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AFRICAN DEVELOPMENT BANK GROUP

PROJECT : **BAGAMOYO SUGAR PROJECT**
COUNTRY : **TANZANIA**

EXECUTIVE SUMMARY OF THE RESETTLEMENT ACTION PLAN

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Country : **TANZANIA**
Project reference : **P-TZ-AAG-003**

LIST OF ABBREVIATIONS

AEET	Agro EcoEnergy (Tanzania) Ltd
AfDB	African Development Bank
AfDB IRP	African Development Bank Involuntary Resettlement Policy
AIDS	Acquired Immune Deficiency Syndrome
BEE	Bagamoyo EcoEnergy Project
CLO	Community Liaison Officer
ESIA	Environment and Social Impact Assessment
EIA	Environmental Impact Assessment
EMP	Environmental Management Plan
GoT	Government of Tanzania
HIV	Human Immune Virus
IFC	International Finance Cooperation
IFC PS5	International Finance Cooperation Performance Standard 5
M & E	Monitoring and evaluation
NGO	Non-Governmental Organisation
PAP	Project Affected Person
P&PC	People and Property Count
PDT	PAP Development Trust
PRT	Project Resettlement Team
RAP	Resettlement Action Plan
RIT	Resettlement Implementation Team
RAZABA	Ranchi ya Zanzibar
STD	Sexually transmitted disease
SCF	Settlement Consultative Forums
VVF	Vesicovaginal Fistula

UNITS USED

TSh	Tanzania Shilling
Ha	hectare
kg	kilogram
m ³	cubic meter

1 INTRODUCTION

Bagamoyo EcoEnergy Project (BEE) has entered into a joint venture partnership with the Tanzanian Government and has been provided with 24,000HA of land by the GoT on the western part of the Ranchi ya Zanzibar (Razaba) area in Bagamoyo District Tanzania, which was abandoned by the Government of Zanzibar in 1994. The intention is to develop a green field sugar cane plantation on approximately 7800HA of land. The Bank, along with other lenders, considering financing the Project through resources from its private sector window. The Project will be developed in four phases and this RAP embraces the first phase of the Project. All subsequent phases will be presented as addendums and will be compliant with this first RAP and all its safeguards and mitigation measures.

Current Land Usage: Altogether there are 1374 impacted persons living or working within the Project area. In Phase 1 of the Project, those physically impacted include 38 households with 191 people living in the sub-villages of Matipwili known as Kaloleni Biga and Gobole. In the same two villages there are 174 households economically impacted, both of which have been people and property counted by the Government. Further to this there are 85 charcoal producers living in temporary camps at Dam 3 and by reason of their loss of forestry resources are also impacted. Finally there are 13 pastoralist families with 70 men, women, children, 3160 cattle and a range of other livestock. These pastoralists belong to the Datooga tribe and are classified as highly vulnerable as they do not speak Swahili and have no education, marginalizing them from the larger Tanzanian society. The Government did not include the pastoralists or the charcoal producers in the initial census. Efforts have been undertaken in the preparation of this RAP to ensure compliance with the Bank's Involuntary Resettlement Policy, including expanding the scope of eligible project affected persons and devising tailored compensation and resettlement assistance options, just to name a few.

The RAP Objective: This RAP Summary provides a brief of the resettlement plans for the BEE Project in Bagamoyo and is in accordance with the African Development Bank's Involuntary Resettlement Policy and the IFC PS5 2012. The summary is based on the RAP, which serves as a framework for all current and future resettlement needs for the Project and will later include addendums for settlements such as Bozi, Gama, and Gama Maka'ani as well as Fukayosi and Biga West. The main objective is to ensure that the Project Affected Persons' (PAPs) standards of living are maintained or, where possible, improved and there is equitable development for host communities.

2 PROJECT DESCRIPTION

In Tanzania the demand for both sugar and electricity is high. In view of this, AgroEcoEnergy (T) Ltd has formed a special purpose company Bagamoyo EcoEnergy Ltd (BEE) with the express purpose to develop a sugar cane plantation and factory which will have flexible revenue streams comprising of sugar, ethanol and power. As Tanzania has currently a domestic sugar shortage, the optimum initial configuration is presently to concentrate upon domestic sugar production. However, the plant will have the technical flexibility to adjust between sugar and ethanol production dependent on prevailing market demand and other factors. It is currently anticipated that the initial sales will be approximately 125,000 tons of sugar for the domestic market, 8,000 -15,000 m³ of ethanol for domestic market and 100,000 MWh/year for sale to the Tanzanian national electricity grid.

In April 2008 the Western part of the former Razaba Cattle Ranch was officially offered to EcoEnergy by the GoT providing 24000 Ha for the intended project. The site is located close to the Indian Ocean and about 20 km north of Bagamoyo Town between the Ruvu and Wami Rivers. Since the demise of the cattle ranch in 1994 there has been no formal development in the area. The Project will bring the much needed investment and provide job opportunities to the neighbouring villages including Fukayosi, Matipwili, Gama, Mkwajuni, Makurunge, Kitame, Kidamole and Mtoni as well as a range of benefits to the wider Bagamoyo District.

The southern boundary of the farm is between N 9,290,459 E 471,002 and N 9,289,977 E 477,856. The immediate boundary between the coast area and the Farm is for the most part demarcated by the road

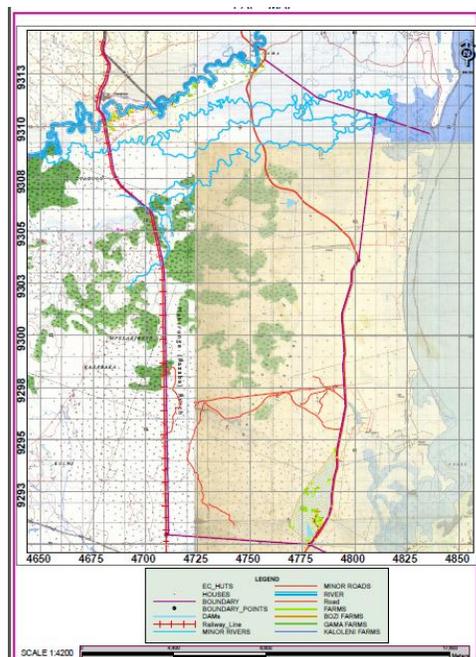
running from Makurunge to Gama starting from the road at N 9,289,977 E 477,856. The land then spreads out on both sides of the Road as the eastern boundary continues north at N 9,303,586 E 480,186 to as far as N 9,310,508 E 481,005. From this point the boundary runs in East / West at N 9,313,756 E 475,354 and from there are boundaries formed to the North by the Wami River, and to the West by the disused railway line. See the Map below.

BEE will create ultimately direct employment for approximately 2000 workers, the majority of which will be from the surrounding communities. This will additionally curb influx of outsiders. The socio-economic baseline studies have already identified the various skill sets available in the area and the Project will ensure a gender balance within the staffing. A training program will be developed for both employees and out growers. This will also serve as a base to train those being economically resettled to gain additional skills to improve livelihoods, ensure food security and access to some of the employment and contractor opportunities. The out-grower scheme is an integral part to the BEE business model and will enable local farmers to substantially increase their incomes.

The primary reason for development of this particular land is that it is targeted by GoT for development of modern agriculture practices as it has been underutilised since the closure of the cattle ranch in 1994 and very few people have established permanent residence there. Further efforts to minimize resettlement by the Project are as follows:

- Some subsistence farmers settled on the Wami river bank will remain in their current location but retaining a 100 meters buffer biodiversity zone;
- Some Pastoralists will be allowed to use 2000Ha of Project Land and have access to two of the dams if routines can be established where the pastoralists sustainably can coexist with the cane farming operations;
- Some Charcoal producers zoning will take place outside the Project area of activity

Fig 3.1: Map of Project Area



3. ORGANISATIONAL RESPONSIBILITY

The Project is a joint venture with the Tanzanian Government, which has agreed to bear the resettlement costs within the limit of their legal responsibility. The project sponsor, Bagamoyo EcoEnergy Ltd. (BEE), will provide any additional measures required to meet AfDB's Involuntary Resettlement Policy and IFC PS5 on Involuntary Resettlement. The RAP design and implementation modalities factored in those prevailing international standards. In addition, BEE has appointed a RAP co-coordinator who liaises between the Project and Government to ensure the information flow between the parties and a specialist RAP consultancy group IDC Ltd. The RAP team is led by a resettlement expert with experience in Africa spanning over thirty years and her team is made up of international and local consultants as well as young Tanzanian

graduates which are being trained on best international resettlement practice.

The Project and the RAP team are working closely with the government to both build the capacity and ensure that the international best practice principles are maintained in the full process. The PAPs have formed their own Resettlement Committees (CCF) to be fully participatory in the process. The co-ordination and co-operation between the Government, the Project, the RAP team and the Communities is developing and consolidating as the process unfolds and will ensure a peaceful and equitable resettlement programme.

4 LEGISLATIVE FRAMEWORK

There is no one direct law or legal provision on resettlement in Tanzania. It is generally guided by the Constitution of the United Republic of Tanzania 1977, National Land Policy 1995, Land Act No. 4 of 1999 and its Regulations, Village Land Act No.5 of 1999 and its Regulations, and the Land Acquisition Act of 1967. Land ownership in Tanzania is characterized by a dual system of tenure identifying both customary and statutory right of occupancy as being equal in law. According to the Land Act No. 4 of 1999, all Land in Tanzania is public/state land and is vested in the President as trustee on behalf of all. The Land Acquisition Act 1967 gives power to the President to acquire "Land" from private occupants for public purpose when it is in the public interest to do so. The Ministry of Lands, Housing and Human Settlements Development is responsible for land use planning, surveying and demarcating land/parcel/farms, and the provision of land ownership and tenancy.

It is a constitutional right in Tanzania that if one's property is either acquired or nationalized, the individual affected must be fully, fairly and promptly provided with compensation. The procedures for valuation are set out in the Land Act No.4 and Village Land Act No.5 of 1999. Compensation in Tanzania includes the market value of the real property less depreciation, disturbance allowance, transport allowance, loss of profits or accommodation. Tanzanian practice usually entails cash compensation. The Land (Compensation Claims) Regulations, 2001 (Made under Section 179 of the Land Act No. 4 of 1999) states, that compensation shall take the form of monetary compensation. Section 2 however makes the amendment, that "compensation may, at the option of the government, take the form of all or a combination of the following:

- a) A plot of land of comparable quality, extent and productive potential to the land lost;
- b) Buildings of comparable quality extent and use comparable to the building or building lost
- c) Plants and seedlings
- d) Regular supplies of grain and other basic foodstuffs for a specified time.

This is further confirmed in the Land Act Section 12, which says that the person entitled to compensation can be given a grant on public land of equal value "in lieu or in addition to any compensation payable." Importantly, this enables compensation In-Kind within Tanzanian Law.

AfDB's Involuntary Resettlement Policy, the World Bank's Operational Policy 4.12 and the IFC's Performance Standard 5 (2012) generally provide guidance on how to treat people who have been displaced or suffered other losses as a result of various projects. Whereas there is synergy between Tanzanian Law and AfDB's Involuntary Resettlement Policy, there are some key differences.

AfDB's Involuntary Resettlement Policy states that persons are eligible for compensation whether or not they have legal rights over the land but the GoT only recognizes those deemed to be legal residents or users of the land eligible for compensation for land. With regards to compensation, AfDB states that it should be based on replacement value rather than market value less depreciation. AfDB places emphasis on the improvement of PAPs' lives following displacement and prefers 'in-kind' forms of compensation rather than in cash, including special assistance to vulnerable peoples and gender sensitivity. There are specific guidelines with regards to the consultation process which should be participatory, culturally appropriate and ensure informed consent. Further sections of AfDB's Involuntary Resettlement Policy relate to the host communities, support to relive stress from public services and efforts to ensure benefits for the Host community to reduce conflict. AfDB also insists on continual monitoring and evaluation of the resettlement

process. The RAP design and implementation modalities have integrated these critical focus areas and concerns to ensure that the physical and economic displacement to be experienced by the PAPs will not lead to a worsening of their economic and social welfares.

5 COMMUNITY PARTICIPATION AND PUBLIC INVOLVEMENT

The Project Proponent, Bagamoyo EcoEnergy Ltd (BEE) is committed to comply with international standards as well as national laws for resettlement. The project has developed a hybrid approach in handling public consultation in a culturally appropriate and gender sensitive manner. These engagements were aimed to foster a two-way dialogue, in an open, honest and structured manner and maintain consistent messages regarding the Project activities and managing expectations. Care was taken to assure that the groups being consulted are representative, with adequate participation of women, vulnerable groups, and ethnic or religious minorities. Separate meetings for various groups were held when necessary. Clear mechanisms to respond to people's concerns, suggestions and grievances have been developed to provide timely feedback and all formal meetings are documented. A stakeholder mapping process captured relevant government officials, community leadership and potentially interested NGOs. Appropriate protocols have been followed and relationships developed to have a productive working environment engendering transparency and flow of information between the parties.

The PAPs in the project area are very disparate, requiring a range of different approaches and dialogues with each whilst maintaining the same message to various groups of importance: the communities living on customary land, whose members have expanded into the project area for livelihood purposes, the landless people who have developed small settlements scattered in the Project, the migrant pastoralists have their own Barabaig language and the itinerant charcoal producers who come from far and wide. All initial contacts with the sub-villagers commenced with Government sensitisation in one form or another.

On the part of the Government, however, there was a reluctance to acknowledge either the charcoal producers or the Barabaig pastoralists in the resettlement process. Government involvement here was limited to agreeing to the registration of charcoal producers proposed by the RAP Team instead of evicting them. Again with the pastoralists, formal engagement regarding resettlement was not accepted but subsequent involvement of the veterinary, educational and community development offices of the Government have been proactive in addressing some of their constraints towards engendering improvement.

A participatory approach has been used throughout the process including the Scoping Phase, the People and Property Count (P&PC), the socio-economic baseline and the resettlement options in which the PAPs formed their own Resettlement Committees with representatives from the elders, the youth and women. Hopes and concerns have been and will continue to be addressed. Ideas and suggestions from the PAPs have been integrated into the RAP solutions.

The socio-economic surveys were undertaken with 100% of PAPs over 18 and 10% of those in the surrounding Project area of influence. Additionally various Focus Group Discussions were held which included specific groups of livelihoods, women, youths, children and public servants from the local schools and health centres; Swahili was used primarily for conducting these exchanges. Separate meetings were held with the Barabaig pastoralists who do not generally speak Swahili. Meetings were conducted in a culturally appropriate manner with special attention to each of the separate groups: elders, women and youth. Additionally literate members of the different communities were trained to undertake some of the surveys and the settlements elected representatives to work with the RAP team for on-going interface. Most interface included support and assistance from the local government and efforts were made with regards to capacity building, training them on international best practice which has been wholly embraced. A series of maps and drawings were created in conjunction with the PAPs including: Communal and Natural Resources mapping as well as Cultural, Economic and Physical mapping. These maps facilitated the identification of several types of assets of economic and cultural significance and informed the inclusion of these assets into the RAP modalities.

In Phase 1, all physically displaced PAPs opted to move back into their main village of Matipwili and successful negotiations were held with the Executive to choose the amount of land they would assign to the resettlers and the exact location. Specific surveys and a series of consultations were held with Matipwili to address probable impacts. Appropriate mitigation measures have been developed to relieve stress on infrastructure, communal resources and public services and to share the benefits from the Project, including the development of shared livelihood centres. PAP preferences on livelihoods were determined through a series of meetings on the possibilities. Most PAPs in the settlements chose either to continue with their current occupations or learn new skills. Few opted for the job opportunities with the Project.

The implementation of these measures will involve support from both the District Offices as well as NGOs operating in the area. All PAPs, regardless of whether they were subsistence farmers recognised by the government or the more itinerant charcoal producers and pastoralists, underwent a series of training modules, including basic numeracy and literacy, mobile phone use, biodiversity, environmental and entrepreneurship training. These were held by the RAP team and served as capacity building and mindset changes in readiness for resettlement. The entrepreneurship training involved a series of visits to commercial operations in and around the district to demonstrate better practices. During the process all four groups, including the pastoralists⁽¹⁾, formed registered co-operatives and which were certificated by the local authorities. Similar efforts and initiatives will continue for the duration of the resettlement process.

Following an introduction to solar technology, seven mobile solar panels were purchased. Four of the panels were to run a small business charging telephones and sell mobile phone recharge vouchers. The remaining three were bought by pastoralists wishing to provide lights for milking cows early in the morning as well as charging their mobile phones. These Early Measures were devised to engender a sense of entrepreneurship in the PAPs in view of the future accessibility to the PAP Development Trust Fund, which was developed emerging from recommendations in preparing the RAP, and were an integral part of the consultation process.

6 SOCIO-ECONOMIC STUDIES

The Project site is located in Bagamoyo District, which is 65 Km from Tanzania's economic capital, Dar Es Salaam. The District Database 2005 shows that the District has a total population of 270,000 with 121 Primary Schools, 26 Secondary Schools, 49 Dispensaries, five Health Centres and one Hospital.

Settlements within the Project Site

The project area sits on a total landmass of 24,000 HA within the former Razaba Ranch and is surrounded by the villages of Fukayosi, Kidomole, Matipwili, Gama, Mkwajuni, Kitame, Mtoni as well as the Sadaani National Park. Within the Project area, there are some small settlements that will be impacted in the first Phase, including Gobole and Kaloleni Biga, which will be physically and economically displaced. To the centre of the Project farm land is the dam referred to as Dam 4, which plays host to thirteen Barbaig pastoralist families and just over 3000 head of cattle and other large livestock. The herdsmen graze their animals in different parts of the farm and also use Dam 3 and Dam 5 for those purposes. Further, there are 85 transient charcoal producers in the area that move around the old ranch in search of trees for charcoal. To the north of the Project land is Matipwili community which is an intended Host Community.

This RAP will only embrace the studies relevant for the first phase of the Project. The subsequent addendums will provide the socio-economic data of the other settlements pertaining to each phase.

Projected Affected Persons in Phase 1:

Kaloleni Biga

Kaloleni Biga is located on the northern part of the project land on the southern banks of the Wami River and is a sub village to Matipwili village. It is made up of 28 households physically impacted and 59

¹ The Barbaig formed the first ever pastoralist co-operative in the Pwani Region and was celebrated as a great step forward by the District.

economically impacted. The settlement has no infrastructure of its own but uses infrastructure established in Matipwili Village. Matipwili has a primary and secondary school, a dispensary, a community centre and a library which are used by Kaloleni Biga as it neither has social services nor motorable roads of its own. The community is headed by a chairperson who reports its activities to the main village and is part of the main village's executive Council.

131 people will be physically displaced and 59 people economically displaced by the Project. Most people are Christians but there are a few Muslims. Predominantly, people in the community only have primary education. Common health problems include hernia, hypertension, malaria, pneumonia, diarrhea, elephantiasis, stomach problems and VVF. This has been attributed to the lack of clean drinking water and the prevalence of mosquitoes in the surrounding swamps. Maternal health care was rated poor, with the Matipwili dispensary not equipped to handle anything but the most basic problems. In the case of death, the family appoints an executor to handle general assets. Burials take place in Matipwili. Vulnerable peoples include the disabled, the old, sick, orphaned, widowed, single parents, and impoverished and school-age children not attending school.

The main livelihoods are subsistence farming. Almost all the households in Kaloleni Biga keep chickens for both economic and domestic purposes. Farming in Kaloleni Biga community is carried out year round assisted by the close proximity of the River Wami providing water for the rudimentary irrigation systems. Farmers usually maintain a farm on the highlands and a farm close to the Wami River. Commonly cultivated crops are maize, cassava, sweet potatoes, cowpea/beans, vegetables, banana and sugarcane. Their major challenge is product storage and marketing. Over 30% of excess agricultural produce never reach a buyer or market due to lack of access. Other challenges include: lack of cooperative efforts in getting inputs and supplies for the farmers, poor seeds, slash and burn techniques and lack of an agric-market in the area where fresh farm produce can be sold. A few households supplement their diets with fishing.

The average value of livelihoods in the community is about US\$200 a month. Only one household has a bank account and there is no thrift society that encourages savings.

Gobole is situated on the North Central axis of the project land and is a sub-village of Matipwili. There are 10 physically impacted households and 17 economically impacted and a total population of 77 people. Residents originally settled there as the soil is very fertile and water easily available from the Wami River. The settlement is headed by the Chairperson who reports to the Chairperson of Matipwili.

Periodic flooding of the River Wami often cuts Gobole off from the main village. There is one canoe used by the whole community to take children to school and to access the health centre. The majority of the population only has partial primary education and some have none at all.

Farming is the predominant livelihood. Chickens are kept as free range birds for self-consumption and market purposes, without any form of veterinary intervention. There are about 285 fowl in the area. The residents fish for family consumption only. Due to the nature of the settlements, income in the community derives mainly from subsistence farming and the average value of livelihoods is about US\$155 a month.

Within the Project Area there are 70 Barbaig pastoralists consisting of thirteen households. The thirteen Pastoralist families seasonally move around the Project site close to the four dams. Their shelters and assets are all moveable, which reflects their lifestyle. Importantly, they have large numbers of livestock including 3160 cattle, 653 goats and 50 donkeys.

The Barbaig are generally nomadic herdsmen and settle wherever they find grass and water for their animals. They live in temporary structures with their wives and children. The former Razaba ranch had all the facilities required, thus many have been residing in the area since its closure making use of the large expanse of grazing land and many dams. The Barbaig are usually polygamous. Very few speak Swahili and

none are literate. Age and gender determine their core daily activities. The youth generally care for the cattle and the women milk the cattle. The men set up the camps in various places and trade the cattle, which are their walking capital. An average cow can fetch anything between US\$150 to US\$300 and some of the pastoralists in the project site have several hundred heads of cattle.

Charcoal kilns are visible all over the project land. From the survey taken, over 90% of the migrants on the project land, apart from the pastoralists, are involved in the charcoal production value chain. 85 people were registered as charcoal producers at Dam 3 during an exercise carried out by the RAP Team. In comparison to all the other residents within the Project site, Dam 3 was found to have the most educated and skilled population. Many have secondary education but ended up as charcoal producers due to the scarcity of jobs in order to provide for their families.

Kaloleni Biga and Gobole have undergone People and Property Counting by the GoT. Pastoralists and charcoal makers were not part of the census but have been included in a subsequent census and are considered to be eligible PAPs under this RAP.

7 PROJECT IMPACTS

This section summarizes the most prevalent potential impacts the Project might have on the PAPs and the Host Community and their mitigation measures. A significant impact occurs when anticipated future change resulting from the land take severely differs from otherwise expected change in 'normal' conditions. The acquisition of the land and establishment of the project will result in a variety of physical, economic and social impacts. The physical impacts will begin at the onset of the RAP implementation process, will be certain and permanent and will be felt by all PAPs, their dependents and people living within the Host Community. The RAP will guide on minimising these impacts through consultation, capacity building and other measures to mitigate negative effects where possible and optimise the benefits the Project will bring.

The Land Take will result in the loss of residential homesteads and associated structures in Kaloleni Biga and Gobole. The loss will be mitigated through a comprehensive compensation package, which consists of a replacement house with improved features and other benefits if the PAP chooses In-Kind compensation. For those that opt for cash compensation, they will have access to the PAP Development Trust Fund and jobs and for those who are not eligible for cash compensation they will have access to the PDT, jobs or the use of land as with the pastoralists.

The replacement houses are tailored to significantly improve the PAPs' lives and the houses will be made from bricks with corrugated iron roofs, solid foundations and most importantly the access to clean drinking water on the resettlement site. Initiatives for the Host Communities, such as teacher housing and the access to five commercial centres, is designed to mitigate the impact of hostility of the Host Community towards the PAPs and should help them integrating back into their main village. Further this RAP proposes remedies to mitigate other presumed negative impacts, such as the increase in waste and stress on social facilities in the Host community through capacity building and consultation.

Another major impact is the loss of land-based livelihoods for PAPs. This applies to all PAPs living within the Project Area and those living elsewhere but deriving their income fully or partially from economic activities inside the Project Area. This factor is mitigated through the provision of adequate farmland in the resettlement process as the In-Kind option or cash compensation.

PAPs not recognised by the GoT as eligible for compensation, such as the Barbaig and the charcoal burners, have been integrated into various livelihood measures to meet AfDB's and IFC's resettlement requirements. 2000HA replacement land for grazing within the Project Site with access to water is to be set aside for the Barbaig. The charcoal makers have been registered in a central database. Some will receive training to improve their skills while others will have options for employment with the Project.

Displacement can have distressing effects on displaced people as the disturbance of current life patterns can result in a breakdown of social structure and a questioning of cultural norms and authority. The designated resettlement site Matipwili, as their traditional main village, however, safeguards the maintenance of social order and authority. All RAP activities and consultations with the Barbaig were conducted in a culturally appropriate manner to ensure self-determination and participation in all processes. This has also been done in a similar fashion for other categories of PAPs.

At the resettlement site and surrounding areas, the optimisation of benefits will have direct and immediate impact on both displaced people and host community on a long term basis. The co-operation with both local government and local NGOs provides the opportunity to build capacity, diversify skills and facilitate the access to a range of benefits and services that will support the economic development of the people and engender self-reliance.

If the resettlement is carried out as intended in this RAP, which is in compliance with AfDB and IFC resettlement standards, the benefits will outweigh the negative elements of the physical and economic displacement to be experienced by the PAPs.

8` ELIGIBILITY

Within the context of the BEE Project, in compliance with international best practice, a displaced person by the project would be anyone who lives, works or has any socio-economic, livelihoods or cultural ties to the project land, duly impacted by the land take in the area and who experiences any loss of natural and/or communal resources. It should be noted however, that since the level of impact of these group differs so does their level of eligibility and the packages they are entitled to receive. Eligible PAPs under the project include the following categories/ groups: subsistence farmers, fishermen, charcoal producers, traders, Barbaig pastoralists, and food caterers.

Those people and property counted by the Government are divided into two categories, those physically and economically impacted and those only economically impacted. The predominance of those economically impacted is due to the fact that they live in the main village of Matipwili and they own farms south of the river where the fertile soil and access to water for rudimentary irrigation is available.

The Government did not include charcoal producers in the census because they were deemed 'illegal', although technically they are 'unauthorised' rather than illegal, operating on land that has been abandoned since 1994, but without permission. The Government approach was that they should be evicted, but arguments were made regarding their loss of natural resources required for their livelihoods. This was eventually accepted allowing the Project to make provisions for alternative livelihoods. Their rudimentary and temporary structures were considered moveable and therefore no form of compensation was availed for these structures. A list of registered charcoal producers including education and livelihood skills has been presented to the Project as eligible PAPs for jobs with the Project and its contractors. 10% will be eligible for formal and informal skills development training to enhance their livelihood opportunities. These will be selected on the basis of age, current education levels, skills and preference.

The Barbaig were also not considered for valuations as the government assessed them as nomadic. Whereas they do move around, in the case of the Razaba Ranch, for the thirteen families based in the Project area, they move to different Dams on a seasonal basis. They had been given notice by the Government back in 2008 to relocate to Lindi. Few left as Lindi has limited access to water and it is known as a place where there is conflict with the farmers on both land and water. In consultation, the Barbaig requested that they retain some land within the Project site and the Project agreed to let them use 2000HA of land which has Dam 3 and the Bozi dam . As a vulnerable group, they are eligible for additional assistance, which is envisaged under this RAP. Each of the measures developed addresses specific constraints they have shared with the RAP team, including access to education for children, assistance in registering in wards predominated by the Masaai (perceived to be an old historical enemy), improved

ranching practice especially with regards to access to medicines for livestock and assistance to the women in setting up small and micro enterprises related to their culture and their lives.

With regards to replacement housing for the two sub-villages Kaloleni Biga and Gobole, an eligibility table was setup to replace not according to current structures but bona fide members of the household, divided by age, relationships to the head of the household and gender.

9 PEOPLE AND PROPERTY COUNT

Enumeration of the PAPs within the project area was conducted in October and November 2011 by the Government accompanied by the RAP team that gathered key PAP data in preparation for the socio-economic baseline surveys. A sensitisation process was undertaken by Government prior to the People and Property Counting to ensure all parties were duly informed and a cut-off date was set at the start of the P&PC exercise. The cut-off date for the eligibility of PAPs was October 18, 2011. A grievance mechanism was also established to handle disputes during the exercise. The enumeration was carried out in teams, each made up of a National or Regional Valuer and Land Surveyor, a RAP observer and a Social Surveyor. The presence of the RAP Team in the subsequent census and asset valuation exercises served to ensure compliance with the resettlement requirements of AfDB and IFC.

10 VALUATIONS

Tanzanian law states that compensation is due when land is acquired for a development purpose. The key difference between valuations of the GoT and Tanzania is that the value should be assessed at the 'open market rate' with depreciation, unlike the AfDB that states it should have a 'replacement value' and where possible there should be a demonstrable improvement in people's lives.

Apart from the core compensation for immovable assets, the PAPs will also receive compensation for their land and crops as well as disturbance, transport and accommodation allowances. Physically impacted PAPs are further entitled to transport and accommodation allowance. Transport allowances shall be actual cost of transporting 12 tons of luggage rail or road (whichever is cheaper) within 20 Kilometers from the point of displacement. Accommodation allowance is calculated by the number of rooms in a house times the average rent of the area times 36 months.

The GoT valued land at US\$310 per acre. Crops valuations are based on market prices of 2010 according to maturity rates. Structures made of sticks have a value of US\$15 per square meter, more solid houses are valued at US\$60 per square meter. They are further depreciated according to age and state of the structure. Anything between 5% to 85%.

The maximum valuation for any one household was for US\$12500. There were two asset valuations at approximately US\$ 6800, but the vast majority were valued in the range of US\$ 1500. These rates have been deemed insufficient to replace let alone improve lives of the PAPs. The Project has thus agreed to provide a 'top-up' of all valuations in order to meet AfDB and IFC requirements.

11 COMPENSATION FRAMEWORK

Tanzanian practice usually involves cash compensation. During the preparation of the RAP, a series of consultations were conducted and resulted in the buy-in of a majority of physically impacted PAPs to accept in-kind compensation. However, the option for cash compensation will still be made available and is the preference for those economically impacted PAPs.

Where GoT rates are not sufficient to meet with the resettlement requirements of AfDB and IFC, BEE will supplement and top up the amount in the form of a PAP Development Trust accessible to all PAPs. If homeowners, however, opt for In-Kind Compensation, 40 x 50m residential plots will be provided with a house built for each PAP household using locally available materials but improved techniques.

The concept devised to construct these buildings is partly linked to the development of skills as part of the livelihood improvement options envisaged under this RAP. Improvement in housing will be assured by the

provision of windows for ventilation and extended roofs to enable shade and water harvesting; outside kitchen shelters, latrines, storage will be provided and access to safe water. The plots will be of sufficient size to enable on-going small livestock keeping and kitchen gardens. Sustainability will be assured by the PAPs ability to maintain and develop the houses and the development of transferable skills sets.

Economic huts are mainly owned by non-resident farmers counted in the census. Many will opt for cash compensation at current market value as determined by the Government valuers less depreciation. Alternatively, all economically impacted PAPs can choose an In-Kind compensation package. This enables farmers to have access to replacement land and assistance with input. Improvement is derived from the development of new or improved livelihoods, assistance in setting up co-operatives and the provision of fit for purpose livelihood shelters in planned areas for mechanical, repair and maintenance, crafts, food preparation and eateries as well as basic market facilities. Concerned PAPs have been sensitized on these options.

Annual crops can be harvested prior to relocation and therefore no cash compensation will be paid. The resettlement site has a provision of 40 x 50 metre plot for market and kitchen gardens or small livestock keeping. Given their significance to the local subsistence economy, fruit trees will be compensated on a calculated replacement value including accrued time and money lost until new saplings can become productive again at the same levels as prior to displacement. As the GoT valuations for trees are not considered as replacement value, the top up will be provided by the Project through the PAP Development Trust Fund. For those opting for the In-Kind package, each of the resettlement site plots will be provided with two fruit tree saplings. Improved techniques will be provided by the District Agricultural Department and local NGOs together with other inputs with the aim of increasing yields and improving livelihoods. Particular attention will be given to produce storage and added value processing to enable better markets.

The government valuations further provide for accommodation, transport and disturbance allowance. For those physically displaced opting for in-kind compensation, a set up allowance of US\$156 is provided for each household. Where no alternative livelihood has been established prior to relocation a sum of US\$ 93.75 will be made monthly for up to a further six months or until provisions are made.

As the Tanzanian Government Valuations generally fall short of the AfDB and IFC resettlement requirements of replacement value and 'improvement', the PAP Development Trust (PDT) will provide the 'top ups' required by the Project to ensure compliance with AfDB's Involuntary Resettlement Policy and IFC PS5, other than those funds required for construction, land preparation and training. The PDT is accessible to all PAPs, whether economically or physically displaced, and for individuals, co-operatives or collectives. It has the specific goal to optimise and improve the quality of life for displaced persons, develop improved income earning capacity and to purchase or build capital assets to enhance livelihoods, and access to markets in the form of a rolling loan set at a fixed interest rate. Additionally, the PDT will be used for some of the training costs. It will also have a Special Grant Fund set up with 10% of the total amount to support the most vulnerable PAPs. The PDT will be administered by a four-member Board of Trustees made up of representatives from the Project, the Host Community, Project-Affected Persons and an independent NGO specialising in Community Development Trusts. A PAP Fund Committee comprised of six representatives will be established to report quarterly to the Board of Trustees.

For most of the vulnerable groups, cash compensation would be inappropriate. Interventions have been developed to address the particular needs of each vulnerable person and include various ways to improve the lives of vulnerable children. The emphasis would be to facilitate access to education, immunisation and health services with the help of local NGOs. It has to be assured that the current support mechanism for elderly, disabled and sick people will be retained and, where possible, improved. Assistance will be provided in forms of transport to the new site, access to some medical support and equipment where appropriate, and the provision of mosquito nets. Enhancement of incomes for the female headed householder and widows will be arranged, where possible, as well as security of tenure for houses in their own name. Impoverished families earning less than US\$50 per month would receive additional support in the development of

appropriate livelihood skills, start-up kits and access to micro-credit facilities with some financial support during the training period. The Barbaig pastoralists are particularly vulnerable as few speak Swahili; none are literate and are generally excluded from access to Government support. The Barbaig families residing within the site will retain access to 2000HA of land and two dams. Other interventions have already been started such as assistance to register with local communities which will enable pastoralists to access district veterinary and educational services. The permission to have a boarding school facility at the Primary School in Makurunge for pastoralist children has been agreed.

12 LIVELIHOOD IMPROVEMENT

As part of the variety of compensation and resettlement assistance options provided for under this RAP, this chapter highlights the measures planned to improve standards of living of displaced persons through the restoration or replacement and improvement of livelihoods, skill acquisition opportunities and entrepreneurship to engender improved economic and social sustainability. These measures have been tailored to improve both land based and other livelihoods of the physically and economically impacted PAPs. In view of the fact that most PAPs are involved in multiple livelihoods at the moment, interventions have been diversified to give room for the following:

- Formal and informal skills training and mentoring;
- The provision of agricultural land in close proximity to the Resettlement Site
- The provision of commercial and industrial facilities and areas
- Access to improved seeds and other inputs
- Access to micro credit for SMEs through the PAP Development trust (PDT)
- Access to credit to purchase capital goods through the PDT

Several provisions have been made in this RAP to improve land-based traditional livelihoods, especially for the physically impacted person opting for In-Kind compensation. 50 Ha of land has been allocated for those interested in agriculture while every household can retain a kitchen garden on their resettlement plot. Other livelihood replacement and improvement measures include: supporting access to training for those looking to improve in basic artisan skills such as construction, block masonry, carpentry, house painting and basic electricity, catering, dress making and hairdressing, livestock caring and animal husbandry. These are intended to be short training courses and in situ training during the replacement housing construction.

Vocational skills development opportunities will also be made available for all eligible PAPs. These courses are duly certificated, which engenders self-reliance in PAPs as they can choose to remain self-employed or take up employment. As part of BEE's social and economic sustainability commitment in protecting project affected persons, there is a recruitment clause in all contracts binding contractors on the project to use best efforts to recruit PAPs where possible. The Project is committed to offer in—house training to all employees.

The PAP Development Trust is intended to cater for capital equipment purchases and micro credit schemes repayable at a fixed interest rate. This fund will empower the PAPs in several capacities as stated above. Although the first two line items are repayable loans with soft interest, the third line item is a grant for eligible PAPs as it caters for the training cost and other training needs.

A range of capacity building trainings has also been scheduled for empowering the PAPs on trends management, such as changing from subsistence farming to salary earning opportunities and changing from several livelihoods trends to entrepreneurial practice, time management, basic book keeping and product branding.

13 RESETTLEMENT SITE SELECTION & HOST COMMUNITIES

The 38 Households in Kaloleni Biga and Gobole eligible for physical resettlement selected representatives to form the Community Consultative Forums (CCF) to make decisions on relocation. Decisions were based on cultural ties, social and political cohesion and livelihood opportunities. They decided that their main village of Matipwili was the preferred location for a resettlement site. In congruence with the sustainability principles of EcoEnergy, several levels of negotiation have taken place between BEE, the RAP Team, the

District and Matipwili community and Village Executive Council to determine the exact location and measures to relieve stress on already over utilized public services and infrastructure. It has been agreed with the Matipwili executive to provide some houses for the key public sector workers within the resettlement site and construct five commercial structures for use of all the Community managed by their executive. It can be concluded that from a social, economic and practical viewpoint the choice of Matipwili as a resettlement site creates a win-win situation for all stakeholders and consensus was reached on the site's suitability.

14 SHELTER

Consultations with the PAPs and the CCF have included housing design and type that fit within the host community in a culturally appropriate manner. The decision to use locally available material is less concerned with cost, but rather with environmental suitability and social acceptability of the displaced persons and the host community. The houses for PAPs opting for In-Kind compensation will consist of local materials such as: locally made blocks, painted, corrugated roof, with guttering and drain pipes for water harvesting. The windows have no glass but are fitted with mosquito nets. There will be an outside kitchen suitable for cooking with local briquettes or charcoal centred on a cement base and with a thatched roof; an outside latrine and bathroom facilities will also be provided. Roof extensions cover the front patio for shade and shelter. Water access points with a standing tap, will be scattered around the resettlement site and commercial centres. The size of house allocation is based on the size of family, the relationship, age and gender:

The following table provides a summary of the housing considerations for the PAPs:

Person	Housing	Rooms	M2
Single (1 Person)	Studio House	1 Room	12 m2
Married Couple	2 Room House	Lounge, Bedroom	28 m2
2 Individuals same sex	2 Room House	Lounge, Bedroom	28 m2
2 Individuals different sex	3 Room House	Lounge, 2 Bedrooms	40m2
Married Couple with 1-3 children same sex	3 Room House	Lounge, Bedroom parents, Bedroom kids	40 m2
Married Couple with 1-3 children of different sex / over 18 years of age / relatives	4 Room House or 5 Room House	Lounge, Bedroom parents, 2-3 other bedrooms	52 m2
More than 8 people	5 rooms	Lounge 4 bedrooms	64m2
Where adults with their own family units currently share with the extended family, a sperate housing unit will be erected	Varied	Varied	

The project will employ a Project Manager to oversee the works and provide plans, drawings and other technical assistance where required. It is planned that the PAPs will have access to employment with the various contractors and sub-contractors for construction of houses and associated facilities in addition to other compensation and/or resettlement assistance provisions catered to under the RAP. Beyond working as construction labourers, the PAPs will enjoy additional skills training to develop specific transferable skills (block making, block building, thatching, roofing, land preparation). PAPs involved in the construction of the houses will be paid a living wage. The development of these transferable construction skills during the building of the resettlement site will enable them to take up further employment or contracts towards building the required BEE worker houses, building for other community members or for maintenance.

15 COMPLAINTS AND GRIEVANCE MECHANISMS

The Project is categorized by an inclusive and participatory consultative process. At all stages the PAPs have been informed about the process for expressing dissatisfaction and know how to seek redress. Grievances anticipated at the sign off include:

- Misidentification of owner/occupier of eligible property and assets:
- Errors in counting crops and/or other property assets
- Complaints about the entitlement policy
- Disagreement of asset valuation
- Disagreement of entitlement and ownership relating to inheritance
- Disagreement of time and manner of compensation

The government grievance mechanism solely acknowledges grievances presented in writing to the valuations office in Dar es Salaam. The validity of the claims is determined within the Valuations Department and communicated in writing to the aggrieved person. This process does not take into account the vulnerability status and low level of literacy and empowerment of the PAPs. There is also no mechanism to pre-empt potential grievances. As a result, the RAP Team has developed a complimentary grievance process to enable all affected individuals to express their grievances. The procedure is simple flexible and open, taking into cognizance the capacity of the PAPs and the requirement for a speedy, just and fair resolution of their grievances and administered as far as possible at the local level. The Government has been bought into this process and will co-operate as far as they are able.

The first point of contact for an aggrieved person is within their settlement, i.e. a member of the Community Resettlement Committee or the chairman. Some complaints can be solved by providing detailed information or clarification on the spot. Additionally, the telephone number of the Community Liaison Officer (CLO) of the RAP Team is provided on a public board within the settlement to enable a direct contact to the RAP-Team in case the chairman is unavailable or unwilling to pursue the grievance.

The CLO follows each complaint with a face-to-face discussion with the aggrieved person. If the complaint cannot be solved immediately the CLO will refer the issue to a responsible person within the government or the district authority and report results back to the aggrieved person. If the outcome is final and the complainant satisfied, it should be communicated to the village chairman and the local Resettlement Committee for information purposes. If the complainant is still unsatisfied about the outcome, he/ she has the right to pursue the matter through the appropriate arbitration or legal body. The RAP implementation team will provide support for PAPs throughout all phases in addressing their grievances.

16 ENVIRONMENTAL PROTECTION

The EIA has a specific Management plan, namely the EMP, to cover all environmental issues for the whole Project. From a Resettlement perspective, the overall Action Risk Assessment is fairly low. The Project contractors undertaking the construction of the Resettlement Site are duty bound within the EMP to develop their own risk assessment and mitigation measures. This requires approval of the Project before work commences. All employee PAPs will undertake basic Environmental, Health and Safety training.

The key actions of the RAP which may give rise to Environmental impacts are as follows:

- The agricultural land provided in the resettlement site will be mechanically cleared. The Project contractors will undertake the clearance and they will be bound by the BEE EMP.
- Some PAPs will be allowed to maintain some minimal livelihood activity in and around the biodiversity zones, including aquaculture. All PAPs operating in these areas will be given biodiversity training to ensure the principles of the EMP are maintained. Additionally, these PAPs will be charged with reporting to the Project any unusual activity or environmental changes occurring in the area.
- The Host Community Matipwili already has an Environmental Committee and meetings have been held with them to ascertain the potential impacts that the increase in population will bring on the

- community. Among the issues raised is waste management. The EMP has a Control Plan (EM06), which includes basic training, and this will be extended to the host community. A separate assessment will be made prior to relocation to assist the host community to develop and manage waste management generally. All houses will have a VIP latrine allowing for effective recycling. Early measures have already included environmental awareness programmes at the local schools.
- Economically impacted charcoal producers will have access to alternative livelihoods, including jobs with the Project. Some will also be part of the development of the nursery for endangered trees. It is planned to set aside 200Ha of land for the development of the woodlots to establish sustainable charcoal/briquette production and keep to BEE's environmental protection commitments.

17 INSTITUTIONAL MECHANISMS

Implementation of the RAP involves key Project stakeholders, including the Government, the Resettlement Team, Service Providers, PAPs and the Host Community. The project development is led by a Project Director overseeing the overall resettlement process on behalf of the Project and in conjunction with the Project Resettlement Team, (PRT). The PRT leader and staff will oversee the technical aspects of construction and the PRT Liaison Manager will support the Resettlement Implementation Team (RI Team) liaising with the Government and district authorities and supplying funds for implementation. The RI Team will co-ordinate with all the service providers, oversee the sustainable development activities of the RAP including ensuring the livelihood improvement modalities of the resettlement process are realized. Importantly, the Government will second two of its staff to the RI Team to be fully integrated into the process of resettlement. This summary lists some of the key responsibilities of each of the stakeholders.

The PRT's core responsibility is to ensure the RAP is implemented and complies with AfDB's Involuntary Resettlement Policy and IFC PS5. Within this framework, the PRT is responsible that funds from both the Project and the GoT are available in a timely manner, it ensures inter-governmental cooperation as well as internal project coordination for the implementation. The PRT is also responsible for ensuring that BEE guarantees meeting the "top up" commitments under the RAP. The PRT will manage and facilitate construction, engineering and other technical elements within the RAP implementation and also ensures that the entire Project's HR Department and all its contractors prioritise jobs for the PAPs. It allows PAPs to harvest prior to relocation and generally co-ordinates and supports the RI Team on all sustainable implementation elements. Furthermore, the PRT will facilitate due diligence teams to undertake their external audit of the RAP Implementation and maintains on-going monitoring of PAPs post-implementation.

The RI Team led by IDC Ltd, the RAP consultants, will oversee all the sustainability elements of the RAP and ensure that improvement is prioritised. The RAP Team will manage and monitor the sustainability service providers' progress and scheduling, overcoming issues including grievances, deaths of PAPs in the interim and support for the most vulnerable groups. The RI Team will integrate the Government Officers into the team, train them into international best practice in resettlement and capacity build them to become active participants rather than observers. The RAP Team will also carry out the Orientation Programmes and some of the in-situ trainings, including 'on the job training' support skills for enhancement and entrepreneurship.

The Government has a responsibility to provide the Project Site free of encumbrances and has agreed to Project compliance to the AfDB in the resettlement process. As they do not have the experience on managing implementation of in-kind compensation, one person from the Ministry and one from the District Planning Department will join the RAP Team during the implementation process to assist in the smooth running of the Process and ensure government permissions on both levels are secured in a timely manner. The government provides the funds as detailed in their valuation report and oversees its distribution in a transparent fashion. It further leads the process of land acquisition for resettlement and replacement of land based livelihoods.

There will be a range of contractors that will be contracted by the Project and managed by the Project Director. There will also be a range of external sustainable service providers predominantly from the district

and local NGOs. Each will play their part to ensure that there is timely delivery of the RAP to the highest professional standards.

PAPs, once signing the form for compensation (whether in kind or in cash) and/or resettlement assistance, are committing to relocate once alternative provisions have been made to replace physical and economic losses. They are expected to fully participate in all elements of the bespoke compensation packages and improvement opportunities.

The Host Community of Matipwili will have responsibilities to provide security of tenure, give full cooperation to the construction teams, build capacity of their committees and integrate the PAPs into the process. They further set up the Resettlement Site Committee with members from the Host Community and PAPs, manage the new facilities transparently and ensure payments are used for maintenance.

The first step of implementation is the final sign-off where PAPs make a decision whether to choose the cash or In-Kind compensation package. The process will begin with a sensitisation from both the Government and the project regarding their various roles and responsibilities. Following this there will be the presentation to each displaced person with regards to the official Government valuation of their property and allowances. The payments will not be made until the in-kind packages are ready to be rolled out which is anticipated to start in September 2012 so as timing will not be an issue for consideration with regards to choices made. The presentation will also spell out the PAP Development Trust, how it can be used and eligibility and the types of in-kind compensation packages that have been generally developed. Each PAP can then choose the compensation package. It will be made clear that it is an either or choice and not feasible to get both cash and In-Kind compensation. The RAP team will work as observers of the process and record questions and concerns, collect and collate the PAP agreements for entering into the database before returning them to the Government.

If the PAP chooses cash compensation, the period between signing off on the compensation package and the payments of cash compensation is an opportunity for PAPs to set up bank accounts, have orientation courses regarding money management so that on receipt of the monies each PAP householder will have a comprehensive plan of how this money will be used to re-instate livelihoods sustainably.

If the PAP chooses compensation In-Kind they have an opportunity to complete orientation courses and participate in the allocation of the houses. The rationale to allocation preferences will be made according to vulnerability statuses, family and livelihood associations and personal preferences.

The Project will lead this process and both contractors and in-house support will ensure that the houses are developed in a timely manner and according to specifications. Prior to the breaking of ground for construction the Resettlement Site Management Committee will be set up by the Host Community and Representative PAPs and an NGO. The aim of this is to establish the management and maintenance structures.

Each plot will be demarcated and security of tenure provided to the Household Head/s, regardless of gender and preferably in both names in case of a married couple. The Project will manage the contractors and subcontractors and ensure employment opportunities are provided for PAPs.

The Project will be responsible for preparing the land for restoration of land based livelihoods and overseeing the service provider co-ordinating the various produce cultivation. The land will be subdivided according to the specifications in the RAP compensation package and title will be passed over to the PAP. They will be responsible for ensuring the land is productively used and maintained. The Project will also be responsible for the building of the Livelihood centres. The Host community will be responsible for ensuring that once hand over takes place, the structures are well utilised and used for purpose and shared equitably with all members of the community and rent charged accordingly to the Committee. The Project will be responsible for the payment of all training programmes and ensure they are started on time. This also applies to the contractors, where the Project will ensure that on the job training programmes are initiated.

The Project will further be responsible to ensure that the full funds are provided to the Trust on drawdown of the first tranche of money from the lenders and placed on an interest bearing account. The Project will also ensure that the Trustees are in place to administer the funds and the Management Committee is in place to process all the applications.

18 IMPLEMENTATION SCHEDULES

The Project has been divided into 4 phases to reflect the different timeframes of the development of the Project Site and associated facilities. Detailed RAPs, reflecting further socio-economic baselines, asset surveys and stakeholder consultations, will be prepared for subsequent phases prior to start of planned construction activities of each specific phase.

Phase 1: At the onset of the Project, the development will be primarily about land clearance near the Wami River, the development of infrastructure to the factory and the development of the irrigation systems by the River Wami. The PAPs therefore will be the two sub-villagers Kaloleni Biga and Gobole, the pastoralists based around the Project sites and the charcoal producers at Dam 3, where the pastoralist will be moved to in the southern part of the Project site. Resettlement is anticipated to commence in September 2012.

Phase 2 will include: a) the resettlement of the people in Bozi, along the road, the charcoal producers of Dam 5 which is anticipated in September 2012; and b) the resettlement of the people inside Bozi and the Bozi Dam which is anticipated in January 2013.

Phase 3 will include the people based outside the main Project site living in sub-villages of both Matipwili and Fukayosi. Although no formal count has been made, a ground truthing carried out by the Matipwili Chairman has confirmed there are an estimated 66 households based in this area. It is likely that many will resettle into their main villages. Resettlement is anticipated to take place in February 2013. Additionally, formal arrangements for 2492 HA of alternative new pastures in the neighbouring villages of Fukayosi and Kidamole have been made for those pastoralists who use the Project site seasonally.

Phase 4 will include the people of Maka'ani and the registered charcoal producers at the nearby Dam 4. Currently there are 300-400 people of Maka'ani that will be affected. Resettlement is anticipated to take place in November 2012 – January 2013.

19 THE BUDGET

The Government of Tanzania is responsible for payment of compensation in so far as required by the present day law on land acquisition. All other costs associated with resettlement, required by AfDB and IFC and pertinent within the particular socio-economic and locational setting will be paid by the Project as a 'Project cost'. It should be noted that any top ups required are 'Project Costs' and ultimately reflected in the Profits of which the Government shares.

The Project will pay in kind, where possible, for the development and construction of the resettlement sites including land preparation. The remaining required 'Top Up' will be placed in the PAP Development Trust and accessible for the most part as a rolling credit facility towards livelihood development and market expansion, repayable with interest by all eligible PAPs. Considerations were captured in the RAP budget to allow for "Top Up" supplements for assets the Government did not acknowledge but for which compensation and replacement cost values are required by AfDB and IFC. As such, the Government will contribute USD 1,629,604 and BEE will contribute USD 1,478,054 in meeting the total resettlement costs for the Project. The RAP budget presented in this summary has been estimated on Dar es Salaam prices and considered far higher than that would be required if undertaken by local contractors.

20. Monitoring and Evaluation

The monitoring and evaluation procedures are developed to ensure that the RAP objectives are met, in accordance with international and Tanzanian good practices. It incorporates external, internal and PAP monitoring processes to ensure the participatory engagement continues and PAPs are provided with a mechanism to express their views on the progress of implementation.

Monitoring enables the verification that the main objectives of the RAP are implemented fully and in a timely manner. The RIT will use workshops, site visits and training instruments that require little literacy or numeracy skills to elicit participation of the PAPs. The monitoring process will have three components: Internal monitoring by the Project's own PRT, external monitoring by third party consultants working on behalf of the IFIs and the PAP monitoring.

The monitoring will be further divided into three key sections: Inputs, Outputs and Impact. Input monitoring will establish if staff, organization, finance, equipment, supplies and other inputs are in place on schedule, in the right quantity and quality. Output monitoring will establish whether these inputs are achieving the aims of the RAP Impacts and will be monitored accordingly. The indicators used to establish if aims have been achieved have to be specific to the issue, easily measured, achievable, relevant and time-bound (SMART), using relevant quantities and suitable for trend analysis and incorporate judgments of the affected persons and their representatives in various forums and discussion groups.

External monitoring consultants are intended to provide an additional level of oversight and will cover among other things, the progress of compensation packages and livelihood program, as well as the overall compliance with AfDB and IFC PS 5 2012. External impact monitoring will focus on the degree to which PAP livelihoods, standard of living and general welfare are being restored or bettered as a result of the Project. Annual monitoring reporting will continue beyond the final drawdown of funds. Vulnerable Persons will be put into specific focus, and the methods for assisting them will be assessed. The grievance management system will be evaluated.

The PAP monitoring will detail the specifics of implementation on the ground and their collective observations can trend for the bigger picture and importantly pre-empt negative issues arising.

Evaluating is done to assess the compliance of the RAP implementation with RAP objectives and procedures and laws, regulations and international good practice. This audit will focus on an overall evaluation of the RAP implementation and compliance with objectives, procedures, policies, laws and regulations.

Resettlement is considered complete only when the adverse impacts of resettlement have been addressed in a manner that is consistent with objectives stated in the RAP. A completion audit will establish whether the Project has implemented all activities required to ensure compliance with the resettlement commitments defined in the RAP.

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