main thrust of the three phases would be:

- **Phase I** (three years): focus on empowering farmers/clients to make better informed decisions on technology choice; introducing a more contestable and decentralized system of agricultural services and extension to improve its relevance and encourage pluralism in service provision with a greater role for the private sector; clarifying the strategy for technical services and training; strengthening capacity for implementation of the district agricultural development plans, including irrigation; and identification of models for local, regional and international market development.
- **Phase II** (three years): continued roll-out of the competitive grant schemes for research and extension together with empowerment activities; support for technical services and training; implementation of the district agricultural development plans through investment and capacity building; and implementation of market development models.
- **Phase III** (three years): continued expansion of the competitive grant scheme for research and extension and support for the implementation of the district agricultural development plans; implementation of market development. Dependant on implementation progress, IDA funding could be integrated into direct budget support (PRSC) in this phase – although the basket and support the ongoing activities would continue to be financed by development partners.

9. To achieve these objectives, the Phase 1 of the ASDP is structured into two components:

- **Component 1 – National Level Support**
- **Component 2 – District Level Support**

**Component 1. National Level Support:** The program will provide funding through the strategic plans of the agriculture line ministries, initially for support to agriculture research (through the zones), to larger scale irrigation based on demand from the districts, and for market development. The components of the national level support are:

**Sub-component 1.1: Agricultural Research:** Building on previous support for zonal agricultural research, this sub-component will endeavor to improve the relevance and responsiveness of agricultural research through improving the management of the Zonal Agricultural Research Institutes (ZARDIs) with the implementation of a Client Oriented Research and Development Management Approach (CORDEMA), and through a reconstitution and expansion of the Zonal Agricultural Research and Development Fund (ZARDEF), which will allow on a competitive basis, participation of a broader range of

research providers in the delivery of publicly funded research. This component will include: public sector re-orientation and capacity building, private sector provider support and provision of services.

Sub-component 1.2: Irrigation: Most publicly supported irrigation will be through the district agricultural development grant of component 2. This sub-component would finance a District Irrigation Development Fund (DIDF). A separate fund will be established to complement the formula based direct district support. As funding requirements depend on local irrigation potential and implementation capacity, additional budget allocations will not be needed in every district and not in every year and accounting for these differences in a formula based allocation is difficult. The DIDF would be centrally located in the Ministry of Finance, from where funds would flow directly to qualifying districts. The DIDF would finance: (i) those irrigation schemes in selected water basins based on a more strategically planning approach, such as inter-district irrigation schemes, and complex irrigation infrastructure, including ground water, and requiring higher financing levels than what can be accommodated by the districts; and (ii) supplemental cost of small scale district irrigation schemes (derived from demand through the O&OD process) funded by the general annual allocations for small scale irrigation schemes from the LGCDG/DADG. Only districts that meet the access criteria for the LCDG and the DADG would be able to apply to the fund for supplementary irrigation funds for specific identified irrigation and/or water harvesting schemes. A Board, consisting of representatives of the Ministry of Finance and the ASLMs, the Basin Authorities, and others as relevant, would govern the DIDF.

Sub-component 1.3: Market Development: to finance studies, pilot activities, could include work on rural financial markets.

**Component 2. District Level Support:** The program will provide funding through District Agricultural Development Plans (DADPs) for agricultural investments, support for improvements of LGA core regulatory functions, and support to reforming the agricultural extension system. Consistent with the local government capital development grant transfer system, districts will be assessed on performance against progress on these elements which will determine the level of funding they can access from the program, which will take the form of three formula-based block grant transfers which form the sub-components of the district level support.

Sub-component 2.1: District Agricultural Investments: Investments will be funded through an earmarked grant top-up to the Local Government Capital Development Grant in support of agricultural development. The District Agricultural Development Grant (DADG) will support implementation of District Agricultural Development Plans (DADPs) on a cost-sharing basis. Criteria and procedures to assess the feasibility of proposed investments from a technical, economical, financial, social and environmental perspective will be included in the DADP guidelines. Investments will be in accordance with local needs, as determined through local participatory planning and budget processes.

Sub-component 2.2: District Agricultural Services: This sub-component would facilitate and oversee effective and efficient provision of services responsive to farmer groups and fora demands. It would be financed through the existing discretionary, formula-based Agricultural Extension Block Grant (EBG) This sub-component would have provide funding for both public extension services and for private service providers. The latter

would be engaged through agreements and contracts directly between farmer clients or through local government outsourcing.

Sub-component 2.3: District Agricultural Capacity Building and Reform: This sub-component would provide resources for public sector re-orientation and performance improvement; and for capacity building and greater involvement of private extension service providers. Part of the funds will be an earmarked to-up to the Local Government Capacity Building Grant (CBG), and part will be managed through a centrally managed reform fund that would assist local government authorities to reform their services and meet the requirements and incentives provided through the annual assessments for the DADG and EBG.

10. Specifically, qualifying districts would receive funding from the ASDP basket for their DADPs which may include investments in irrigation, water harvesting and other agriculturally related civil works. These investments will require the use of land. However, since Tanzania is such a large country, approximately 945,000 km<sup>2</sup>, 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 farmers who already own their land, it would be possible in a majority of cases to make significant efforts to locate these physical infrastructural investments on their land, or land that deliberately avoids or minimize impacts on people, land, property, including and especially peoples access to natural and other economic resources, as far as is possible.

11. Notwithstanding, land acquisition and/or land use by the farmer groups 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 the type of investments that will be proposed in the DADPs. 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<sup>2</sup>, 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 the use of the economic resources and opportunities in these ecosystems.

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

13. At this stage of preparation of the ASDP however, the Government of the Tanzania is not required by World Bank requirements to prepare a Resettlement and Compensation Plan since the location of these DADP investments have not yet been identified and therefore their land needs have also not been determined. However, the

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<sup>2</sup> 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<sup>2</sup>. In addition to the wildlife-protected areas, there are 540 forest reserves covering 132,000 km<sup>2</sup>, equivalent to 15% of the total woodland and forest area in Tanzania. There is also the Mafia Island Marine Park.

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 program. 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 investments in the DADPs. The RPF is prepared to the standards of the GoT's own policy on resettlement and the policy of the World Bank, OP4. 12.

14. When the land/sites are identified during the preparation of the DADPs for the qualifying districts, for the sites that trigger OP 4.12 , resettlement/compensation plans will be closely coordinated with the planning and implementation of these civil works and then subsequently prepared consistent with this policy framework by the farmer groups 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.

15. 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.
- 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.

16. This RPF governs all activities funded under the ASDP through the DADPs, 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. In cases where districts have in place Participatory Land Use Management Plans (PLUMP) that may cover several villages, the impacts due to involuntary resettlement could be mitigated much easier. The National Land Use Planning Commission (NLUPC) under the Ministry of Lands and Human Settlement Development (MLHSD) facilitates and builds capacity of District Councils to prepare and implement PLUMP. Nonetheless, the World Bank Safeguard policy OP 4.12, in most cases, is not triggered because people are being affected by physical displacement. It 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 compensated for their loss (of land, property or access) either in kind or in cash of which the former is preferred.

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 legislation. The Land Act No. 4 of 1999 section 3.1 (g) stipulates principles for land compensation and assessment.

In particular for the ASDP, the policy also requires that the implementation of individual resettlement plans are a prerequisite for the implementation of the investments/activities in the DADPs 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, the implementation of DADPs are expected to have overall positive social impacts, simply because increased access to irrigation facilities, extension services, research and markets will lead to increased incomes of farmers and food security for Tanzania and will thereby significantly increase economic growth in the country. Notwithstanding, there are considerable risks to the success of the ASDP 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 farmers in pursuance of the implementation of their activities/investments in the DADPs. 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.

This may also lead to considerable conflicts between those affected in this way and the individual farmers or farmer groups who benefit from the DADP. The farmers/farmer groups and local leaders may exacerbate these tensions by requiring or subtly implying (implicitly or explicitly) that a few should sacrifice for the benefit of the many. It is therefore, particularly important to neutralize to the extent possible any socio-economic pressures in the chiefdoms/rural areas that are likely to be exacerbated by involuntary resettlement, by facilitating the consultation and participation of those impacted by the activities of the farmers/farmer groups. Therefore, offering impacted 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.

Offering impacted people the opportunity for employment in DADP 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. Were this to happen it would bring to bear additional pressures on the whole DADP 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 the extent that at least their pre-displacement incomes have been restored and that the process has been a fair and transparent one.

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

As stated earlier, the World Bank policy on Involuntary Resettlement OP 4.12 is triggered, because the ASDP will finance the productive investments of the farmers groups in the DADPs that may require land acquisition and/or land use leading to loss, denial or restriction of access to economic resources. Since the location of these sites are not known at the time of the preparation of the project, the preparation and disclosure of this RPF by the GoT is a conditionality for appraisal of the ASDP. However, during implementation of the ASDP, in a process defined here below, the selection of these sites would be made. When that happens, land would be acquired or access to economic resources may be lost, denied or restricted and people may then be affected. At that stage, OP 4.12 calls for the preparation of individual Resettlement Plans that must be consistent with this RPF.

To address the impacts under this policy, resettlement plans must include measures to ensure that the ASDP 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 ASDP.
- (d) enabled to restore and preferably improve their living standards compared to pre-ASDP 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 land screening process is embedded into and is part of the planning guidelines that the Districts have in place for preparation of the DADPs. The farmers groups of the qualifying Districts, will work with their District Agriculture and Livestock Development Officer (the DALDO) supported by extension services provided under the ASSP part of the ASDP, will carryout a fairly comprehensive land survey in the areas where the irrigation or other work to be included in the DADP is being planned, to enable engineering drawings to be prepared that would provide sufficient detail and information for planning, costing and for design. These drawings will also show the exact location and land site parameters that the planned investments will need.

Subsequently, a preliminary assessment will be carried out to determine whether may potentially be affected people on the sites that have been identified and shown on the drawings that may trigger the provisions of OP4.12, as detailed in Section B of this RPF. If there are no resettlement and compensation issues, then the provisions of this RPF do not apply. This is expected to be true for a majority of cases.

However, if there are resettlement and compensation issues, then at this stage, farmer groups, DALDO supported by extension services 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 this information, they would make the decision to identify alternative sites that would have little or no resettlement and compensation issues. If no resettlement and compensation issues are involved or if there are no alternative sites are available, then the original proposed sites would be maintained.

Once these drawings are ready and information on the site location and land use requirements are available, and before a final decision to approve the DADPs by the District Executive Directors (DED) and the District Councils, for cases where resettlement and compensation issues arise, the consultative and participatory process with local communities affected by the proposed DADPs must begin at this stage by sensitizing the respective local/traditional administration and leaders about the tentative lands needs of the farmer groups. 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 – of- date<sup>3</sup> is to be decided for each affected land/area and communicated to all the homesteads/villages in the potentially affected areas.

The farmer groups and the DALDO would have to be present at these meetings to ensure the appropriate start date for the socio-economic studies and census on the land/areas required by the proposed DADP investments 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, the respective farmer groups 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 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 farmer groups by the DALDO and supported by extension services, followed by the preparation of the resettlement and compensation plan (RAP) for each site that is affected by resettlement and compensation.

The approval of the Government authorities in matters pertaining to land and the World Bank through MAFC will be sought for compliance of this process for land selection and screening.

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 District, then the Bank may approve the preparation of an Abbreviated Resettlement Plan (ARAP). The contents of the ARAP are to be:

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<sup>3</sup> The significance in establishing a cut of date is discussed in Section E.

- (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; and
- (s) Monitoring and evaluation.

The resettlement and compensation plans would then be forwarded for screening and approval to the Zonal Land Officers in compliance with the program institutional and administrative requirements.

All approved productive investments in the DADPs 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 consistent with this RPF.

For the District Council to approve funding for any DADP investments that need to acquire land to support proposed investments under this program, the farmers or farmer groups must first secure legal title to land that is acquired, free from all incumbrances and consistent with the provisions of this RPF. For investments on land that is already owned by the farmer/farmer groups, the District Council will only approve funding for the

DADP 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 District 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 by the District Council and the site must be secured and also choose a cut-of date for that site so that opportunistic invasions can be avoided.

The above screening process should be used by the Farmer groups/DALDO and extension service providers in the preparation of their proposed investments in the DADP to enhance their likelihood for approval by the District Council.

Furthermore, the Zonal Land officers and the District Councils 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 Zonal Land Officers would need to approve or disapprove the resettlement and compensation plans of the proposed investments in the DADPs in totality with the overall environmental and social screening process that has been applied for each of the proposed investments and to also approve or disapprove of the proposed mitigation measures, if any.

Some DADP investments, such as irrigation sites 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 Zonal Land Offices 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 farmer groups and at the Zonal level by providing extension services to allow the farmer groups 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 farmer groups with regards to environmental and social safeguards issues, which is crucial for success of this program.

#### **D. LAND ACQUISITION AND LIKELY CATEGORIES OF IMPACT**

Until the exact DADP 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 in the DADPs 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 farmer group. 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 an 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 program activities, (ii) that their resettlement and compensation is designed to improve their pre-ASDP livelihood (iii) special attention is paid to monitor them to ensure that their pre-ASDP 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 program 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 right 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 farmer groups and DALDOs 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 farmer groups. 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 opportunistic invasions /rush migration into the chosen land thereby posing a major risk to the project. 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, and that it is only after PAPs have been compensated and any replacement structures built according to the requirements of this RPF, which 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 DALDO, the DED, the Zonal Land Officer and the District Council 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 i.e. village council has administrative control over the village land including establishing village land registries and granting and registering Customary Right of Occupancies, to villagers and village institutions. and The village council also 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.**

Category of PAPS/ Type of Lost Assets	Tanzanian Law	World Bank OP4.12
Land Owners	Cash compensation based upon market value. Under statute. Land for Land under Customary Law.	Recommends land-for-land compensation. Other compensation is at replacement cost.
Land Tenants	Entitled to compensation based upon the amount of rights they hold upon land under relevant laws.	Are entitled to some form of compensation whatever the legal recognition of their occupancy.
Land Users	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	Entitled to compensation for crops, may be entitled to replacement land and income must be restored to pre-project levels at least.
Owners of "Non permanent" Buildings	Cash compensation based on market value or entitled to new housing on authorized land under government (state or local) housing programs.	Entitled to in-kind compensation or cash compensation at full replacement cost including labor and relocation expenses, prior to displacement.
Owners of "Permanent" buildings	Cash Compensation is based on market value.	Entitled to in-kind compensation or cash compensation at full replacement cost including labor and relocation expenses, prior to displacement.
Perennial Crops	Cash compensation based upon rates calculated as an average net agricultural income.	As per section G of this RPF once approved by the Bank and disclosed in Tanzania and at the Bank infoshop.

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 Districts or farmer groups 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 OP4.12 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) are being negotiated and prepared.

## THE ENTITLEMENT MATRIX FOR VARIOUS CATEGORIES OF PAPS

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

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 the Districts by the Minister responsible for land administration (perhaps except for processing and registration fees), the farmer groups 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 other wise 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 ASDP 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. Land assets would be valued according to the following method and compensation paid for. The farmer groups 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.

<b>FORMS OF COMPENSATION</b>	
<b>Cash Payments</b>	<b>Compensation will be calculated in Tanzania Shillings. Rates will be adjusted for inflation.</b>
<b>In-kind Compensation</b>	<b>Compensation may include items such as land, houses, other buildings, building materials, seedlings, agricultural inputs and financial credits for equipment.</b>
<b>Assistance</b>	<b>Assistance may include moving allowance, transportation and labor</b>

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 farmer groups and the District, local and traditional administrations. Monetary payments should be paid at a time in relation to the seasonal calendar.

### **Compensation for Land**

Land is defined in the Land act No. 4, Section 2 as: Land includes the surface of the earth below the surface and all substances other than minerals and petroleum forming part of or below the surface, things naturally growing on the land, buildings and other structures permanently affixed to land. However, compensation for land is aimed at providing a farmer whose land is acquired and used for ASDP 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. The most important concern of this exercise is to ensure that the affected person is able to verify using his/her own standards/units of measurement for him/her, the size of land that is being lost. Ensuring that this occurs maintains transparency in the system and will thus avoid subsequent accusations of wrong measurements or miscalculation of areas. For instance, a farmer losing a certain piece of land should know exactly how much land

he/she is losing, in terms of size and the replacement land must be at least of that same size and comparable value as land lost, determinable by the farmer.

### 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.

<b>EXAMPLE OF METHOD TO BE USED TO DETERMINE A MONETARY COMPENSATION RATE FOR LAND*</b> <b>(Based on 2003 data. Tanzania Shillings payments will be revised to reflect crop values and labor rates in effect at the time of compensation)</b>		
Item Compensated	Basis of Value	Tanzania Shillings/ha
Value of Crops	Average of the highest 2003 official and market survey land prices per ha of staple food crops (maize, rice etc.), plus cash crops (e.g. sugar cane, corn).	
Labor Invested	Labor costs of preparing a replacement land.	
<b>Total</b>	Replacement value of crops plus labor.	

• Note: This example assumes a one-hectare 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 staple 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 staple 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.

The following table presents an example of a compensation schedule for a one-hectare land. The Tanzania Shillings values are based on arbitrary labor rates , which will need to be validated at the time payments are made.

<b>EXAMPLE OF LAND COMPENSATION SCHEDULE OF PAYMENTS</b>		
Activity	Month Paid ( generic, may be different depending on climate zones)	Labor in Tanzania Shillings/ha Rate Cost/day x no. of days
Clear	March	
Plough	May	
Sow	May	
Weed	May	
Harvest	November	
Total		

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.

<b>COMPENSATION FOR BUILDINGS AND STRUCTURES</b>	
<b>Buildings and structures will be replaced by an equivalent structure or, on an exception basis, cash and/or credits will be paid based on replacement costs.</b>	
<b>Item</b>	<b>Example</b>
House	Raw or Baked brick Straw or tin roof Varying sizes (small, medium large)
Kitchen	Open, closed
Stables/sheds/pens	Cattle, goat, donkey, sheep, other
Coops	Chicken, duck, other
Fence	Straw/poles (per unit poles & mat), raw and/or baked brick/cement blocks (per 1-m length)
Private Bathing	.
Latrine	Replacement latrines will be similar to those currently operational and financed by the bank or other donor agencies at health centers, schools.
Open well	Internally lined with concrete rings and provided with a hand driven pump.
Storage building	Cement/sand block walls with thatched roof on z-profiled metal sheets.
Sun Screen open huts/shades	Similar to those replaced, on thatched roof on wood poles.

## **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 DADP activity, is not permitted under the ASDP.

## **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.

They are primarily important as a source of:

- Subsistence food for families
- Cash produce that contribute to the local and export economy
- Petty market income in some areas, and
- Shade (in the case of mango and some guava trees).
- Traditional medicinal 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):

<b>Local Fruit Trees, e.g. Guava/ Mangoes</b>	
Estimated Avg. Fruit Yield (kg) of Mature tree	800 to 1,300 kg/year
Estimated Yield used	Ten sacks(1,000kg)/tree/year
Market Price, <ul style="list-style-type: none"> <li>• Height of harvest season (March/April)</li> <li>• End of season (late May)</li> </ul>	TSH/kg TSH/kg
Price used as basis of this estimate	80% height of season;20% end of season
Years to Production	Six to seven
Years to Maximum Production	Twenty
Costs of Sapling	TSH, locally available.
<b>Grafted Fruit Trees, e.g. Mangoes</b>	
Estimated Avg. Fruit Yield (kg) of Mature tree	800 to 1,300 kg/year
Estimated Yield used	Almost entire yield due to market value
Market Price, (varies according to variety) <ul style="list-style-type: none"> <li>• Height of harvest season (June/September)</li> </ul>	TSH/kg
Price used as basis of this estimate	Price per fruit or sac (100kg) as quoted by growers
Years to Production	four to five

Years to Maximum Production	Eight
Costs of Sapling	TSH, not locally available.

Proposed Schedule for Fruit (e.g. Guava or Mango) Trees Cut Down			
Type/Age of Tree	Est. Years	In-kind replacement for Local Guava and Mangoes	Credits/Financial Support.
Sapling  Trees planted after project cut-off date in area will not be eligible for compensation	0-1	Deliver to Farmer: <ul style="list-style-type: none"> <li>Choice of two guava or mango trees (local and/or improved grafted)</li> <li>Supplies: fencing to protect Tree, a bucket for watering, and a spade.</li> </ul>	<ul style="list-style-type: none"> <li>TSH</li> </ul>
Sapling/Young Tree  First minor production 12-50 fruits occurs about age 4-5	1-6	Deliver to farmer: <ul style="list-style-type: none"> <li>Choice of two guava or mango trees (local and/or improved grafted)</li> <li>Supplies: fencing to protect Tree, a bucket for watering, and a Spade</li> </ul>	Equivalent of X no. TSH in credits or other financial support for labor invested in planting, fencing, and watering, made in one payment.
Guava/Mango Trees  Fruit Producing	6-30+	Deliver to farmer: <ul style="list-style-type: none"> <li>Choice of two guava or mango trees (local and/or improved grafted)</li> <li>Supplies: fencing to protect Tree, a bucket for watering, and a Spade</li> </ul>	<p>Equivalent of X no. TSH in credits or other financial support for labor invested in planting, fencing, and watering, made in one payment.</p> <p>Equivalent of X no. TSH in credits or other financial support, representing eight years, (8 years x 10 sacks x X TSH/sack) lost income/subsistence until replacement trees begin production.</p> <p>This rate to be agreed by farmers.</p> <p>Total: Equivalent of X no. TSH in cash or equivalent financial support to be paid in one installment.</p>
Mature Trees – Low or Non- Fruit Producing	30+	Same as for mature trees above	Same as above

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.

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:  $(\frac{1}{2} \text{ diameter of canopy})^2 \times 3.14$ .

#### **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.**

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 DADPs financial processing arrangements.

The compensation process which will involve several steps would be in accordance with the individual farmer group'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 farmer groups 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 farmer groups 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 farmer groups will arrange meetings with affected individuals to discuss the compensation process. For each individual or household affected, officials of the farmer groups 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 farmer group 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 farmer group 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 ...) 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 farmer groups 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 farmer groups present their resettlement and compensation plans to the Zonal Land Officer and the District Council 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 farmer group 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 chief/traditional leader for resolution. As is normal practice under customary law, all disputes in chieftdom are solved by the chief after a thorough investigation of the facts using the services of his officials.

If the verdict rendered by the chief is not acceptable to either the individual affected or the farmer group, then the parties in their compensation contract would have agreed that the matter would be appealed to the District Tribunal, whose decision would be final and binding on the parties.

Notwithstanding that the grievance redress mechanism accepts that the compensation and resettlement plans will be ( contracts) binding under statute, but it also recognizes that customary law is the law that governs land administration and tenure in the

rural/village areas and is what most Tanzanians living in these areas are used to and understand.

The grievance redress mechanisms is designed with the objective of solving disputes at the earliest possible time which will be in the interest of all parties concerned and therefore implicitly discourages referring such matters to the Tribunal for resolution which would otherwise take a considerably longer time.

Also, in the local cultures it takes people time to decide that they are aggrieved and want to complain. Therefore, the grievance procedures will give people up to the end of the next full agricultural season after surrendering their assets to set forth their case.

All attempts would be made to settle grievances. Those seeking redress and wishing to state grievances would do so by notifying their chief. The chief will inform and consult with the farmer group, zonal land officer, the district and regional administrations, homestead/household representatives and leaders and other records to determine claims validity. If valid, the chief will notify the complainant and s/he will be settled. If the complainants claim is rejected, then the matter will be brought before the Tribunal for settlement. The decision of the Tribunal would be final and all such decisions must be reached within a full growing season after the complaint is lodged.

If a complaint pattern emerges, the farmer group, 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 farmer group, 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.

#### **K. A DESCRIPTION OF THE ARRANGEMENTS FOR FUNDING RESETTLEMENT AND COMPENSATION, INCLUDING THE PREPARATION AND REVIEW OF COSTS ESTIMATES, THE FLOW OF FUNDS, AND CONTINGENCY ARRANGEMENTS.**

The estimate of the overall cost of resettlement and compensation would be determined during the socio-economic study. The farmer groups would have to finance the resettlement compensation because they are the parties who would be impacting livelihoods. 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 farmer groups 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;

#	Item	Costs (in TSH)*	Assumptions
1	Compensation for loss of Land	/hectare	For land acquisition purposes, based on cost realized in projects involving similar issues in Tanzania.
2	Compensation for loss of Crops	/hectare of farm lost	Includes costs of labor invested and average of highest price of staple food crops as per methods described in Section G of this RPF
3	Compensation for loss of access to pastoralists	N/a	Those affected would be provided with shared access, or alternate routes (decision agreed through consultation and participation of all)
4	Compensation for loss of access to fishing resources.	Say, /fishmonger	Data provided from revised socio-economic study will determine market values of catch, fish products etc. that is produced.
5	Compensation for Buildings and Structures		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.
6	Compensation for Trees	/year/tree	Based on methods described on page 28-29 of this RPF for compensation for trees.
7	Cost of Relocation Assistance/Expenses	/household	This cost is to facilitate transportation, etc.
8	Cost of Restoration of Individual Income	Say	Assumed to be higher than the GDP/capita.
9	Cost of Restoration of Household Income	Say	Through employment in Program Activities.
10	Cost of Training Farmers , pastoralists and other PAPs		This is a mitigation measure which seeks to involve those affected by the project activities. This figure represents a costs of around TSH/person

\* 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 farmer groups. 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, effective and close consultation with them is a prerequisite 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 AGENCY AND, IF REQUIRED, BY INDEPENDENT MONITORS.**

The arrangements for monitoring would fit the overall monitoring plan of the entire ASDP which would be through the Ministry of Agriculture, Food and Cooperatives (MAFC).

The ASDP will institute an administrative reporting system that:

- (a) alerts ASDP authorities to the necessity for land acquisition in the DADPs,
- (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 DALDO and the farmer groups and the Zonal authorities would be responsible for periodically transferring the information compiled “on the ground” to the MAFC and the Ministry of Lands and Human Settlement Development, 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 DADP,

- (ii) if the people who were affected by the DADP 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 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 DADP 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 assess 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 DALDOs and the farmer groups will maintain a complete database on every individual impacted by the DADPs 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 farmer groups 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;

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

Financial records will be maintained by the farmer groups, the DALDO, the Zonal and Regional Administrations and the MAFC, 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 farmer group, 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 DADP cycle. The farmer groups, the DALDO, the Zonal and Regional Administrations and the MAFC, will implement changes through the Change Management Process in the Monitoring and Evaluation manuals of the ASDP (see the PIM or Project Implementation Manual), which will require feed back 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 Executive Director is structured into the whole M&E component of the DADP. 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 MAFC, the Ministry of Lands and Human Settlement Development and Zonal and Regional administration become part of the official documents of the DADP .

## **Annex 1.0<sup>4</sup>**

### **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.
14. Burial sites and graves.
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.
19. Burial sites and graves.

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<sup>4</sup> Culled from Appendix 10 of Vol. 1, Tanzania Environmental Impact Assessment Procedure and Guidelines (rev. March 2002).

## **Annex 2: Template for Preparing Resettlement and Compensation Plans (RAPs).**

This template is extracted from OP 4.12 Annex A which can also be found on the Banks website at [www.worldbank.org](http://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, locational 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 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.