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Report No: PAD2833

INTERNATIONAL DEVELOPMENT ASSOCIATION

PROJECT APPRAISAL DOCUMENT  
ON A  
PROPOSED CREDIT

IN THE AMOUNT OF SDR 106.5 MILLION  
(US\$150 MILLION EQUIVALENT)

TO THE  
UNITED REPUBLIC OF TANZANIA  
FOR A  
LAND TENURE IMPROVEMENT PROJECT

November 30, 2021

Urban, Resilience and Land Global Practice  
Eastern and Southern Africa Region

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## CURRENCY EQUIVALENTS

(Exchange Rate Effective September 30, 2021)

Currency Unit = SDR

SDR 0.709788 = US\$1

FISCAL YEAR  
July 1 - June 30

Regional Vice President: Hafez M. H. Ghanem

Country Director: Mara K. Warwick

Regional Director: Mark Lundell

Practice Manager: Meskerem Brhane

Task Team Leaders: Victoria Stanley, Emma Isinika Modamba

## ABBREVIATIONS AND ACRONYMS

AU	African Union
CAG	Controller and Auditor General
CBO	Community based organizations
CCRO	Certificate of Customary Right of Occupancy
CORS	Continuously Operating Reference Station
COVID-19	Coronavirus Disease 2019
CPF	Country Partnership Framework
CRO	Certificate of Right of Occupancy
CSO	Civil Society Organization
CVL	Certificate of Village Land
DANIDA	Danish International Development Agency
DLHT	District Land and Housing Tribunal
DRM	Disaster Risk Management
ESIA	Economic and Social Impact Analysis
ESMF	Environmental and Social Management Framework
ESMP	Environmental and Social Management Plans
FAO	Food and Agriculture Organization of the United Nations
FCDO	Foreign, Commonwealth and Development Office of the United Kingdom (formerly the Department for International Development – DFID)
FPIC	Free and Prior Informed Consent
FYDP	Five Year Development Plan
GBV	Gender-Based Violence
GDP	Gross Domestic Product
GNSS	Global Navigation Satellite System
GoT	Government of Tanzania
GPS	Global Positioning System
GRS	Grievance Redress Service
ICR	Implementation Completion and Results Report
IDA	International Development Association
IEG	Independent Evaluation Group
IFAD	International Fund for Agricultural Development
ILMIS	Integrated Land Management Information System
IFR	Interim Financial Reports
IPF	Investment Project Financing
IRR	Internal Rate of Return
LGAF	Land Governance Assessment Framework
LGRCIS	Local Government Revenue Collection Information System
LTA	Land Tenure Assistance Activity
LTSP	Land Tenure Support Program
M&E	Monitoring and Evaluation
MAST	Mobile Application to Secure Tenure
MFD	Maximizing Finance for Development
MKURABITA	<i>Mpango wa Kurasimisha Rasilimali na Biashara za Wanyonge Tanzania</i> (Property and Business Formalization Program)
MLHHSD	Ministry of Lands, Housing and Human Settlements Development

MOFP	Ministry of Finance and Planning
NELGA	Network of Excellence on Land Governance in Africa
NLP	National Land Policy
NPP	National Procurement Procedures
NPV	Net Present Value
NSDI	National Spatial Data Infrastructure
OCC	Opportunity Costs of Capital
OP	Operational Policy
PAD	Project Appraisal Document
PDO	Project Development Objective
PIT	Project Implementation Team
PLUM	Participatory Land Use Management
PMU	Procurement Management Unit of the MLHHSD
PO-RALG	Presidents' Office for Regional Administration and Local Government
POM	Project Operations Manual
PP	Procurement Plan
PPP	Public-Private-Partnership
PPSD	Project Procurement Strategy for Development
PPRA	Public Procurement Regulatory Authority
PSC	Project Steering Committee
PSCP	Private Sector and Competitiveness Project
PSTP	Planning, Survey and Titling Program
PTC	Project Technical Committee
RF	Results Framework
RL	Residential License
RPF	Resettlement Policy Framework
SDG	Sustainable Development Goals
SDR	Special Drawing Rights
SIDA	Swedish International Development Agency
SEA	Strategic Environmental Assessment
SPILL	Strategic Plan for the Implementation of Land Laws
STEP	Systematic Tracking of Exchanges in Procurement
TIC	Tanzania Investment Centre
UNECA	United Nations Economic Commission on Africa
UN-GGIM	United Nations Initiative on Global Geospatial Information Management
USAID	United States Agency for International Development
US\$	United States Dollar
TDV2025	Tanzania Development Vision 2025
VGGT	Voluntary Guidelines on the Responsible Governance of Tenure of Land, Fisheries and Forests
VLD	Voluntary Land Donation
VLUP	Village Land Use Plan
WBG	World Bank Group

**TABLE OF CONTENTS**

<b>DATASHEET .....</b>	<b>1</b>
<b>I. STRATEGIC CONTEXT .....</b>	<b>7</b>
A. Country Context.....	7
B. Sectoral and Institutional Context.....	8
C. Relevance to Higher Level Objectives.....	10
<b>II. PROJECT DESCRIPTION.....</b>	<b>11</b>
A. Project Development Objective .....	11
B. Project Components .....	12
C. Project Beneficiaries .....	18
D. Results Chain .....	18
E. Rationale for Bank Involvement and Role of Partners .....	20
F. Lessons Learned and Reflected in the Project Design .....	21
<b>III. IMPLEMENTATION ARRANGEMENTS .....</b>	<b>23</b>
A. Institutional and Implementation Arrangements .....	23
B. Results Monitoring and Evaluation Arrangements.....	24
C. Sustainability.....	24
<b>IV. PROJECT APPRAISAL SUMMARY .....</b>	<b>25</b>
A. Technical, Economic and Financial Analysis (if applicable) .....	25
B. Fiduciary.....	26
C. Legal Operational Policies.....	28
D. Environmental and Social Standards.....	28
<b>V. GRIEVANCE REDRESS SERVICES .....</b>	<b>30</b>
<b>VI. KEY RISKS .....</b>	<b>31</b>
<b>VII. RESULTS FRAMEWORK AND MONITORING .....</b>	<b>33</b>
ANNEX 1: Implementation Arrangements and Support Plan .....	41
ANNEX 2: Detailed Project Description.....	54
ANNEX 3: Project Map .....	60

## DATASHEET

BASIC INFORMATION				
Country(ies)	Project Name			
Tanzania	Land Tenure Improvement Project			
Project ID	Financing Instrument	Environmental and Social Risk Classification		
P164906	Investment Project Financing	Substantial		
Financing & Implementation Modalities				
<input type="checkbox"/> Multiphase Programmatic Approach (MPA)	<input type="checkbox"/> Contingent Emergency Response Component (CERC)			
<input type="checkbox"/> Series of Projects (SOP)	<input type="checkbox"/> Fragile State(s)			
<input type="checkbox"/> Performance-Based Conditions (PBCs)	<input type="checkbox"/> Small State(s)			
<input type="checkbox"/> Financial Intermediaries (FI)	<input type="checkbox"/> Fragile within a non-fragile Country			
<input type="checkbox"/> Project-Based Guarantee	<input type="checkbox"/> Conflict			
<input type="checkbox"/> Deferred Drawdown	<input type="checkbox"/> Responding to Natural or Man-made Disaster			
<input type="checkbox"/> Alternate Procurement Arrangements (APA)	<input type="checkbox"/> Hands-on Enhanced Implementation Support (HEIS)			
Expected Approval Date	Expected Closing Date			
21-Dec-2021	31-Jan-2027			
Bank/IFC Collaboration				
No				
Proposed Development Objective(s)				
To strengthen the national land administration system and increase tenure security in selected areas for both men and women.				
Components				
Component Name	Cost (US\$, millions)			



Component 1: Increased Tenure Security	71.99
Component 2: Land Information Management	33.14
Component 3: Physical Development of Land Administration System	24.66
Component 4: Project management	12.69
Contingency	7.50

## Organizations

Borrower: United Republic of Tanzania

Implementing Agency: Ministry of Lands, Housing and Human Settlements Development

## PROJECT FINANCING DATA (US\$, Millions)

### SUMMARY

Total Project Cost	150.00
Total Financing	150.00
of which IBRD/IDA	150.00
Financing Gap	0.00

### DETAILS

#### World Bank Group Financing

International Development Association (IDA)	150.00
IDA Credit	150.00

#### IDA Resources (in US\$, Millions)

	Credit Amount	Grant Amount	Guarantee Amount	Total Amount
Tanzania	150.00	0.00	0.00	150.00
National PBA	150.00	0.00	0.00	150.00
<b>Total</b>	<b>150.00</b>	<b>0.00</b>	<b>0.00</b>	<b>150.00</b>

**Expected Disbursements (in US\$, Millions)**

WB Fiscal Year	2022	2023	2024	2025	2026	2027	2028
Annual	3.37	15.20	25.43	35.22	35.36	30.42	5.00
Cumulative	3.37	18.57	44.00	79.22	114.58	145.00	150.00

**INSTITUTIONAL DATA****Practice Area (Lead)**

Urban, Resilience and Land

**Contributing Practice Areas****Climate Change and Disaster Screening**

This operation has been screened for short and long-term climate change and disaster risks

**SYSTEMATIC OPERATIONS RISK-RATING TOOL (SORT)**

Risk Category	Rating
1. Political and Governance	● Moderate
2. Macroeconomic	● Moderate
3. Sector Strategies and Policies	● Moderate
4. Technical Design of Project or Program	● Moderate
5. Institutional Capacity for Implementation and Sustainability	● Substantial
6. Fiduciary	● Substantial
7. Environment and Social	● Substantial
8. Stakeholders	● Moderate
9. Other	● Moderate
10. Overall	● Substantial



## COMPLIANCE

### Policy

Does the project depart from the CPF in content or in other significant respects?

[ ] Yes    [✓] No

Does the project require any waivers of Bank policies?

[ ] Yes    [✓] No

### Environmental and Social Standards Relevance Given its Context at the Time of Appraisal

E & S Standards	Relevance
Assessment and Management of Environmental and Social Risks and Impacts	Relevant
Stakeholder Engagement and Information Disclosure	Relevant
Labor and Working Conditions	Relevant
Resource Efficiency and Pollution Prevention and Management	Relevant
Community Health and Safety	Relevant
Land Acquisition, Restrictions on Land Use and Involuntary Resettlement	Relevant
Biodiversity Conservation and Sustainable Management of Living Natural Resources	Relevant
Indigenous Peoples/Sub-Saharan African Historically Underserved Traditional Local Communities	Relevant
Cultural Heritage	Relevant
Financial Intermediaries	Not Currently Relevant

**NOTE:** For further information regarding the World Bank's due diligence assessment of the Project's potential environmental and social risks and impacts, please refer to the Project's Appraisal Environmental and Social Review Summary (ESRS).

### Legal Covenants

Sections and Description



By no later than six (6) month(s) after the Effective Date, the Recipient, through MLHSSD, shall establish and thereafter maintain, at all times during the implementation of the Project, a stakeholder engagement forum at the national level

**Sections and Description**

By no later than one (1) month after the Effective Date, the Recipient, through MLHSSD, shall, establish and thereafter maintain, at all times during the implementation of the Project, a Project steering committee with a mandate, terms of reference, composition, and resources satisfactory to the Association

**Sections and Description**

By no later than one (1) month after the Effective Date, the Recipient, through MLHSSD, shall establish and thereafter maintain, at all times during the implementation of the Project, a Project Technical Committee with a mandate, terms of reference, composition, and resources satisfactory to the Association.

**Sections and Description**

By no later than six (6) months after the Effective Date, the Recipient, through MLHSSD, shall, prepare and thereafter maintain at all times during implementation, an audit plan, in form and substance satisfactory to the Association.

**Sections and Description**

The Recipient, through MLHHSD, shall carry out jointly with the Association, not later than thirty (30) months, or such other period as may be agreed with the Association, after the Effective Date, a midterm review to assess the status of Project implementation.

**Sections and Description**

No later than three (3) months after the Effective Date, the Recipient, through MLHHSD, shall establish and thereafter maintain at all times during the implementation of the Project:

- (a) a Project Implementation Team (PIT), supported by qualified and experienced staff, in adequate numbers and under terms of reference acceptable to the Association, for the day to day implementation of the Project, as set forth in the POM; and
- (b) an environmental and social management team comprising one environmental expert and one social expert (knowledgeable on gender-based violence/sexual exploitation and abuse), all with qualification and experience and under terms of reference acceptable to the Association.

**Sections and Description**

The Recipient shall carry out the CRO process, set forth in Component 2.2(b) of Schedule 1, in accordance with the provisions of the CRO Field Manual, adopted in form and substance satisfactory to the Association. The initial version of the manual shall contain inter alia, detailed arrangements and procedures for the piloting of activities under the CRO process, and such manual shall be revised and upgraded, not later than twelve (12) months from the Effective Date, to align with the intended scale up of activities under the CRO process

**Conditions**



Type	Financing source	Description
Effectiveness	IBRD/IDA	the Project Operations Manual (“POM”), Certificates of Rights of Occupancy Field Manual (“CROs Field Manual”) and Certificates of Customary Rights of Occupancy Field Manual (“CCROs Field Manual”) have been prepared and adopted have been prepared and adopted by the Recipient in form and substance satisfactory to the Association.
Type Disbursement	Financing source IBRD/IDA	Description recruited a financial management specialist and a procurement specialist for the PIT, under terms of reference and with qualifications and experience acceptable to the Association



## I. STRATEGIC CONTEXT

### A. Country Context

1. **Tanzania's stable political and macroeconomic environment and diverse natural resources provide many opportunities for inclusive growth.** While the last decade saw a reduction in overall inequality and an increase in the rate of consumption growth of the bottom 40 percent, large income and welfare differences exist between urban and rural citizens. For Tanzania to realize the potential presented by these strategic advantages, it will need to strengthen institutional capacity, create an open and competitive policy environment, promote public-private partnerships to raise investment levels to fill the infrastructure gaps and raise human capital levels to sustain middle-income status.
2. **Coronavirus Disease 2019 (COVID-19) has negatively impacted Tanzania's macroeconomic performance—decelerating Gross Domestic Product (GDP) growth in 2020—although Tanzania is one of the few economies in the region that avoided recession.**<sup>1</sup> The global economic slowdown adversely affected Tanzania's economy as shocks to export-oriented sectors such as tourism, manufacturing, and related services diminished business revenue and labor income, which adversely affected domestically oriented firms of all sizes across all sectors. The exception is gold mining which has benefitted from rising prices since the onset of the pandemic. Although the Government did not impose a lockdown, the pandemic initially spurred precautionary behaviors that slowed down domestic economic activity.
3. **Tanzania is heavily reliant on natural resources and climate change threatens the livelihoods of many.** Climate change impacts affect coastal zones, public health, energy supply and demand, infrastructure, water resources, agricultural production, and availability of goods and services. Approximately 25 percent of the Tanzanian population lives along the mainland coast and are susceptible to accelerated sea level rise. It is estimated that the hazard level for floods is high, and the hazard level for water scarcity and extreme heat are medium.<sup>2</sup> Research shows that intensifying disasters due to climate change are the second most cited reason for tenure insecurity in Tanzania<sup>3</sup> and Tanzania's National Climate Change Strategy (2021) identified land use as one of the key intervention areas to combat climate change.
4. **Gender inequality is limiting the ability of Tanzania to increase human capital and overall wealth per capita.** In 2014, women accounted for 35.5 percent of Tanzania's human capital wealth, while men accounted for 64.5 percent.<sup>4</sup> Losses in human capital wealth due to gender inequality in Tanzania are estimated at up to US\$111 billion. The latest Living Standards Measurement Survey (LSMS) data for Tanzania show that only 22 percent of women versus 48 percent of men were in wage employment in the prior 12 months.<sup>5</sup> In addition, women wage workers earn about 88 cents for each dollar earned by men.<sup>6</sup> Adding to this, the coronavirus

<sup>1</sup> Tanzania Economic Update 15<sup>th</sup> and 16<sup>th</sup> Editions, 2021.

<sup>2</sup> <http://thinkhazard.org/en/report/257-united-republic-of-tanzania/FL>

<sup>3</sup> Overseas Development Institute and Global Land Alliance (2018): PRIndex Analytical Report 2017. Findings from 3-country test.

<sup>4</sup> Tanzania Economic Update, 12<sup>th</sup> Edition, July 2019.

<sup>5</sup> Ardina Hasanbasri, Talip Kilic, Gayatri Koolwa And Heather Moylan. (Forthcoming) LSMS+ PROGRAM IN SUB-SAHARAN AFRICA: FINDINGS ON INDIVIDUAL-LEVEL DATA COLLECTION ON LABOR, AND ASSET OWNERSHIP AND RIGHTS. World Bank.

<sup>6</sup> "Global Wage Report," Accessed September 5, 2021, <Https://Www.Ilo.Org/Global/Research/Global-Reports/Global-Wage-Report/Lang--En/Index.Htm>.



pandemic increasingly limited women's access to formal employment.<sup>7</sup> Interventions in three main areas could narrow the gender earnings gap: (1) reduce the time women spend in unpaid work and redistribute care responsibilities so that they can spend more time in the labor market; (2) give women more access to and control of productive assets; and (3) address market and institutional failures.

**5. Increasing urbanization continues to have an impact on urban development and heightens the need to ensure sustainable urban living conditions.** Tanzania's population of 59.4 million is growing at about 2.8 percent per year and is expected to reach 82.5 million by 2035<sup>8</sup>. About a third of the population lives in urban areas and at current rates it is estimated that half of the population will be living in urban areas by 2050, driven primarily by population growth and rural to urban migration. The response to this growth in population is not being matched by urban service delivery and informality is a key issue, as for example around 70 percent of Dar es Salaam's residents live in informal settlements.

**6. Land rights are key for the economic recovery and building resilience to limit Tanzania's vulnerability to COVID-19 and future disasters.** The investments under the proposed Project position the country to protect the poor's most valuable assets (land and property). In addition, access to geo-spatial data sets that could be overlaid with various demographic and poverty data would be useful for organizing a targeted economic response. Securitization of land rights and improvement of land management systems will enable opportunities for agricultural investment and will increase household resilience to climate change and other potential crisis; both of which are crucial for Tanzania's economic recovery and poverty reduction.

## B. Sectoral and Institutional Context

**7. The Constitution of Tanzania provides that every person has the right to own property.** All land in Tanzania is public land vested in the President, as a trustee for and on behalf of all the citizens of Tanzania. The 1995 National Land Policy (NLP) led to the development and passage of the 1999 Village Land Act and 1999 Land Act, which established three categories of land: General, Reserved and Village Land. Approximately 68 percent of all land is Village Land and 30 percent is Reserved Land. While approximately 2 percent is General Land this includes all urban areas, representing a large percentage of the population and economic activity. In 2005 the Government prepared the Strategic Plan for the Implementation of Land Laws (SPILL), which was revised in 2013 but has only been partly implemented. If adequately implemented and enforced, the legal framework provides a basis for equitably recognizing and protecting women's land rights and pastoral and communal rights to land and natural resources.

**8. Customary land rights are protected.** The 1999 Village Land Act recognizes the rights of village residents to collectively hold land (both communal land and land that has been transferred to individuals) that they have traditionally used under customary law. Village Land includes land within the boundaries of registered villages; land within the boundaries agreed to by a village and its neighbors; and any land that the villagers have been occupying or using under customary law for the last 12 years, unless designated as Reserved Land. The Village Land Act determines that village lands may be demarcated, and land use plans created to provide for Certificates of Village Land (CVL) and Certificates of Customary Rights of Occupancy (CCROs) for people living within the villages. As of 2021, 864,000 CCROs have been issued of the approximate six million rural households. Obtaining

<sup>7</sup> Tanzania Economic Update. Issue 15. February 2021.

<sup>8</sup> National Population Projection Data, Republic of Tanzania National Bureau of Statistics ([www.nbs.go.tz](http://www.nbs.go.tz))



any form of land certificate can be time consuming and costly – taking months to obtain. The 2017 PRIndex<sup>9</sup> reports that the perception of tenure insecurity in Tanzania is 22 percent for men and 21 percent for women. In addition, 55percent of respondents have no documents to prove ownership or rights, and there is significant regional variation with the southern and coastal regions (including Dar es Salaam) having higher perceived insecurity.<sup>10</sup>

**9. Tanzania is experiencing rapid urbanization with strong implications for land administration.** Dar es Salaam is East Africa's most populous city and is becoming one of the continent's megacities with a projected population of more than 10 million by the early 2030s. In urban areas, people may apply for Certificates of Rights of Occupancy (CROs) or Residential Licenses (RL) depending on the likelihood that their parcel will conform to planning standards. However, the proportion of urban land covered by any form of formal land certificate is approximately 25 percent. Urban land markets are weak, and most transactions take place outside the formal land administration system. Most new land buyers acquire land informally, often in unplanned settlements. This demonstrates a direct link between challenges experienced in the land administration sector and the growth of unplanned settlements.<sup>11</sup> In addition, many residents are acquiring land at the periphery of the city contributing to urban sprawl, traffic, and other related issues. The informality creates further uncertainty in the land market, raising the potential for conflicts and locking out formal investment because of the high risks.

**10. Land disputes are a common feature of both rural and urban areas.** Conflicts are tied to increasing population pressure, conflicting land uses, such as grazing versus cultivation, proliferating peri-urban development, and overlapping land concessions, and this is exacerbated by the almost complete lack of documentation of land rights in both urban and rural areas. Disputes between farmers and pastoralists have emerged over the years and have sometimes turned violent. Disputes between villages on village boundaries and disputes between villages and individuals are common as well.<sup>12</sup> For example in the Kilombero-Ulanga District Land and Housing Tribunal some 500 cases per year were submitted over the past five years and with similar numbers throughout the country.<sup>13</sup> Climate change can exacerbate these conflicts by limiting the availability of water supply, increasing land degradation, and reducing the areas for agricultural production, leading to forced migration and tensions between host communities and new arrivals.<sup>14</sup> Secure tenure and good land governance reduce conflicts and social tension, whereas poor management affects economic performance and exacerbates social tension.

**11. Women's land rights are well-supported in law, but implementation remains weak.** While women's property rights in Tanzania are protected under the law – including for spousal co-ownership -- the reality is that women are less likely to have secure land rights. In rural areas customary norms favor male inheritance and men's decision making related to land.<sup>15</sup> Rural smallholders, especially women, have the lowest tenure security in Tanzania, and women face the loss of land due to divorce, widowhood, and inheritance practices. In urban

<sup>9</sup> The Sustainable Development Goals (SDGs) for 2030 include an indicator on property rights that includes tenure security. To help respond to this need to measure tenure security across the globe, the Property Rights Index (PRIndex) was set-up.

<sup>10</sup> Overseas Development Institute and Global Land Alliance (2018): PRIndex Analytical Report 2017. Findings from 3-country test.

<sup>11</sup> Wolff, S.M., Kuch, A., & J. Chipman (2018): Urban land governance in Dar es Salaam. International Growth Centre.

<sup>12</sup> MLHHS (2018): Land Tenure Support Program. An overview of land dispute assessment in the project area.

<sup>13</sup> An Overview of Land Disputes, Land Tenure Support Program document, 2018

<sup>14</sup> Blocher, Julia M. and Emmanuel O. Kileli. "In Relatively Peaceful Tanzania, Climate Change and Migration Can Spur Conflict." November 13, 2020 <https://www.migrationpolicy.org/article/tanzania-climate-change-migration-conflict>

<sup>15</sup> See for example N. Kisambu (2016): Mainstreaming gender in Tanzania's local land governance. International Institute for Environment and Development.



areas, female headed households have challenges to access housing, and their rights are often undermined in informal settlements. Experience also shows that more than 65 percent of Residential Licenses have been issued to men only.<sup>16</sup>

12. **Land administration is centralized under one institution.** The Ministry of Lands, Housing and Human Settlements Development (MLHSD) is responsible for land administration across the country and includes the Departments of Land Administration, Survey and Mapping, Human Settlements Development and Housing. The MLHSD is also responsible for the District Land Offices. District Councils and village land authorities are accountable to MLHSD for land matters but are vested in the Presidents' Office for Regional Administration and Local Government (PO-RALG). Land disputes are handled by District Land and Housing Tribunals under MLHSD. Ward Tribunals and Village Land Councils, responsible to PO-RALG, also manage land disputes with support from the MLHSD.

13. **Tanzania has continued to experiment with different approaches to resolve its land issues.** To respond to some of the above challenges, Tanzania established a Property and Business Formalization Program, known by its Swahili acronym MKURABITA. The implementation of MKURABITA has, however, been slow and issuance of certificates limited. Research indicates that this lack of progress of the government's efforts can be attributed to: (i) the costs of formalization, especially of cadastral surveying, and (ii) weak implementation capacity.<sup>17</sup> More recently, in January 2021, the MLHSD has implemented the Planning, Survey and Titling Program (PSTP) in collaboration with the District Councils of Mbeya, Arusha, Mwanza, Sumbawanga, Misungwi and Meru. The outcomes from the PSTP include 1,565 RLs issued as of June 2021 and a total of 63,437 plots planned and surveyed using para-surveyors and new technology to decrease time, as well as extensive awareness raising among the effected population.

14. **Donors have also supported pilots.** Several donors<sup>18</sup> have supported pilots to systematically issue CCROs and these pilots have developed tools, capacity and manuals for mass registration in rural areas. The World Bank financed Private Sector and Competitiveness Project (PSCP) (P085009) included a substantial land administration component (US\$35.2 million) and supported the establishment of an Integrated Land Management Information System (ILMIS) and the basics for establishing a modern geodetic reference infrastructure. With this experience and tools, MLHSD is now ready for an upscaling of mass registration in rural areas, for expanding ILMIS and efficient land administration services, and with some additional piloting and testing to implement mass registration in urban areas.

### C. Relevance to Higher Level Objectives

15. The Project is aligned with the focus areas and objectives of World Bank Group's Tanzania Country Partnership Framework (CPF) FY2018–22 (Report No. 121790-TZ) discussed by the Board of Executive Directors in March 2018. Support for land administration activities will also support the enhanced business environment for job creation (Objective 1.1). Project activities such as acquisition of satellite imagery will provide better

<sup>16</sup> World Bank (2015): Tanzania. Land Governance Assessment Framework. Synthesis Report.

<sup>17</sup> Ali, D. A., Collin, M., Deininger, K., Dercon, S., Sandefur, J., & A. Zeitlin. (2014): The Price of Empowerment. Experimental Evidence on Land Titling in Tanzania. The World Bank, Policy Research Working Paper Series.

<sup>18</sup> including the US Agency for International Development (USAID) through the Land Tenure Assistance Activity (LTA) and the UK Foreign, Commonwealth and Development Office (formerly the Department for International Development (DFID) and Swedish International Development Agency (SIDA) through the Land Tenure Support Program (LTSP)



information for improved natural resource management (Objective 1.3). The Project will also support harnessing urbanization (Objective 1.5) through mass certification in urban areas. This will be done in close collaboration with the World Bank's urban portfolio in Tanzania. The Project will also help address climate change and disaster risk management by strengthening the land administration systems and providing ease of access to geospatial data. Additionally, project activities are in line with the World Bank Group (WBG) COVID-19 Response Approach Paper 2020 - Rebuilding Better (June 2020)<sup>19</sup>, specifically Pillar 4: Strengthening Policies, Institutions and Investments by supporting the Government of Tanzania in building a resilient, inclusive, and sustainable land administration system.

16. The government's strategy for socio-economic development is laid out in the Tanzania Development Vision 2025 (TDV2025) and the Five-Year Development Plan III 2021/22-2025/26 (FYDP III) FYDP III recognizes the importance of tenure security for private sector investment, human settlement development and increased productivity and efficiency in the agricultural sector. The Project would contribute to predictable policies and transparent processes and procedures, which are key for successful private sector investment. This would include the systematic registration of land rights as well as the establishment of the basic land administration system infrastructure, which would address the issue of land conflicts as well as promote and facilitate planning, surveying and titling of land parcels for investment and human settlement. A functional land administration system would also empower land rights holders and allow commercial investors to know with whom they would need to negotiate over access to land, making access to land by commercial investors more transparent, inclusive and sustainable. FYDP III also makes gender mainstreaming a goal including in matters of land ownership.

## **II. PROJECT DESCRIPTION**

### **A. Project Development Objective**

#### **PDO Statement**

17. The Project Development Objective (PDO) is to strengthen the national land administration system and increase tenure security in selected areas for both men and women.

#### **PDO Level Indicators**

18. Key results indicators are:

To support "strengthened land administration system":

- (i) Increased number of CRO transactions.
- (ii) Reduction in average time for issuance of a CRO, first registration.<sup>20</sup>

To support "increased tenure security":

- (iii) Increased perception of tenure security (gender disaggregated).
- (iv) Number of certificates (CROs, CCROs, RL) registered (gender disaggregated).
- (v) Degree of satisfaction of beneficiaries with the process for systematic issuance of CROs, CCROs (Percentage) (gender disaggregated)

<sup>19</sup> <https://documents1.worldbank.org/curated/en/136631594937150795/pdf/World-Bank-Group-COVID-19-Crisis-Response-Approach-Paper-Saving-Lives-Scaling-up-Impact-and-Getting-Back-on-Track.pdf>

<sup>20</sup> Cost for issuance of a CRO will also be closely monitored as an intermediate indicator.



## B. Project Components

19. To achieve the PDO, the Project aims to demarcate and register approximately 2.5 million parcels over the project period. In rural areas, MLHHSD can move more quickly to mass issuance of CCROs based on the pilot experience and capacity already built. These activities along with the rollout of ILMIS will support the decentralization of efficient land administration services to the regional level with plans for designing the approach at district and ward level.

20. The Project will be implemented in regions selected based on the following criteria: economic potential; demand and readiness for land registration; urban centers where master plans have been prepared or are in the process of preparation; potential or actual occurrence of land conflicts; rural areas with high agricultural potential; urban areas with high percentage of unplanned settlements; and Government priority areas as stipulated in medium and long term economic and physical plans. Based on these criteria and discussions between MLHHSD and other stakeholders, the following regions were selected: Pwani, Simiyu, Iringa, Tanga, Tabora, Geita, Kigoma, Mara, Shinyanga, Dodoma, Mbeya, Kilimanjaro, Ruvuma, Songwe and Katavi. The Project will cover approximately 40 Districts in the above regions.<sup>21</sup>

21. The Project will consist of four components with a total financing of US\$150.0 million. Table 1 below provides an overview of the costs per component, followed by a brief description of each component. More details are provided in Annex 2.

**Table 1: Costs by Components**

Component Name	Project Costs <sup>22</sup> (US\$ million)
<b>Component 1: Increased Tenure Security</b>	<b>71.99</b>
1.1: Rural mass certification	9.62
1.2: Urban mass registration	62.37
<b>Component 2: Land Information Management</b>	<b>33.14</b>
2.1: Upscaling of ILMIS	16.59
2.2: Production of Base-maps	11.46
2.3: Enhancement of Geodetic Framework	3.15
2.4: Property Valuation Systems	1.94
<b>Component 3: Physical Development of Land Administration System</b>	<b>24.66</b>
3.1: Physical development of land offices and infrastructure	18.75
3.2 Support for Land and Housing Tribunals	0.66
3.3 Legal, regulatory and Public Awareness	1.54
3.4 Institutional Strengthening and Capacity Building	3.71
<b>Component 4: Project Management</b>	<b>12.69</b>
Contingency (5 percent)	7.5
<b>TOTAL</b>	<b>150.00</b>

<sup>21</sup> The districts will be identified and confirmed in the Project Operations Manual.

<sup>22</sup> All costs are 100% financed from the IDA Credit.



22. **Component 1: Increased Tenure Security.** This component will support the issuance of CCROs, CROs, Residential Licenses, and other related activities. The land records created will provide a means for beneficiaries to recover their property in the case of natural disasters and displacements and improve the ability of respective agencies to respond and address climate-related disasters. The activities under this Component will be done in an inclusive and participatory way to ensure gender equity, and protection of the rights of all groups including women, youth, hunter-gatherers, pastoralists, farmers, and urban poor as detailed in the CRO and CCRO manuals. This Component includes the following subcomponents:

23. **Subcomponent 1.1: rural mass certification.** Based on the pilot experience under the Land Tenure Support Program (LTSP) and the Land Tenure Assistance Activity (LTA), this subcomponent will scale up the direct implementation of rural mass certification and issuance of CCROs in select areas of the country.<sup>23</sup> Special attention will be given to women and other marginalized groups to ensure they fully participate and benefit from the Project. This would include special sensitization activities for women and men focused on women's land rights; special measures to be implemented when pastoralists are present; and ensuring women's and other's participation in village land committees.<sup>24</sup> The field manuals for mass rural certification developed under LTSP will be used with certain enhancements to better protect the rights of women and other marginalized groups,<sup>25</sup> and vulnerable groups.<sup>26</sup>

24. **Subcomponent 1.2: urban mass registration.** Urban land certification entails two distinct processes with different outputs: the formalization process to produce 1 million RL, and the regularization of unplanned settlements to produce 1 million CROs.

25. **Component 2: Land Information Management.** An effective land administration system requires good spatial data infrastructure as well as Information and Communications Technology (ICT) systems to manage the data. All activities have been designed with sustainability built in to ensure that the technology and infrastructure are sustainable both financially and in terms of human capacity to manage and maintain. Enhancing the land administration system can help increase resilience by providing quality data for monitoring of properties impacted by natural disasters and facilitating disaster response and reconstruction. There are four subcomponents as outlined below.

26. **Subcomponent 2.1: Upscaling of ILMIS.** This subcomponent will finance the rollout of ILMIS to the regional land offices.<sup>27</sup> For ILMIS to be rolled out across the country, regional offices need conversion of base paper records (including graphical data such as town plans, maps, etc.) to digital format and equipment. The Subcomponent will also support the ICT infrastructure in the National Land Information Center (NLIC) as the backup for ILMIS, the National Internet Data Center (NIDC) as the host for the system, and associated facilities

<sup>23</sup> Selection of the specific villages will follow screening criteria outlined in the Project ESMF and including that village boundaries are clearly demarcation with protected areas, and recognition of grazing and wildlife corridors, etc. The screening will also include available information about Covid-19 hotspots as needed.

<sup>24</sup> These include the Village Land Use Management Team and the Village Adjudication Committee with members nominated by the Village Council.

<sup>25</sup> Marginalized groups may vary from community to community but will likely include women, those with disabilities, migrants and others.

<sup>26</sup> Vulnerable groups as defined in the Vulnerable Groups Planning Framework are the Hadzabe, Akie, Maasai, Sandawe and Barabaig.

<sup>27</sup> See Subcomponent 3.1 for details on ILMIS compliant office construction and ICT infrastructure.



will be upgraded, ensuring secured and reliable system operations. For further ILMIS development, the Subcomponent would support ICT equipment, packaged software, and training. In addition, an integrated web portal and a simple mobile application would be developed to provide open and transparent land information services to stakeholders including public, business, and government, by serving as a single access point to land information. The upgrades will ensure that ILMIS can produce gender disaggregated data on land and property rights

27. **Subcomponent 2.2: Production of Base-maps.** This subcomponent will finance the outsourced production of base maps using either recent high-resolution satellite imagery or aerial photography in the project areas to support mass land certification and land use planning and management. The districts in between project target districts will be also covered with new base maps if necessary. The project will generate topographic maps from high resolution imagery that can be carried out using remote mapping methods if social distancing remains in effect. The mapping component can bring positive impact by producing geospatial data, developing digital skills, and promoting job creation while helping to mitigate the unprecedented shocks to the economy and labor market. The maps will be available through the NSDI portal developed under the project, and finally become universal maps for both public and private sectors in Tanzania for land tenure, any planning, location-based services, analysis of climate change adaptation, mitigation, and DRM. In the case of a disaster or pandemic, an NSDI will effectively serve as a platform for risk mapping or measuring disaster impact via analyzing diverse datasets overlaid on the base-map.

28. **Subcomponent 2.3: Enhancement of Geodetic Framework.** This subcomponent will finance the establishment of Continuously Operating Reference Stations (CORS), associated infrastructure, and geodetic control points to strengthen geodetic reference system needed for accurate and economically feasible Global Navigation Satellite System (GNSS) surveying.

29. **Subcomponent 2.4: Property Valuation Systems.** This subcomponent will include the mapping of land values across the country and updating the land value rates based on market research. Technical assistance will be provided to support this automation. Every effort will be made to ensure coordination with local authorities (and the LGRCIS<sup>28</sup>), the Tanzania Tax Authority and other users of this information.

30. **Component 3: Physical Development of the Land Administration System.** Strengthening the physical land administration system and increasing tenure security will require significant capacity to be built in the public and private sectors. This includes office construction, equipment and infrastructure provision and human resource capacity. In addition, an effective land administration system requires citizens who are aware of and understand the service provided, and how to use the system to maintain their property rights and ensure project sustainability. There are three subcomponents.

31. **Subcomponent 3.1: Physical development of land offices and infrastructure.** This Subcomponent includes construction of Regional Land Offices for 25 regions and renovation/reconstruction of District Land Offices (up to 40) so that they are compliant with ILMIS workflow as well as having the necessary ICT infrastructure (connection of LAN), provision of proper archive furniture and records storage. This Subcomponent will also support the construction of a national land archive building and needed equipment. All sites for construction will be on government-owned land. This subcomponent will also include the development of an archive strategy and policy guideline for all offices – region, district, village – to direct the retention and storage of land documents,

<sup>28</sup> The Local Government Revenue Collection Information System (LGRCIS)



maps, drawings, and other paper records. For the construction of office buildings, financing will be provided for proper architectural and engineering designs and technical specifications, preparation of necessary safeguards documents, and construction supervision.

32. **Subcomponent 3.2: Support for the Land and Housing Tribunals.** Support under this Subcomponent will include adding new tribunals and councils where they currently do not exist, financial and human resource support for existing bodies, clearing of backlogs, support for the development of a model manual and other needed guidelines and procedure for Village Land Councils and Ward Tribunals, as well as necessary training and equipment.

33. **Subcomponent 3.3: Legal, regulatory and public Awareness.** The objective of this Subcomponent is to update and harmonize the policy, legal and regulatory framework, and implement public awareness activities. These activities will include preparation of the communications strategy, message development and testing to ensure the messaging builds confidence in, and understanding of, the land administration system specific to the needs and interests of Tanzanians. There will also be a specific focus on women's land rights and land rights of other marginalized groups based on the outcomes of the Social Assessment, and of specific vulnerable groups as defined in the Vulnerable Groups Planning Framework (VGPF) and other documents.

34. **Subcomponent 3.4: Institutional Strengthening and Capacity Building.** The objective of this Subcomponent is to increase the capacity and improve the performance of all relevant actors in the land sector to be able to fulfill their functions in land administration and for the systematic mass registration, including LGAs and District level officials. Training will also be needed for project implementation in procurement, contract monitoring and management and other relevant courses. This Subcomponent will also finance the development of updated curricula and strengthen the capacities of the training institutions for MLHHSD in Tabora and Morogoro. In addition, this support for the training centers will be coordinated with the plans for the National Geo-Innovation Center in Dodoma, which is being financed by the Korean Ministry of Lands (MOLIT) and Statistics Korea (KOSTAT).

35. **Component 4: Project Management.** The Project will be implemented by MLHHSD with support from a Project Implementation Team (PIT). This Component will support effective project management, fiduciary support (financial management and procurement), monitoring and evaluation of project activities, establishment of a Monitoring and Evaluation (M&E) framework, and compliance with Environmental and Social Framework (ESF) policies and processes. The Component will also include financing for the necessary annual surveys, and the mid-term and end-of-project evaluations to assess performance and document important lessons to inform the design of future operations. Under this Component a grievance redress mechanism (GRM) for the Project will be established and managed to ensure that all grievances, complaints, and concerns are responded to. A five percent contingency of US\$7.5 million has been included in the costing. The contingency is included due to possibility of COVID-19 related price increases.

### Cross-Cutting Aspects

36. **Gender.** The World Bank Group Systematic Country Diagnostic (2017)<sup>29</sup> also identified that gender constraints in agriculture include weaker access to land by women. While most Tanzanians, both men and women, lack formal documentation to their land and property, men are more than three times as likely as women

<sup>29</sup> World Bank, Tanzania Systematic Country Diagnostic, Report No. 110894-TZ, February 23, 2017



to claim to be the sole owners of land or property assets. These weaker claims to sole ownership are reflected in data on what women say they can do with their land: more than twice the proportion of women than men, for example, report that they have neither the right to sell nor to bequeath their land (51 percent for non-dwelling land, and 56 percent for dwelling land).<sup>30</sup>

37. To contribute to closing the gender gap on women's land rights, the project will promote gender equity in the mass certification activities. Under component 1, activities will ensure that women can register land either individually or jointly with their husbands with the full range of rights. The specific measures in the mass certification processes and procedures will seek to ensure: 1) effective awareness raising among women and for men to understand the benefits of women's land rights; 2) women's participation in all steps of the mass certification process; and 3) their names on the documents. These measures will be included in the manuals for both urban and rural mass certification. Differences of customary systems (e.g. patri- vs matrilineal) as well as specific issues related to polygamous marriages will be dealt with through special protocols to be developed under the Project<sup>31</sup>. Civil Society Organizations (CSOs) that specialize in land tenure issues for women will be engaged through the SEP to provide extra support for women and specialized knowledge for the field teams.

38. The Results Framework (RF) includes relevant gender-differentiated indicators to measure progress on women's access and rights to land and will for example monitor how many CROs, CCROs and Residential Licenses are issued and registered in which name (husband; wife; jointly; communal; etc.). Also, data on the level of increased tenure security will be gender disaggregated. Finally, data collected on land conflicts will also be collected so that it can also be gender disaggregated.

39. **Citizen engagement.** The Project will put in place strong citizen engagement mechanisms as this is essential to ensuring people are aware of their rights and of opportunities to register their land and are able to get grievances resolved throughout the process. Public awareness and community sensitization are an essential part of the mass certification processes under Component 1. Participatory methods will be employed during village boundary demarcation; development of land use plans; and during demarcation of land. A final public display process with all land rights and parcels displayed for the whole community to review, correct and contest is the final step before certificates are issued. Additional grievance redress and conflict resolution mechanisms are also being built into the project. In addition, the planned use of mobile applications to conduct land certification processes will be important for engaging local citizens in the process. The existing CCRO pilots found that putting youth engagement at the center of technology training yielded benefits, which will be scaled up by this Project. Finally, the Project will make use of periodic surveys to ensure that beneficiaries are truly satisfied with the process of issuance of certificates and to gather comments that could help improve the process. This indicator - *Degree of satisfaction of beneficiaries with the process for systematic issuance for CROs, CCROs (Percentage)* – is included in the RF and will be gender disaggregated.

40. **Climate change and Disaster Risk Management.** Over the past 30-60 years, Eastern Africa has experienced more frequent precipitation extremes such as droughts and heavy rainfall. The average annual temperature increased by 1° C between 1960 and 2006. Rising sea levels threaten coastal ecosystems, groundwater resources, and coastal infrastructure. These climate change-related effects intensify the occurrence of natural hazards. Approximately 25 percent of the Tanzanian population lives along the mainland coast and are

<sup>30</sup> Ardina Hasanbasit, Talip Kilic‡, Gayatri Koolwal# and Heather Moylan. (forthcoming) LSMS+ PROGRAM IN SUB-SAHARAN AFRICA: FINDINGS ON INDIVIDUAL-LEVEL DATA COLLECTION ON LABOR, AND ASSET OWNERSHIP AND RIGHTS. World Bank.

<sup>31</sup> This study is included as part of the ESCP.



susceptible to accelerated sea level rise. It is estimated that the hazard level for floods is high, and the hazard level for water scarcity and extreme heat are medium.<sup>32</sup> Research shows that intensifying disasters due to climate change are the second most cited reason for tenure insecurity in Tanzania<sup>33</sup>, and Tanzania's National Climate Change Strategy (2021) identified land use as one of the key intervention areas to combat climate change. Land use plans and land management systems are referenced in the strategy as the goals to achieve sustainable land use planning at all levels with climate change issues being mainstreamed (i.e. in coastal areas). Sustainable land use planning will directly support the mitigation of climate change impacts by better planning appropriate land use. In addition, the development of crop insurance schemes is identified as a strategic intervention area, which will require proof of ownership thereby helping to mitigate crop losses due to climate change. The strategy mentions damage to infrastructure and property caused by floods, which is another example that underlines the importance of having clear cadastral and ownership information in place to inform insurance or other compensation schemes about eligible people to be covered or compensated. The Project will support climate change adaptation and mitigation by strengthening the national cadaster to support resilient recovery, strengthening the land management systems through ease of access to data, and providing security of tenure in the case of disaster displacements.

41. The Project supports the efforts of land use planning under Component 1 (Increased Tenure Security) as land use planning is a legally required step prior to the registration of land. Land use planning is anticipated (depending on the location) to reduce impacts of coastal flooding and land use conflicts that are exacerbated by climate change, thereby mitigating the impacts. The above referenced insurance schemes and recovery activities would depend on and benefit from land records to be produced under this Component thereby supporting the ability of the country and its people to recover from climate-related disasters. Valuation of property is required for such insurance schemes, which is supported under Subcomponent 2.4. Furthermore, land records offer critical protection of rights when a population is displaced by a disaster and when physical boundaries disappear. Secure tenure also provides incentives for landholders to conduct long-term investments in climate-smart agriculture and/or forestry. When landowners can transfer their land use rights or expected long-term benefits to another party, they are more likely to make larger investments with potential impacts on climate-smart agriculture.<sup>34</sup> Component 3 (Institutional Strengthening) ensures that landowners have access to the required institutions, including land dispute resolution mechanisms, which is critically important as such disputes are exacerbated by climate change and conflicting land uses as outlined above.

42. The project's support for ILMIS, base mapping, geodetic network, and the NSDI (all under Component 2) will benefit the development of climate disaster early warning systems and disaster response planning, disaster damage estimates, etc., which rely on geospatial information. Recovery efforts require expanding and verifying available information based on land use and ownership. The establishment of such an information base would enable the Tanzanian Government to verify land use and ownership in the case of a disaster.<sup>35</sup> The Project's geospatial investments are essential for climate change adaptation as datasets related to elevation, flood levels, topography, land use etc. can improve disaster risk management and expedite post-disaster recovery. Similarly, the establishment and improved usage of the NSDI will make accessible reliable, well-managed land data for the development of climate disaster early warning systems, systematic evaluation of disaster damage, and the

<sup>32</sup> <http://thinkhazard.org/en/report/257-united-republic-of-tanzania/FL>

<sup>33</sup> Overseas Development Institute and Global Land Alliance (2018): PRIndex Analytical Report 2017. Findings from 3-country test.

<sup>34</sup> USAID (2015): Land Tenure and Climate-Smart Agriculture.

<sup>35</sup> USAID (2014): Land Tenure and Disasters. Strengthening and Clarifying Land Rights in Disaster Risk Reduction and Post-Disaster Programming.



development of climate disaster compensation and insurance schemes. To mitigate loss of geospatial and land data as a potential consequence of natural hazards, the project activities under Component 2 will ensure that land data is stored securely and that there is an appropriate disaster recovery plan for the land data.

43. Project activities themselves are expected to have moderate exposure to climate related risks and hazards. Infrastructure to be built (office buildings) under the project could potentially be damaged due to floods or heavy rains and this will be considered during the design stage. Natural hazards because of climate change could lead to changes in land use patterns and land ownership but this is considered to be a long-term effect beyond the duration of the project.

#### C. Project Beneficiaries

44. The direct project beneficiaries include individual and communal land holders and users, specifically the women and men and their families who will receive one million CROs, 500,000 CCROs and one million RLs in the 15 targeted regions. Additional direct beneficiaries are public land sector professionals, who will gain the skills needed to support land administration. In the long term, beneficiaries will also include the public and the private sector who can use the data gathered for improved planning and investment. The Government will benefit from increased tax revenues and other forms of land related revenue generation to fund the land administration system.

#### D. Results Chain

45. **Ending extreme poverty and boosting shared prosperity, the World Bank's twin goals, requires the leveraging of physical assets so that more people can invest in and better manage their resources** for future generations, start or grow a business, partner with private sector, and improve their livelihoods. Inclusive growth depends on a strong business environment, and the recognition of property rights and a well-functioning land administration system are crucial for this. Clear, enforceable, and tradeable property rights can provide security of tenure for communities, families, and individuals (especially women) to invest in their land and livelihoods. The PDO aims to achieve tenure security and contribute to a range of benefits for individuals, communities, and the economy.

46. **Increasing tenure security contributes to reducing land related disputes.** An evaluation of the CCRO issuance pilot activities has shown that people who received CCROs are more likely to expect an improvement in land dispute resolution as compared to people without CCROs.<sup>36</sup> The process of mass certification which goes property by property will bring out boundary and other disputes while at the same time training for the field teams will allow them to resolve many of these disputes during the process. Experience shows that when people are more aware about their rights and options for resolving land disputes, they choose to try to resolve them. Experience from other countries shows that about 80 percent of disputes can be resolved as part of the mass certification process. Village Land Committees will be trained to provide additional dispute resolution. Finally, the Land Tribunals will be enhanced to provide a further resource for settling disputes.

47. **A reduced number of land conflicts improves productivity and income generation.** These effects can be

<sup>36</sup> USAID (2018): Phase II Baseline and Phase I Midline Report. Impact Evaluation of the Feed the Future Tanzania Land Tenure Assistance Activity.



observed when farmers spend less time on resolving disputes or protecting their land and spend more time on agricultural or other income-generating activities instead. Studies show that increased tenure security results in smallholders increasing their own investment in agriculture.<sup>37</sup> Once land rights holders feel secure about their land tenure, the likelihood of making long-term investments increases, often leading ultimately to higher productivity.

**48. In urban areas, the issuance of CROs will contribute to the establishment of formal land markets** due to the introduction of reliable documents and a land information system that records land and property rights and on-going transactions. Stimulating land markets is expected to lead to higher productivity due to land being transferred from less productive to more productive uses.

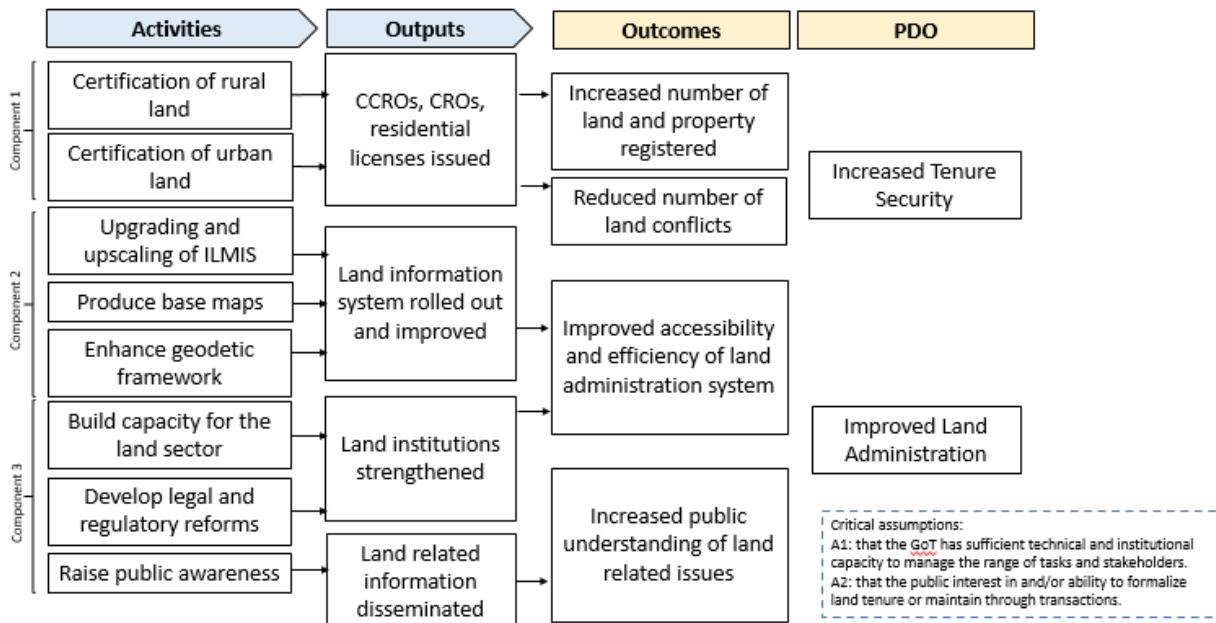
**49. Mass certification, awareness raising, and capacity building at all levels increases women's empowerment.** USAID data (2018) shows that women who are jointly registered with their husbands on CCROs report an increase in joint decision making on farming, especially for food crops but also for general parcel use. Pilot experience shows that awareness raising activities accompanying the CCRO issuance leads to an increase of women's awareness of their land rights, but also of other resources (such as organizations and programs specifically for women) that can have potential positive impacts. Further, youth and women can be supported by ensuring their representation during the selection of para-surveyors and adjudicators, which are important roles during the CCRO issuance process. Capacity building of national and local stakeholders, e.g. village councils, is also expected to result in increased awareness on women's land rights with direct consequences for their access to land and land related decision-making.

**50. Strengthening of land institutions and establishing a functioning land administration system improves the business environment.** Increased capacities in the land sector, and better access to land information as well as land administration services will improve the business environment. Streamlined procedures, digitization of land administration processes and data, as well as the reduction of time and costs for acquiring land related services will result in a better quality of public land administration services. The establishment of an ILMIS web portal and an NSDI geoportal will allow better access to land related data, contributing to access to information and more transparency. All of which should ultimately benefit the overall business environment. Revenues generated based on improved land records and more reliable data will be used to maintain the land administration system, the underlying prerequisite for an improved business environment. The following graph visualizes the Theory of Change that contains the key activities, outputs, and outcomes, which will contribute to achieving the PDO.

<sup>37</sup> See for example: Deininger, K., Ayalew Ali, D. and Alemu, T. (2008) Impacts of land certification on tenure security, investment, and land markets: Evidence from Ethiopia. Washington, D.C.: World Bank Policy Research Working Paper 4764



Graph 1: Theory of Change Diagram



## E. Rationale for Bank Involvement and Role of Partners

51. The rationale for World Bank involvement is based on the experience of the donor funded pilots and the implementation of the PSCP land component, which form a basis for the project activities. The World Bank has global experience with funding land administration projects that include mass certification, land information management, and institutional strengthening of the land sector. The World Bank is working on land tenure as well as land and geospatial infrastructure and systems in more than 40 countries, in Africa, Asia, Eastern Europe and Central Asia, Latin America, and the Middle East and North Africa. These global experiences provide a broad set of lessons learned. A new set of World Bank funded land administration projects and components are currently under preparation or implementation in the Africa region and provide opportunities for knowledge sharing across the continent. Land administration projects or components are currently implemented in Cote d'Ivoire, Ethiopia, Liberia, Malawi, Mozambique, Senegal, and Uganda.

52. The Project will be implemented in close coordination with other World Bank funded projects. In urban areas in particular, the Project will benefit from the existing experience under the Tanzania Strategic Cities Project (P111153); Urban Local Government Strengthening Program (P118152); and Dar es Salaam Metropolitan Development Project (P123134).

53. The Korea World Bank Partnership Facility (KWPF) is providing approximately US\$900,000 for technical assistance to strengthen the knowledge and capacity of government of Tanzania to implement a digitally enabled spatial data infrastructure and modern land administration system. This will be achieved through the provision of Technical Assistance to the MLHSD. The Technical Assistance will support the preparation of a series of assessments, review of international experience, recommendations, and capacity building proposals in the fields of NSDI, geodesy, base mapping, data collection for land tenure regularization, and Land information system.



These assessments, recommendations, and capacity building proposals will directly support the activities under Component 2 and scale up investments in the establishment of Tanzania's NSDI and the modernization of its land administration system. The TA will also help strengthen the coordination of the MLHHSD for LTIP and the KEXIM financed project. The TA will be delivered from October 2021 to December 2022.

54. In close coordination with MLHHSD, the World Bank's Africa Gender Innovation Lab (GIL) would design and manage the implementation of an independent impact evaluation of the rural land certification activities under Subcomponent 1.1. The impact evaluation would be implemented with independent trust funds by the GIL in partnership with a local research institute and/or survey firm. The main source of data for the impact evaluation would be a longitudinal, gender disaggregated survey collected at various stages of the program implementation (before and after) from a set of targeted beneficiary households and a comparable control group.

55. Several donors are supporting Government pilots to issue CCROs. The United States Agency for International Development (USAID) is supporting a pilot through the LTA to issue low cost CCROs. The United Kingdom Foreign, Commonwealth and Development Office (formerly the Department for International Development (DFID), along with Danish International Development Agency and SIDA previously supported pilot approaches for issuance of CCROs in collaboration with MLHHSD through the LTSP. The manual for CCROs builds on this previous experience. Land tenure and land dispute related work has been conducted by a broad range of Civil Society Organizations (CSOs) such as Care, Hakiardhi, Oxfam, Tanzania Land Alliance, Tanzania Women's Lawyers Association, and others.

#### F. Lessons Learned and Reflected in the Project Design

56. Several lessons learned from the World Bank funded PSCP (2006-2018), which included a land component, have been incorporated into the Project.<sup>38</sup> First, strong stakeholder coordination is required due to the multi-sectoral nature of land issues and this is part of the Ministry's Stakeholder Engagement Plan (SEP). Second, a lack of capacities within Government also affected the implementation of land activities under PSCP; thus, this Project includes a Component on capacity building and institutional strengthening for the land sector. This is consistent with global lessons from World Bank funded Land Administration Projects that have shown that interventions need to be tailored to local capacity, and that measures to enhance capacity should be factored into design. The experience shows that professionalization of land agency staff is important to improving the population's confidence in the transparency and effectiveness of land agencies and the demand for the services.<sup>39</sup>

57. USAID's Impact Evaluation of the Feed the Future Tanzania Land Tenure Assistance Activity (2018) provides important lessons learned from the field. FCDO's Annual Reviews of the LTSP (2017 and 2018) provides similar lessons learned regarding the issuance of CCROs.

- a) The pilot interventions identified specific areas for reducing processing times and for simplifying procedures and reducing costs, such as removing the need for "crested papers" or color prints of CCROs and allowing the use of electronic signatures<sup>40</sup> (reducing the required signatures from

<sup>38</sup> World Bank (2018): Implementation Completion and Results Report for the Private Sector Competitiveness Project (P085009).

<sup>39</sup> World Bank/IEG (2016): Lessons from Land Administration Projects: A Review of Project Performance Assessments.

<sup>40</sup> The Electronic Transactions Act of 2015 allows for digital signatures and the Land Survey Act, Cap.324 was amended in 2017 providing legal recognition of survey plans and other documents which are electronically processed



- District and Village Officers from 10 to 1) to speed up the process.
- b) Production costs of VLUPs can be significantly reduced (in this case to US\$3,500) when District officials are trained instead of bringing MLHHSD officials in from Dar es Salaam or Dodoma.
  - c) The need for sensitization of communities to understand the process and participate in CCRO issuance programs when they fear hidden costs (current or future) of the process.
  - d) Community sensitization and women specific meetings can increase the number of women with certificates (approximately 50 percent of certificates under LTA issued in women's name).<sup>41</sup>
  - e) The developed Land Tenure Regularization Manual and Dispute Resolution Manual for Village Councils and Ward tribunals supports the scale-up.

58. The Government's experiences with regularization of settlements and issuance of residential licenses provides important lessons learned as well. From 2004- 2006 the Government implemented the MKURABITA program in Dar es Salaam, and from 2009-2013 in Dar es Salaam and Mwanza to regularize settlements. Many property owners did not apply for residential licenses as there were few or no incentives for them to do so and (financial) burdens to obtain the license were too high. Recent government led initiatives on urban regularization suggest the need for implementing innovative technologies to reduce the time and cost of individual parcel surveys and demarcation and further simplification. Premiums and fees are also barriers to access. Currently after the finalization of Town Planning and Survey Plans (i.e., after planning is completed and parcels are adjudicated), it is required that beneficiaries submit applications and pay premiums and fees that were perceived as excessively high, with collection rates only about 30-35 percent. However, the Government of Tanzania (GoT) has significantly reduced the premium from 2.5 percent to 0.5 percent. The urban pilots will further test various simplified processes with improved technology and also on citizen's willingness to pay.

59. Land administration projects supported by the World Bank demonstrate the need for a fit-for-purpose approach.<sup>42</sup> Fit-for-purpose means that activities should be designed for the purpose of managing current land issues within a specific country in an affordable, flexible, and reliable way as well as employing a participatory and inclusive approach. Specifically, the Project will be flexible in terms of data and standards required to meet the needs of people and communities. Surveying is the first step of land certification to capture the extent of a given parcel on the ground, and the amount of work is mostly determined by surveying accuracy using different measurement methods. The standards of accuracy needed for the Project will be varied by locations and circumstances for efficient project scale up and affordability, considering limited project resources, budget, and time. Affordable technologies and surveying instruments will be adopted to accelerate the surveying process.

60. A key lesson from similar project around the world shows that it is important to build a maintenance system when mass certification is performed. Once certificates are issued and registered, then property can be transferred, subdivided, mortgaged, sold, etc. These changes need to be reflected in the land information system to avoid that the data of the first registration will be quickly outdated. Experience has shown that if the land administration system is not affordable, accessible, and agile, people will not use these services and the transactions will be done in the informal market, quickly making the property data out of date.

<sup>41</sup> Tanzania Land Tenure Activity presentation by Tressan Sullivan at the World Bank Land and Poverty Conference, 2019. [https://www.conftool.com/landandpoverty2019/index.php?page=browseSessions&form\\_session=202#paperID698](https://www.conftool.com/landandpoverty2019/index.php?page=browseSessions&form_session=202#paperID698)

<sup>42</sup> See FIG & World Bank (2014): Fit-For-Purpose Land Administration.



### III. IMPLEMENTATION ARRANGEMENTS

#### A. Institutional and Implementation Arrangements

61. MLHHSD is responsible for all land matters in the country, including manages surveys and mapping; oversees the land administration infrastructure; drafts land laws and policies; manages land registration, and issues certificates; manages land use planning; and resolves disputes among other related functions. Village councils and village assemblies play an important role in the process of issuing CCROs as defined by the Village Land Act. Local government authorities (LGAs) and Ward level officials also have an important role to play in the issuance of CROs. See Annex 1 for further details.

62. A Project Steering Committee (PSC) will be set up at the Permanent Secretary Level and chaired by the PS of MLHHSD no later than one month after effectiveness. Additional members of the PSC are the PS for Ministry of Finance and Planning (MOFP) and for PO-RALG. The PSC may co-opt additional members from other ministries as needed. This committee will be responsible for approving annual work plans and budgets and implementation reports, and for providing policy guidance and coordination of issues among ministries or levels of government. A Project Technical Committee (PTC) will be set-up no later than one month after effectiveness, made up of MLHHSD Heads of Departments and Sections responsible for project activities and representatives of MOFP and PO-RALP. The PTC will oversee the implementation of the Project and provide technical inputs and respond to inter-departmental issues. A detailed organigram, clear reporting lines and definition of roles and responsibilities will be defined in the Project Operations Manual (POM) which is a condition of effectiveness.

63. A Project Implementation Team (PIT) will be established within MLHHSD no later than three months after effectiveness. The PIT will be responsible for project implementation and will supervise the field teams, contractors and consultants hired to perform the work of the Project. The PIT will be responsible for: project coordination, procurement, financial management, monitoring and evaluation, social and environmental management, training management, communications, field coordination for systematic registration, and legal issues. To fill these positions staff may be transferred from within MLHHSD, other Ministries, LGAs or other government bodies full time to the PIT if they have the relevant knowledge and experience satisfactory to the World Bank. If no such staff exist, then experts from the market will be hired. The MLHHSD has agreed that key experts – Financial Management, Procurement, Social Safeguards, Environmental Safeguards, and Monitoring and Evaluation<sup>43</sup> – will be recruited from the market to provide support for project implementation as well as capacity building for Ministry and PIT staff. These experts will work full time on the Project until MLHHSD and the Bank agree that the internal capacity is sufficient. While the PIT will be fundamental for project implementation, the main implementing entity is MLHHSD. Therefore, technical supervision will be performed by the relevant department of the Ministry in concert with the PIT. Field teams will be hired for systematic registration (issuance of CROs and CCROs) and/or the work will be contracted to private firms. As project activities will take place at all levels – national, regional, district and local/village level - the implementation arrangements have been designed to coordinate among departments and levels and this is detailed in the POM.

64. Finally, a Stakeholder Engagement Forum will be established at the national level within six months of effectiveness. The PIT will act as the secretariat for the forum which will be chaired by the Deputy Permanent

<sup>43</sup> Recruitment of the FM and Procurement Specialist are conditions of disbursement; all other specialists are expected to be hired by the time the PIT is established within three months of effectiveness.



Secretary, MLHHSD or higher. The forum will consist of representatives from the MLHHSD, PIT, representatives of other ministries such as PO-RALG, Ministry of Agriculture, Ministry of Livestock and Fisheries etc.; representatives from District Field Teams/ Private Firms involved in implementation; CSOs related to issues on land, environment, gender and other marginalized groups and vulnerable groups;<sup>44</sup> representatives of LGAs from the Project areas where activities are being undertaken/ planned; and political leaders from the Project areas where activities are being undertaken/ planned. The SEF will meet at least every six months or more as needed and will focus on creating a space for dialogue on the Project so that any party may raise issues and concerns and that solutions will be found. The SEF will be further detailed in the POM.

## B. Results Monitoring and Evaluation Arrangements

65. Monitoring and Evaluation (M&E) will be under the responsibility of the PIT, which will be staffed with a dedicated M&E expert who will work closely with MLHHSD M&E experts. The PIT will ensure in close collaboration with MLHHSD that project progress is assessed and reported upon on a regular basis. The PIT in coordination with MLHHSD will collect data on outcome and intermediate outcome, output and input data as described in the Results Framework. The PIT's M&E expert will develop and maintain an M&E system in form of a database for entering and storing data, data analysis and the provision of basic reports for the Project. The M&E expert will prepare input forms as need arises to capture relevant data from operational divisions in MLHHSD and specific land tenure indicators from the target districts.

66. The PIT will prepare quarterly and annual progress reports, which will, inter alia, report upon the status of indicators as outlined in the Results Framework. The PIT will also conduct independent operational assessments at mid-term and at the end of the project, which will identify ways to improve project implementation (mid-term) and provide an impact assessment (at project end). To strengthen the project monitoring and evaluation related outcomes, data will be collected from stakeholders and beneficiaries throughout project implementation. In addition, the activities in urban areas implemented in year one will also be monitored closely and a rapid evaluation performed to outline lessons learned and changes to be incorporated into the rollout design.

## C. Sustainability

67. The project will consider sustainability at all levels and for all activities. Purchase of costly equipment (for example CORS) will only provide value for money if it is maintained. Recurrent costs for communications and maintenance should be budgeted by the Ministry by year three of the project. Building design will consider relevant factors – climate, location, power supply, etc.– to ensure buildings are designed that can be maintained. The establishment of CORS and of buildings will follow an incremental approach. Establishment of any infrastructure will focus on the project area first and will then be rolled out over time to other areas, based on needs and priorities.

68. The sustainability of the data in ILMIS is a key concern that needs to be considered by MLHHSD. Experience from other countries has shown that land formalization is not sustainable when subsequent land transactions after the first certification are not reported and are not reflected in the system. Therefore, awareness raising will

<sup>44</sup> The SEF will engage the existing multi-stakeholder platforms within the country, such as the Tanzania Land Alliance (TALA), which includes a number of key civil society organizations including Tanzania Women Lawyers Association, Tanzania Natural Resource Forum, PINGOS Forum (pastoralist and hunter-gatherer organization). <https://www.tala.or.tz/all-members>



be conducted to communicate the advantages and importance of registering transactions. Also, policy and legal review will consider the development of financial and legal incentives for smallholders to register transactions. Further, access to land administration services will be strengthened by the roll-out of ILMIS to decentralized offices under the Project. These activities will also contribute to the financial sustainability of the system beyond the project duration by contributing to increased revenue generation through service fees and transfer taxes.

69. The capacity building program under Component 3 will provide capacities needed for all other components by designing relevant trainings, workshops, study tours or other learning activities. The Project will also support capacity building of ministry staff through knowledge exchange with technical experts that provide TA. Activities will be designed in a way that they do not enhance only on-going project implementation but sustainability by leaving capacity on the ground after the project closes.

#### IV. PROJECT APPRAISAL SUMMARY

##### A. Technical, Economic and Financial Analysis (if applicable)

###### i. Technical Analysis

70. The technical design of the project reflects that securing tenure has become more affordable, feasible, and accessible than ever before with new technology and simplified, fit-for-purpose approaches. The Project will use these flexible approaches and technologies for systematic mass registration and for on-going land administration services. Project design also uses participatory and affordable approaches, such as MAST, to ensure citizen engagement and special measure will assure that all benefit, including women, marginalized and vulnerable groups. Building on pilot approaches and developing detailed field manuals will ensure a consistent and scalable approach for both urban and rural mass certification. The field manual for CCROs (rural) is prepared based on the experience from LTSP and has been enhanced to incorporate necessary safeguards for women, marginalized and vulnerable groups and others and will be submitted to the World Bank for no objection prior to effectiveness. The CRO field manual prepared will be tested and enhanced based on the pilots implemented by MLHHSD and additional piloting in year one of the Project.

71. The main rationale for public sector financing of the project is that it will produce important public goods, including: (i) increased perception of tenure security which will promote investments; (ii) enhanced institutional capacity to provide efficient land administration services; (iii) updated and harmonized policy, legal and regulatory frameworks for efficient land administration; and (iv) reduced land related conflicts. These public goods are unlikely to be provided by the private sector. Furthermore, project interventions will contribute to long-term accumulation of wealth, poverty reduction and economic development. The Government will also be able to raise income to support provision of more public goods.

72. Given the slow pace of land certification, World Bank engagement in scaling up a country wide land certification effort is of strategic importance in catalyzing other development initiatives which are affected by an insecure land tenure system. Land tenure security is important for all users – from smallholders to SMEs - to increase investment. In addition, the database of information collected will be valuable for all types of planning purposes and will support better revenue collection. The significant resources and technical expertise required for provision of such important public goods also justifies World Bank involvement. World Bank involvement will also facilitate coordination of other donors and leveraging of resources.



## ii. Economic and Financial Analysis

73. The economic analysis estimated project efficiency parameters including the internal rate of return (IRR), net present value (NPV), and benefit-cost ratio to evaluate the Project's development impacts. Results of the economic analysis<sup>45</sup> confirm robust returns to the investment, with an overall internal rate of return (IRR) of 20 percent and a benefit cost (B/C) ratio of 4.1. The Project will accrue benefits with a Net Present Value of US\$465 million, implying that over a 15-year period, the discounted benefits of the Project are more than the discounted costs by US\$465 million (at a 10 percent discount rate). The Cost-benefit ratio of 4.1 indicates that for every dollar cost incurred in the project, a benefit of US\$4.1 will be obtained. These efficiency parameters are quite impressive and encouraging (and slightly on the high side) for a project as complex as the one being proposed. These results make the project viable and justify project financing.

74. Project benefits will accrue to most project beneficiaries as projected – the Government, prospective investors, and rural landowners with 33percent, 20percent and 12percent IRR (respectively); and reasonably positive C/B ratios. For the Government, every dollar cost incurred in the Project will lead to revenues worth US\$2.4 to be collected. Land rents will generate the highest revenues (estimated at US\$593 million), followed by property tax (US\$63 million), over 15 years. The Land premium<sup>46</sup> will generate the least revenue estimated at US\$0.3 million.

75. Benefits to urban investors/prospective businesses are also positive with an internal rate of return of 20percent and 1.5 B/C ratio implying that for every US\$1 spent it will yield US\$1.5 in terms of savings in reduced transaction time and interest rate costs. Despite the adoption of highly conservative assumptions, investments in the rural areas will be viable for rural landowners benefiting from increased productivity (37percent IRR) and time and resources used in conflict resolution (9percent IRR). At current costs, investments in urban areas will not be viable due to current high costs of registering CRO (estimated at US\$171) and high interest and mortgage rates (12percent and 8.5percent respectively). Urban landowners will benefit from credit if premium payments are reduced, and interest rates are reduced to at least 10percent.

76. Overall project's benefits are reasonably robust to a simulated decline in yield, access to credit and mortgage, demand for certificate and land tax compliance. Even a 50percent decline in these variables still makes the project viable. The results are dependent on (and hence sensitive to) the overall project costs.

## B. Fiduciary

### (i) Financial Management

77. A Financial Management assessment was conducted for MLHHSD. MLHHSD will be responsible to maintain financial management arrangements that are acceptable to the World Bank and provide reasonable assurance that the proceeds of the World Bank loan are used for the intended purpose for which it is granted. The assessment reviewed financial management arrangements on budgeting, accounting, internal controls, funds flow, financial reporting, and auditing arrangements to determine whether: (a) the budgeted expenditures

<sup>45</sup> The economic analysis was anchored on Component 1, which covers 45% of the project budget targeted at increasing tenure security.

<sup>46</sup> The Land Premium is determined based on the estimated value of the property and is charged at the time the CRO is issued. The Premium has been reduced to 0.5% of estimated value (which may still be prohibitive for some land owners).



are realistic, prepared with due regard to relevant policies, and executed in an orderly and predictable manner; (b) reasonable records are maintained and financial reports produced and disseminated for decision-making, management, and reporting; (c) adequate funds are available to finance the Project; (d) there are reasonable controls over Project funds; and (e) independent and competent audit arrangements are in place.

78. Financial management risk is rated as **Substantial**. The assessment revealed the following capacity gaps: (i) MLHHSD has no experience in managing World Bank funded projects; (ii) project accounting records will be maintained in excel and updated regularly in MUSE (government IFMIS); and (iii) inadequate number of staff in Internal Audit Unit to conduct regular project audits. To mitigate financial management and reporting risks, the MLHHSD will agree: (i) to hire a Financial Management Specialist with experience in managing World Bank project funds and MLHHSD will dedicate an Accountant to be responsible to manage daily project transactions and for the purpose of knowledge transfer; (ii) to include a section on Financial Management procedures as part of the POM to provide guidance on managing financial resources; (iii) to prepare an annual work plan and budget (AWPB) and submit to the World Bank for approval by April each year, before the beginning of the fiscal year (July 1); (iv) to ensure that the internal audit department of MLHHSD will be responsible to conduct reviews on effectiveness of project internal controls system in the manner and frequency agreed in the annual audit plan; (v) to maintain a designated account in US\$ at the Bank of Tanzania and a local currency account in a commercial bank; (vi) that disbursements will be made and reported using unaudited Interim Financial Reports (IFR) on a quarterly basis; and, (vii) a project financial audit will be conducted on an annual basis by the Controller and Auditor General (CAG) and submitted to the World Bank within six months after the end of reporting period. See Annex 1 for additional details.

## (ii) Procurement

79. **Procurement Procedures.** Procurement activities under the proposed Project will be carried out in accordance with: the World Bank Procurement Regulations for IPF Borrowers Fourth Edition, November 2020; the “Guidelines on Preventing and Combating Fraud and Corruption in Projects Financed by IBRD Loans and IDA Credits and Grants”, dated October 15, 2006 and revised in January 2011 and as of July 1, 2016; and the provisions stipulated in the Financing Agreement.

80. **A Project Procurement Strategy for Development (PPSD) and a Procurement Plan (PP) have been prepared.** The Borrower has prepared a PPSD identifying optimum procurement strategies for meeting the development objectives of the project, based on which the PP for the first 18 months has been prepared, setting the selection methods to be used by the Borrower in the procurement of goods, works, non-consulting services, and consulting services under the project. The PP will be updated at least every 12 months, or as required, to reflect the actual project implementation needs. Each update shall require World Bank approval and will be publicly disclosed in accordance with the World Bank Access to Information Policy 2010.

81. A Procurement Capacity Assessment of MLHHSD was conducted July 2018 and updated in July 2021. The assessment reviewed the organizational structure, functions, staff capacity and adequacy for implementation. The assessment revealed that: (i) staff have inadequate experience with managing procurements in accordance with World Bank procurement guidelines/regulations and procedures, including a lack of experience in carrying out procurement of high value and complex goods and services contracts using World Bank Procurement Guidelines/Regulations; (ii) inadequate competent staff to couple with the expected volume of procurement transactions; (iii) inefficiencies in processing procurement activities (delays initiating procurement activities,



preparing terms of reference and specifications, preparing bidding documents and request for proposals; evaluation of bids and proposals and signing of contracts); (iv) inadequate skills and knowledge in contracts negotiations; (v) inadequate knowledge and skills in contract management; (vi) inadequate records management system; (vii) lack of awareness and low capacity of the staffs and local construction industry in complying with ESF requirements and (viii) delays in paying contractors, consultants, and suppliers on time per the terms of the contracts.

**82. Identified risks, mitigation measures, capacity building and action plan agreed.** The overall project procurement risk was assessed to be “Substantial”. The residual risk after the implementation of the mitigation measures is “Moderate”. Details of the mitigation measures to address the identified risks and action plan as well as the procurement arrangements for the Project are presented in the Procurement section of Annex 1.

### C. Legal Operational Policies

	Triggered?
Projects on International Waterways OP 7.50	No
Projects in Disputed Areas OP 7.60	No

### D. Environmental and Social Standards

83. The Project has been rated as substantial overall based on a substantial environmental risk rating and a Substantial social risk rating. The Project will be implemented nationwide and may result in a wide range of impacts due to the variety of activities which are being implemented (construction of office buildings, land regularization and land formalization) and the geographic location and associated baseline conditions. Furthermore, the capacity of the MLHHSD to manage environmental and social impacts in line with the World Bank Environmental and Social Framework (ESF) is limited. The MLHHSD will establish an Environmental and Social Management Team within the PIT to mitigate this risk which will include one environmental and one social specialist who will be designated to support the environmental and community development officer in the ministry. In addition, five specialists will be hired to support the districts in implementing the required activities in recognition of the fact that the district officers have limited capacity.

84. The environmental risk rating is classified as substantial based on the likely impacts and risks from proposed activities under Component 1 and 3, specifically from construction of regional offices and the inexperience of the key project implementing entity. Construction works, transportation and handling of construction materials may lead to site specific environmental impacts, which would be mitigated during project implementation. The nature of the proposed activities is not likely to pose any indirect or long-term environmental impacts. No projects activities will be undertaken inside or near protected areas and sensitive habitats. Project activities will be screened for potential direct and indirect impacts on biodiversity and natural habitats, including protected areas and migratory corridors.

85. Since the designs and locations of the proposed physical works or facilities to be financed under the project are not determined at this stage, the project has prepared an Environmental and Social Management



Framework (ESMF)<sup>47</sup>. The ESMF provides guidance on screening of potential environmental and social impacts and recommend appropriate instruments such as Environmental and Social Management Plans (ESMPs) to be prepared to manage risks in compliance with both the World Bank ESF and the Government guidelines. In relation to the construction of office buildings the social risks are expected to be limited as construction is planned on existing government land. This will limit the potential for any resettlement associated with these land plots, nevertheless, any informal land uses and associated physical or economic resettlement will need to be identified and compensated in line with the requirements of Environmental and Social Standards 5 (ESS5). The presence of workers has the potential to result in impacts to community health and safety including but not limited to increased transmission of diseases (communicable, sexually transmitted and vector borne diseases), road traffic accidents, accidents at construction sites if communities enter them and the risk of Gender Based Violence (GBV) or Sexual Exploitation and Abuse (SEA). These risks have been rated as moderate and are considered in the ESMF which outlines the need to develop a GBV Action Plan at the start of implementation to mitigate the risks. Mitigation has been proposed to address these risks including community and workers education and sensitization, worker codes of conduct, grievance redress mechanisms, labor management procedures and measures to maximize the use of local workers.

86. The Project anticipates that land needed for regularization will be provided through Voluntary Land Donation (VLD) but recognizes that affected people have the right to opt out. VLD procedures are presented in the Resettlement Policy Framework (RPF)<sup>48</sup> that has been developed for the project including the need for consultation, the right to refusal (without being excluded from project benefits), the amount of land is minor and will not affect the donor's ability to maintain their livelihood, that there is no household relocation, that the donor will benefit from the project and that users of the land consent when the land is community land.

87. Regularization functions may require land from some individual parcels to establish community roads and right of way/ passage between existing land plots. The extent of land required will be minimized to the extent possible by limiting the width of these rights of way. Such land will be provided via VLD procedures. This will be done according to the World Bank's principles for voluntary land donations and fully documented as per the ESF guidance and RPF and further detailed in the CRO manual.

88. The VLD process will be piloted based on the GoT experience issuing CROs, as well as global best practice in participatory planning and technology-enabled mass adjudication. The pilots will help identify regularization readiness and the detailed process. The CRO Manual will be prepared and tested in low density areas and enhanced based on piloting in year 1 of the Project which will be prepared to avoid, minimize, or mitigate land takings and their impacts. The exact impacts resulting from land regularization will be determined during the regularization pilot planning phase.

89. Further, a community-based engagement approach, under the land regularization component will be adopted throughout project implementation. All community engagements will be duly documented. In cases where landowners may not wish to donate land or the assets located thereon, or where land donations are not

<sup>47</sup> The ESF documents including the ESMF, Resettlement Policy Framework (RPF), Stakeholder Engagement Plan (SEP), and Vulnerable Groups Planning Framework (VGPF) were disclosed by the Government of Tanzania on February 14, 2020 for comment. The final documents were disclosed on April 20, 2020 by both Government of Tanzania and the World Bank.

<sup>48</sup> The ESF documents including the ESMF, Resettlement Policy Framework (RPF), Stakeholder Engagement Plan (SEP), and Vulnerable Groups Planning Framework (VGPF) were disclosed by the Government of Tanzania on February 14, 2020 for comment. The final documents were disclosed on April 20, 2020 by both Government of Tanzania and the World Bank.



possible, negotiations with the affected landowners and neighbors to reach an acceptable solution will be pursued. If no acceptable solution is reached, mitigation measures outlined in the project RPF including land and assets compensation shall be applied on a case-by-case basis, upon agreement between the GoT and the World Bank.

90. As this is a nationwide project, risks will need to be considered differentially in relation to different societal groups including any relevant groups under ESS7 Indigenous Peoples/ Sub-Saharan African Historically Under Served Traditional Local Communities.<sup>49</sup> Land issues associated with these groups are very sensitive and there is significant potential for conflict if their rights to land are not adequately considered. Risks to these groups include exclusion from land use planning process (Village Land Use Plans), failure to recognize their rights to land (especially seasonal rights), the need to undertake planning activities across village boundaries and to recognize the need to maintain stock routes. Furthermore, registering of rights may also result in such groups losing access to land especially where land is currently being administered under customary tenure in rural areas or other groups dominate and are also using the traditional lands of vulnerable groups. These risks are addressed through the development of the Vulnerable Groups Planning Framework which requires that there is extensive engagement with VGs and calls for their inclusion in planning processes as well as the inclusion of community groups to support the MLHHSD in addressing the needs of VGs. The land regularization or formalization process may result in other impacts including the presence of an external workforce (Government or private firms) and the associated impacts to community health and safety notably disease transmission, increased risk of GBV/SEA and the potential for exclusion of marginalized groups from benefits notably women, people living with disabilities, the youth and the elderly.

91. Project level grievance redress mechanisms are included in the VGPF, RPF and ESMF. The ESCP includes the requirement that the Government will ensure that the arrangements for the Grievance Redress Mechanisms (GRMs) covering general grievances (for the project) and land grievances (associated with processes for CROs, CCROs and RLs) as described in the ESMF and the SEP are implemented for all project components prior to commencement of project activities. The GRM will be adapted to the specific requirements of the vulnerable groups living near the project sites as described in the VGPF and SEP.

## V. GRIEVANCE REDRESS SERVICES

92. Communities and individuals who believe that they are adversely affected by a World Bank (WB) supported project may submit complaints to existing project-level grievance redress mechanisms or the WB's Grievance Redress Service (GRS). The GRS ensures that complaints received are promptly reviewed in order to address project-related concerns. Project affected communities and individuals may submit their complaint to the WB's independent Inspection Panel which determines whether harm occurred, or could occur, as a result of WB non-compliance with its policies and procedures. Complaints may be submitted at any time after concerns have been brought directly to the World Bank's attention, and Bank Management has been given an opportunity to respond. For information on how to submit complaints to the World Bank's corporate Grievance Redress Service (GRS), please visit <http://www.worldbank.org/en/projects-operations/products-and-services/grievance-redress-service>. For information on how to submit complaints to the World Bank Inspection Panel, please visit [www.inspectionpanel.org](http://www.inspectionpanel.org)

<sup>49</sup> It is understood that there are no indigenous people, rather they are referred to as vulnerable groups for the purpose of defining communities that are described in ESS7 and meet the criteria set out in paragraphs 8 and 9 of the standard.



## VI. KEY RISKS

93. The **overall residual risk** to the achievement of the PDO has been assessed as **Substantial**. Three risk categories (institutional capacity; fiduciary; and social and environmental), have been assessed as ‘Substantial’. The most important risk factors are: i) the inexperience of MLHHSD with World Bank financed projects; ii) limited fiduciary capacity; and iii) the wide range of environmental and social impacts due to the variety of activities (construction of office buildings, land regularization and land formalization), range of geographic locations and the capacity of the MLHHSD to manage them. The Substantial risks are explained below. All other risks are rated Moderate.

94. **Institutional Capacity for Implementation and Sustainability:** This inherent risk is **Substantial**. The Project will be the first standalone World Bank funded project implemented by MLHHSD and capacity gaps exist. Further, studies show that institutional responsibilities between the central and local level, mainly MLHHSD and PO-RALG, partly overlap and require much stronger inter-departmental coordination.<sup>50</sup> The scale-up of both CROs and CCROs will require significant management capacity to be built along with the technical capacity. Capacities at the village level are especially low, posing a risk to implementation of activities under Component 1.

95. To mitigate the institutional risks, the project design ensures that MLHHSD receive the required capacity building in all required project implementation functions, including procurement, financial management, safeguards, M&E and general project coordination. The scale-up approach will be gradual, allowing capacity to be built by doing and on-going pilots by MLHHSD are already underway. LGAs and village authorities will participate in training and capacity building activities as well. In addition, all project activities will be designed with long term sustainability built-in to ensure that sufficient human and financial capacity is developed to maintain and sustain the activities after project closure. Furthermore, the KWPF financed TA will support capacity building for Component 2 activities. Project implementation arrangements include several coordination mechanisms to enhance inter and intra-ministry coordination. Pilot experiences show that some villages have limited capacity for participating in certification processes. The scale-up of issuance of CCROs will include a specific capacity building plan and Component 3 will support programs to increase capacities of Village Land Councils. The **residual risk remains Substantial** as some risks remain outside the control of the project, such as regular changes observed in government staff supporting projects implementation, change in village and local government level participants, and effective institutional coordination which could reduce effectiveness of mitigation measures.

96. **Fiduciary:** Given the limited fiduciary capacity of MLHHSD on fiduciary matters, including lack of experience in managing World Bank financing, the risk is rated **Substantial**. There are capacity constraints in procurement and financial management. Key weaknesses noted in procurement include: (i) staff have inadequate experience in managing procurement of complex works, goods and consulting works in accordance with World Bank procurement guidelines/regulations and procedures, (ii) inadequate staff to cope with the anticipated volume of procurement transactions; (iii) inadequate knowledge and skills/experience in contract management, (iv) inadequate records management system. The overall project procurement risk was assessed to be “Substantial”. The residual risk after the implementation of the mitigation measures is “Moderate”. Weaknesses in FM include: (i) having no staff with experience in managing finances in accordance with World

<sup>50</sup> World Bank (2015): Tanzania Land Governance Assessment Framework Synthesis Report.



Bank procedures; (ii) project accounting records will be maintained in excel and updated regularly in MUSE (government IFMIS); (iii) inadequate number of staff in the internal audit unit to conduct regular project audits. Financial management risk remains rated as Substantial. To mitigate these fiduciary risks, capacity-building interventions will be financed under the project and required experts will be deployed or hired to fill the capacity gap identified during the FM and procurement capacity assessment. To ensure sustainability, MLHHSD will prepare a Capacity Building Program for the PIT to be implemented over the course of the Project. Given the residual Moderate risk for Procurement but Substantial risk for FM, the **residual overall risk for Fiduciary remains Substantial.**

97. **Social and Environmental:** The **risk is Substantial.** The risk rating reflects the scale and potential of cumulative environmental and social risks and impacts of a land tenure project. MLHHSD capacity on social and environment risk management is low. Given construction activities, there is a risk of GBV/SEA risk in the project area, and potential exclusion of vulnerable groups under ESS7, women, elderly, and disabled persons in the consultation process of project activities. Environmental risks are associated with construction works, transportation and handling of construction materials which may lead to site specific environmental impacts during construction of regional offices.

98. To avoid major risks, the Project has prepared all necessary frameworks, and actions to be undertaken by the MLHHSD to mitigate any risks presented in the ESCP. The nature of the proposed activities is not likely to pose any indirect or long-term environmental impacts. No project activities will be undertaken inside or near protected areas and sensitive habitats. Project activities will be screened for potential direct and indirect impacts on biodiversity and natural habitats, including protected areas and migratory corridors. The Project has prepared an ESMF with guidance on screening of potential environmental and social impacts and recommends appropriate instruments. On GBV/SEA, MLHHSD will develop and implement measures and actions to assess and manage the risks of GBV and SEA.<sup>51</sup>

99. The Project will strengthen implementing entities capacity and systems to manage the land related risks as described in the safeguards instruments and ESCP. In relation to the construction of office buildings the social risks are expected to be limited as construction is planned on existing government land. This will limit the potential for any resettlement associated with these land plots. Nevertheless, any informal land uses and associated physical or economic resettlement will need to be identified and compensated in line with the requirements of ESS5. Further, the Project anticipates that land needed for regularization will be provided through VLD but recognizes that affected people have the right to opt out. VLD procedures are presented in the RPF. The risks related to vulnerable groups under ESS7, (exclusion from land use planning process, failure to recognize their rights to land, failure to recognize the need to maintain stock routes) are addressed in the Vulnerable Groups Planning Framework and through inclusion of community-based organizations groups to support the MLHHSD. Given the wide range of environmental and social impacts due to the variety of activities (construction of office buildings, land regularization and land formalization), range of geographic locations and the capacity of the MLHHSD to manage them the **risk remains Substantial.**

<sup>51</sup> A GBV specialist will be hired to support MLHHSD to develop a plan and the required instruments to address GBV and SEA issues throughout the Project.

**VII. RESULTS FRAMEWORK AND MONITORING****Results Framework****COUNTRY:** Tanzania**Land Tenure Improvement Project****Project Development Objectives(s)**

To strengthen the national land administration system and increase tenure security in selected areas for both men and women.

**Project Development Objective Indicators**

<b>Indicator Name</b>	<b>PBC</b>	<b>Baseline</b>	<b>Intermediate Targets</b>		<b>End Target</b>
			<b>1</b>	<b>2</b>	
<b>Strengthened Land Administration System</b>					
Increased number of CRO transactions (Text)		97,000.00	5%	10%	20% increase over baseline
Reduction in average time for issuance of a CRO, first registration (Days)		180.00	120.00	90.00	60.00
<b>Increased Tenure Security</b>					
Increased perception of tenure security (Percentage)		0.00	30.00	50.00	75.00
Female (Text)		0.00	30%	50%	75%
Number of certificates (CROs, CCROs) registered (Text)		0.00	250,000 CROs/ 200,000 CCROs	700,000 CROs/ 400,000 CCROs	1,000,000 CROs / 500,000 CCROs
of which female (including individual and joint tenure) (Text)		0.00	40%	40%	40%
Degree of satisfaction of beneficiaries		0.00	50.00	60.00	70.00



Indicator Name	PBC	Baseline	Intermediate Targets		End Target
			1	2	
with the process for systematic issuance for CROs, CCROs (Percentage)					
of which female (Text)	0.00		50%	60%	70% of female beneficiaries

### Intermediate Results Indicators by Components

Indicator Name	PBC	Baseline	Intermediate Targets		End Target
			1	2	
<b>Component 1: Increased Tenure Security</b>					
Number of residential licenses issued (Number)		0.00	300,000.00	800,000.00	1,000,000.00
Female (Text)		0.00	100,000	200,000	300,000 (30%)
Number of villages with land certificates (Number)		0.00	150.00	250.00	250.00
Number of village land registries renovated (Number)		0.00	100.00	200.00	250.00
Number of VLUPs completed (Number)		0.00	150.00	250.00	250.00
Increased collection of land rent (Text)		121 TZS (BLN)	30% increase	40% increase	50% increase over the baseline
Reduced number of land conflicts (Text)		10,622	10% increase	20% increase	30% decrease over the baseline
<b>Component 2: Land Information Management</b>					
Number of offices with ILMIS operational (Number)		6.00	20.00	40.00	66.00
Number of districts with updated base maps (Number)		1.00	35.00		35.00
Number of districts with CORS coverage		0.00	15.00	22.00	22.00



Indicator Name	PBC	Baseline	Intermediate Targets		End Target
			1	2	
(Number)					
<b>Component 3: Physical Development of Land Administration System</b>					
Number of District Land and Housing Tribunals operational (Number)	55.00	60.00	70.00	72.00	
Number of people informed on the project including land administration, certification process (Text)	0.00	500,000	2 million	2 million	
Number of staff trained (Number)	0.00	600.00	1,000.00	1,600.00	
Female (Text)	0.00	300.00	500.00	600.00	
<b>Component 4: Project Management</b>					
Number of surveys completed (Number)	0.00	2.00	4.00	4.00	
Quarterly and annual progress reports prepared (Text)	0.00	10 (8 quarterly, 2 annual)	18 (16 quarterly, 2 annual)	25 (20 quarterly, 5 annual)	

#### Monitoring & Evaluation Plan: PDO Indicators

Indicator Name	Definition/Description	Frequency	Datasource	Methodology for Data Collection	Responsibility for Data Collection
Increased number of CRO transactions	The number is for project areas only (district).	Annually	Registrar of Titles (RT) offices (2019)	regular reporting from RT	PIT
Reduction in average time for issuance of a CRO, first registration		Annually	Land Management Department	regular reporting from LMD	PIT



			Reports		
Increased perception of tenure security	gender disaggregated	Annually	Prindex methodology	Survey	PIT through consultancy
Female	Gender disaggregated	Annually	Prindex methodology	Survey	PIT through consultancy
Number of certificates (CROs, CCROs) registered	Gender disaggregated. The number is for project areas only (district).	Quarterly	Registrar of Title Records. Registrar of Titles (RT) – MLHHSD (2019) – district level data (for CROs); District Land Registration books MLHHSD (2019/20) (for CCROs).	regular reporting	PIT
of which female (including individual and joint tenure)	The number is for project areas only (district).	Quarterly	Registrar of Title Records. Registrar of Titles (RT) – MLHHSD (2019) – district level data (for		



			CROs); District Land Registration books MLHHS (2019/20) (for CCROs).		
Degree of satisfaction of beneficiaries with the process for systematic issuance for CROs, CCROs	Will measure the degree of satisfaction of those benefiting from the systematic registration process for CROs and CCROs	at the close of systematic process	Survey of beneficiaries	Survey of beneficiaries	PIT through field teams
of which female					

**Monitoring & Evaluation Plan: Intermediate Results Indicators**

Indicator Name	Definition/Description	Frequency	Datasource	Methodology for Data Collection	Responsibility for Data Collection
Number of residential licenses issued	Gender disaggregated. Baseline data is for the whole country	Quarterly	Ministry reports	regular reporting from field teams	Directorate of Rural and Urban Planning/PIT
Female		Quarterly	Ministry reports		Directorate of Rural and Urban Planning
Number of villages with land certificates	250 villages are targeted. This is a pre-condition for CCROs and needs to be completed before final year of the project	Quarterly	Ministry reports	regular reporting	Directorate of Land Administration and Management/PIT



Number of village land registries renovated	number of land registry offices in villages that have been renovated to provide regular service	quarterly	District M&E reports	regular reports	PIT
Number of VLUPs completed	250 villages are targeted. This is a pre-condition for CCROs and needs to be completed before final year of the project	Quarterly	District M&E reports and National Land Use Planning Commission records		National Land Use Planning Commission (NLUPC).
Increased collection of land rent	The amount is for the whole country	Quarterly	Ministry annual reports	regular reporting from system	PIT
Reduced number of land conflicts	The number is for project areas only (districts).	Quarterly	Village/District records - District Land and Housing Tribunals	regular reports	PIT
Number of offices with ILMIS operational	Baseline includes Kigamboni; Ubungo; Kinondoni; Temeke; Ilala currently renamed Dar es Salaam; Dodoma. Target will include the 6 in baseline plus 25 additional Regional Offices and 40 District Offices.	Annual	M&E reports	regular reports	MLHHS



Number of districts with updated base maps	Baseline data is for the whole country. To be completed in one bidding process	Annual	M&E reports	regular reports	DSM-MLHHSD
Number of districts with CORS coverage	Baseline data is for the whole country	Annual	M&E reports	regular reports	DSM-MLHHSD
Number of District Land and Housing Tribunals operational	The number is for the whole country. Equipment, working tools are available; premises are renovated.	Annual	Ministry reports and DLHT	regular reports	MLHHSD/DLHT
Number of people informed on the project including land administration, certification process	number of people informed of the project and process, including through community consultations, public awareness campaigns, etc.	Annual	Ministry reports; field team reports	reporting on participation in consultations; also reporting on PAC activities	MLHHSD/PIT
Number of staff trained	Baseline data is for Ministry staff at HQ and regional offices. Target number includes staff at district level.	Annual	Directorate of Human Resources, MLHHSD reports	regular reporting	DHR/PIT
Female	Baseline data is for Ministry staff at HQ and regional offices. Target number includes staff at district level.	Annual	Directorate of Human Resources MLHHSD reports		
Number of surveys completed	Baseline, MTR, final surveys	Annual	M&E reports	regular reporting	PIT



**The World Bank**

Land Tenure Improvement Project (P164906)

Quarterly and annual progress reports prepared	count of reports prepared	Quarterly	M&E reports	regular reporting	PIT

**ANNEX 1: Implementation Arrangements and Support Plan**

**COUNTRY: Tanzania**  
**Land Tenure Improvement Project**

**Implementation Arrangements**

1. **Project Management.** The proposed mode of delivery for the Project is through a dedicated Land Tenure Improvement PIT to be established under the MLHHSD. The overall role of the PIT shall be to oversee day to day project coordination/execution and management. Alongside this, the technical departments of the Ministry, through a Project Technical Committee, will be responsible to ensure quality of project implementation. A high-level Steering Committee will oversee the Project and a Stakeholder Engagement Forum will support stakeholder engagement and feedback during implementation. Given the nature of the proposed project that will cover all levels of government tiers up to village level, the project implementation arrangements would be designed to coordinate all levels including districts, LGAs, and villages. The Project will be implemented through contacting (base-mapping and geodetic network, ICT, building construction, urban land certification) with supervision and monitoring by MLHHSD, and through direct implementation by MLHHSD (rural land certification, data conversion) for those activities where the Ministry has capacity, and the private sector market is limited.
2. **Composition of Project Implementation Team.** The PIT shall be under the Project Coordinator who will report directly to the Permanent Secretary (PS) for MLHHSD. The Project Coordinator shall be responsible for general oversight of the project and for planning and budgeting of project activities and working closely with core departments of the Ministry including Surveys and Mapping; Urban and Human Settlements Land Planning; Land Administration. The PIT will include a full-time team consisting of staff transferred from MLHHSD or other government entities or recruited from the labor market to oversee among others, project coordination, procurement, financial management including project budget preparation, monitoring, and evaluation, ESF oversight, communications, ICT, training management and overall technical coordination. The positions and their responsibilities and reporting structure will be detailed in the POM.
3. **Safeguards management.** The PIT will include an Environmental and Social Management Team which will consist of the following: an Environmental Specialist who will be hired by the Project to facilitate and provide technical support on the management of environmental issues including the development of Project Briefs for the ESMPs, supervision of construction activities etc. The specialist will also be responsible for increasing the capacity of the MLHHSD environmental officer. A Social Specialist who will be hired by the Project to facilitate and provide technical support on the management of social issues including the development of Vulnerable Groups Plans, Stakeholder Engagement Plans, GBV Action Plans and management of land take (resettlement, voluntary land donation) etc. The specialist will also be responsible for increasing the capacity of the MLHHSD social officer. From the within MLHHSD two officers with environmental and social expertise will be assigned to the Project. They will support the Social and Environmental Specialists in the day-to-day implementation of the project. Sufficient budget will be allocated for safeguards management.
4. **Project Technical Committee.** The PIT will be guided by a PTC made up of the Directors or their



designates from the technical Departments and Sections of MLHHSD that are engaged in the project, as well as representatives from MOFP and PO-RALF. Terms of reference of the role and responsibilities have been prepared and are part of the POM. The PTC will be responsible for overall technical guidance and review of key deliverables, supporting preparation of TORs and technical specifications for the project, resolving issues among departments for smooth project implementation, and ensuring effective monitoring and evaluation of project activities. The PTC will meet monthly.

5. **Project Steering Committee.** The project will be implemented and supervised by a PSC composed of permanent secretaries from MLHHSD, Ministry of Finance and Planning (MFP) and PO-RALG, as the key ministries involved in implementation of the Project. Other Ministries will be invited to join PSC meetings on an as needed basis. This committee will be technically supported by the PIT and will be responsible for high-level project decision making and policy guidance, for approving annual work plans and budgets, annual reporting and resolving inter-institutional issues as they arise. The PSC will meet at least quarterly.

6. **Stakeholder engagement.** A Stakeholder Engagement Forum will be established at the national level. The PIT will act as the secretariat for the forum which will be chaired by the Deputy Permanent Secretary, MLHHSD or higher. The forum will consist of the following representatives from the MLHHSD, PIT, representatives of other ministries such as PO-RALG, Ministry of Agriculture, Ministry of Livestock and Fisheries etc.; representatives from District Field Teams/ Private Firms involved in implementation; CSOs related to issues on land, environment, gender, marginalized groups and vulnerable groups;<sup>52</sup> representatives of LGAs from the Project areas where activities are being undertaken/ planned; and political leaders from the Project areas where activities are being undertaken/ planned.

7. The first meeting will be held within the first 6 months of project implementation with subsequent meetings being held at least every 6 months thereafter for the duration of the project. The meeting of the SEF will focus on a two-way dialogue where issues related to Project implementation are discussed (activities since the last meeting, planned activities, upcoming challenges, lessons learnt, etc.); activities implemented by the CSOs; emerging issues in land sector relevant to project implementation; emerging thematic issues (VG, women's land rights, environmental concerns) which may affect project implementation; opportunities to collaborate; avoidance of duplication of effort; etc., so that good practices can be shared and joint solutions for challenges proposed. Virtual platforms will be used for participation and if in person meetings are held, all participants will be provided with a per diem to attend the meeting commensurate with the costs associated with the location of the meeting (routinely Dodoma but may include meetings in the field or Dar es Salaam as appropriate). Further details on the SEF roles and responsibilities will be detailed in the POM in consultation with CSOs and other key stakeholders.

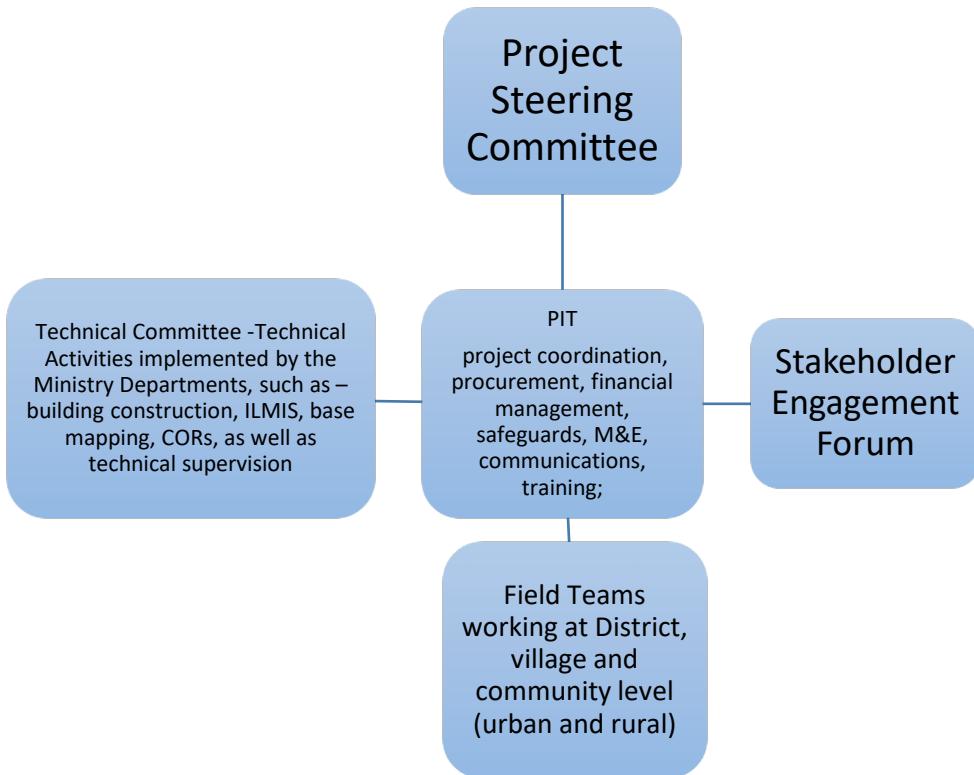
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<sup>52</sup> The SEF will engage the existing multi-stakeholder platforms within the country, such as the Tanzania Land Alliance (TALA), which includes a number of key civil society organizations including Tanzania Women Lawyers Association, Tanzania Natural

Resource Forum, PINGOS Forum (pastoralist and hunter-gatherer organization). <https://www.tala.or.tz/all-members>



**Figure 1.1 Project Implementation Arrangements Diagram**



8. **District and Local Level.** Given the nature of the proposed project, many activities will be executed at the local level (village, community within municipalities). For the Rural Land Certification activities there will be a District Field Team and Field Team Manager hired by the Project for direct implementation. District Working Groups will be set up in each area where the activities are implemented to coordinate at the local level among different local actors, with the District and National levels and with the PIT. Each working group will be led by the District Field team manager, and will include local/village authorities, community representatives, community-based organizations, and other relevant stakeholders.

9. **For the case of Urban Land Certification,** most activities will be contracted to private firms and will be supervised by the Urban Land Certification team in the PIT, the relevant Department of MLHHSD as well as local authorities. He/she will be the focal person responsible for following up the day-to-day performance/progress of the contractor and report to the Manager for Urban Land certification on weekly bases.

10. **Construction works.** MLHHSD has experience with construction having already constructed the National Land Data Center in Dar es Salaam and the new Ministry building in Dodoma. Nonetheless the Project includes significant building construction of 25 regional offices and renovation/reconstruction for District offices (and up to 40). The 25 sites for the new regional offices have been identified and preliminary design prepared. A design and engineering firm will be hired under the Project to prepare detailed design and engineering drawings, cost estimates, and bidding documents, and to support the MLHHSD throughout supervision. The PIT will coordinate the construction activities with the MLHHSD



Department of Housing, and with the Tanzania Building Agency (TBA) which will provide technical support to the MLHHSD. Site-specific ESMPs and RAPs will be prepared as necessary during project implementation, in line with the ESMF and RPF.

Financial management arrangements

11. **Budget arrangement:** Project budget preparation will also observe the government budget calendar and will be included in the Medium-Term Expenditure Framework (MTEF) of MLHHSD. The Government budget process is guided by the Budget Act of 2015 and Budget Regulations of 2015. The MLHHSD uses a Central Budget Management System (CBMS) for budget documentation purpose which is linked to the IFMIS Government Financial System (GFS) codes.

12. In addition, the PIT will prepare an annual work plan and budget (AWPB) for the fiscal year and submit to World Bank for approval. The AWPB will contain activities to be implemented by the Project for the fiscal year, time schedule, costing, and financing plan (including counterpart and other partners funds, if any). The AWPB will be submitted to World Bank for approval by February 1 each year before the beginning of fiscal year (July 1).

13. In cases where the Project will require a budget reallocation during project execution, the PIT will seek a concurrence from the World Bank, as needed.

14. Project budget performance will be monitored on a quarterly basis by comparing budget to actual costs and reported to World Bank through unaudited interim financial reports (IFRs).

15. **Accounting arrangement:** Financial management procedures are broadly guided by the Public Finance Act of 2001 (revised 2004), its regulations and other circulars issued by Ministry of Finance and Planning from time to time. Detailed processes to be followed by the project on financial management will be developed and documented in a POM. The POM. The POM will consider allowable practices of IDA financed projects and general accounting practices including approval hierarchies and segregation of duties, management of bank accounts, imprest management, management and accounting of commitments, accrued expenditures/liabilities, and assets acquired by the project, procedures for year-end closure and preparation of annual financial statements and other necessary documentation required for the project accounting system. The POM will be prepared by the PIT in a manner satisfactory to the World Bank.

16. The MLHHSD will hire an experienced Financial Management Specialist responsible for the project. **Terms of Reference of the Financial Management Specialist** will be prepared by MLHHSD in a manner satisfactory to the World Bank. The Accounts Department of MLHHSD is has over 30 Accountants who are qualified with Accounting degrees and some with CPAs; however, the MLHHSD has no experience in managing World Bank financed project. The MLHHSD will appoint a Project Accountant to support the Financial Management Specialist on daily project transactions and reporting. This will enhance segregation of duties in initiation, authorization and approval of accounting transactions as well as facilitating knowledge transfer to MLHHSD.



17. Project financial records will be maintained in a excel and updated periodically in Government integrated financial management system (MUSE – *Mfumo wa Ulipaji Serikalini*) using government Chart of Accounts/GFS codes.

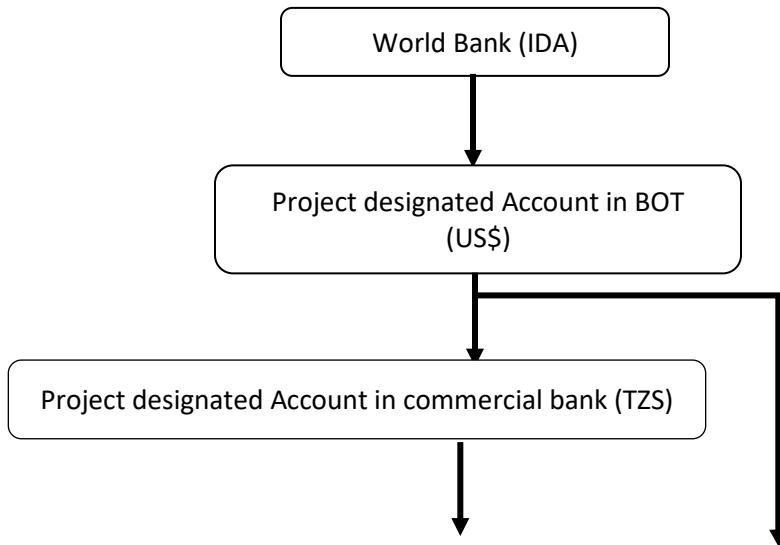
18. **Internal controls:** The PIT will develop an internal controls system with the aim of ensuring project objectives are achieved in an effective and efficient manner, that reliable financial reports are produced and observe compliance to the financing agreement, laws and regulations governing the Project. Project specific internal control systems to manage project financial risks and safeguard project assets will be documented in the POM.

19. **Internal audit function** of the MLHHSD will be responsible to assess the project risks and assess effectiveness of the internal control systems as part of its annual audit plan. The MLHHSD internal audit function on the scope of internal audit on an annual basis. Reporting of the results of internal audit will follow MLHHSD reporting lines. The Internal audit unit of MLHHSD reports to the Audit Committee of the MLHHSD. The internal audit reports of the projects will be submitted to the same. The committee is comprised of five members of which two members are external to the Ministry to strengthen its independence and technical capacity.

20. The Internal audit unit has limited human resource capacity. There are only five internal auditors for the MLHHSD. This may affect availability of internal auditors to conduct frequent audits of the project. Internal audit reports for the project will be issued on semi-annual basis and monitored during World Bank implementation support missions.

21. **Funds flow arrangement:** The project will maintain a designated bank account at Bank of Tanzania in US\$ for receiving funds from the World Bank. Another bank account will be maintained in commercial bank in local currency for effecting daily transactions. Detailed procedures for receiving and release of funds from bank accounts for project activities will be included in the POM. The fund flow arrangement is depicted below in figure 1.2.

**Figure 1.2 – Funds Flow Arrangement**



**Payments to suppliers, contractors and employees**

22. **Disbursement Methods.** Disbursement methods will include: advance, reimbursement, direct payment and special commitments. For the advance method, IDA will disburse based on a six months' cash forecast. The initial cash forecast will be prepared based on the annual work plan and procurement plan submitted to the World Bank for approval. Subsequent withdrawal applications will be based on a rolling six-month forecast reported in quarterly unaudited interim financial reports (IFRs) and in line with the annual work plan and budget. The Reimbursement method will be used to reimburse the project for the pre-financed eligible expenditures. Direct payment and special commitment methods may be used when the PIT requests the World Bank to make payments directly to a third party (contractors or service providers) for eligible expenditures and other special commitments. The PIT will retain all original documents and records of payments made. More detailed disbursement arrangements are provided in **Disbursements and Financial Information Letter (DFIL)**.

23. **Financial reporting:** Accountability of eligible expenditures incurred and paid for by the Project will be reported to the World Bank through unaudited IFRs on a quarterly basis. On a quarterly basis, the PIT will prepare IFRs and submit them to the World Bank within 45 days after the period ends. IFRs will be prepared on a cash basis (reporting cash received, and expenditure paid). IFRs will be supported with bank reconciliation and bank statements for the Project. The reporting currency will be in US dollars (US\$).

24. **The Project will prepare annual financial statements** in accordance with the International Public-Sector Accounting Standard (IPSAS) - Accrual basis of accounting issued by International Public Sector Accounting Standards Board (IPSASB). Under this basis, project expenditure will be recognized when incurred and not upon payments. Accrued payment liabilities will be reported in the annual financial statements. Project commitments (of which payments are not yet due) will be disclosed as notes to the financial statements. Payment advances made to staff will be reported in the financial statements along with other receivables. Assets procured by the project will be reported in the financial statements and a memorandum records of list of assets, working conditions will be maintained in the fixed assets register and physically verified for existence on annual basis. Annual financial statements of the Project will be subject to audit.

25. **External audit:** The MLHHSD will engage the Controller and Auditor General (CAG) to audit the project annual financial statements. The Financial audit will be conducted in accordance with the International Standards of Supreme Audit Institutions (ISSAIs). Article 143 of the Constitution of the United Republic of Tanzania of 1977 and Public Audit Act no. 11 of 2008 and the Public Audit Regulations of 2009 mandate the CAG with exclusive powers to audit public funds. CAG discharges this responsibility either directly or through private auditors contracted as agents. Terms of reference for the financial audit will be made in a manner satisfactory to World Bank.

26. Audited financial statements of the project will be submitted to the World Bank along with a management letter not later than six months after the end of the financial reporting period. The Project will provide financial resources to meet operating costs of conducting annual financial audits. Audited



financial statements submitted to World Bank will be made available to the public in accordance with the '*World Bank Policy on Access to Information*' (effective as of July 1, 2010)<sup>53</sup>

## 27. Financial management risks and mitigation plan (Table 1.1)

Risk/Issue	Proposed Action
1. <b>Financial management capacity:</b>	<ul style="list-style-type: none"> <li>The ministry will recruit a Financial Management Specialist with experience with World Bank financed projects. Terms of Reference for the Specialist will be agreed with World Bank (<b>legal covenant as withdrawal condition</b>).</li> <li>By the end of the first year of the Project, Financial management training will be conducted to staff involved in the project.</li> </ul>
2. <b>Internal audit plan and capacity</b>	<ul style="list-style-type: none"> <li>Within six months of project effectiveness, the internal audit department shall prepare and thereafter implement, an internal audit plan.</li> </ul>
3. <b>Adequacy of bank arrangements</b>	<ul style="list-style-type: none"> <li>Within three months of project effectiveness, the project will have a project designated bank accounts operational.</li> </ul>
4. <b>Financial reporting format and contents</b>	<ul style="list-style-type: none"> <li>The project shall prepare Unaudited IFRs on a quarterly basis.</li> <li>The project will prepare annual financial statements in accordance with IPSAS accrual basis of accounting and provide additional explanatory notes as needed.</li> </ul>
5. <b>External audit assurance on financial statements.</b>	<ul style="list-style-type: none"> <li>Annual financial statements will be audited by Controller and Auditor General (CAG). Within three months of project effectiveness, the project shall prepare Terms of Reference for external audit, in form and substance satisfactory to the World Bank.</li> </ul>

28. **Supervision arrangements:** Financial management performance status of the project will continue to be monitored over the life of the project in consideration of risk assessment and progress in implementation of the Project. The financial management (FM) supervision will specifically be conducted as follows in Table 1.2:

**Table 1.2: FM Supervision Arrangements**

Arrangement	Activity	Frequency
Desk reviews	- Unaudited interim financial reports	- Quarterly
	- Audited financial statements	
On-site visits	- Review adequacy of FM arrangements	- Annually

<sup>53</sup> <https://www.worldbank.org/en/access-to-information/overview>



	- Transaction reviews	- As needed
Capacity building	- FM training	- As needed

#### Procurement

29. Procurement procedures. Procurement activities under the Project will be carried out in accordance with the World Bank's Procurement Regulations for IPF Borrowers Fourth Edition, November 2020 and the "Guidelines on Preventing and Combating Fraud and Corruption in Projects Financed by IBRD Loans and IDA Credits and Grants", dated July 1, 2016, and the provisions stipulated in the Financing Agreement.

30. **A PPSD and PP have been prepared.** The Borrower has prepared a PPSD identifying optimum procurement strategies for meeting the development objectives of the project, based on which the PP for the first 18 months has been prepared, setting the selection methods to be used by the Borrower in the procurement of goods, works, non-consulting services, and consulting services under the project. The PP will be updated at least every 12 months, or as required, to reflect the actual project implementation needs. Each update shall require World Bank approval and will be publicly disclosed in accordance with the World Bank disclosure policy.

31. **Systematic Tracking of Exchanges in Procurement (STEP).** The World Bank's system for tracking of exchanges in procurement (STEP) will be used to prepare, clear, and update Procurement Plans and conduct all procurement transactions to be undertaken for project implementation. The World Bank, in collaboration with the Public Procurement Regulatory Authority (PPRA), started rolling out the Tanzania National e-Procurement System (TANePS) since February 2021 in the World Bank-financed projects. Thus, it is expected that processing of the procurement activities under the project will use both STEP and TANePS.

32. **Procurement Templates.** The World Bank's Standard Procurement Documents (SPDs) shall be used for procurement of goods, works, and non-consulting services under the Open International Competitive Procurement (OICP) approach. Similarly, selection of consultant firms shall use the World Bank's SPDs, in line with procedures described in the Procurement Regulations. While approaching the national market using NPP, the National Standard Bidding Documents may be used with appropriate modifications acceptable to the World Bank and additional annexes to incorporate the World Bank's Anti-Corruption Guidelines, universal eligibility, and the World Bank's right to inspection and audit

33. **Publication (Advertising).** The Borrower is required to prepare and submit to the World Bank a General Procurement Notice to be published in *United Nations Development Business online (UNDB online)* and on the World Bank's external website through STEP. Specific Procurement Notices for all procurement under (OICP) and Requests for Expressions of Interest for all consultancies estimated to cost not less than US\$300,000 shall be published in UNDB online and the World Bank's external website and in at least one newspaper of national circulation in the Borrower's country, or in the official gazette, or on a widely used website or electronic portal with free national and international access.

34. **National Procurement Procedures (NPP).** NPP may also be used, provided that such procedures are consistent with the following requirements as provided in paragraph 5.4 of the Procurement Regulations: (a) there is open advertising of the procurement opportunity at the national level; (b) the



procurement is open to eligible firms from any country; (c) the request for bids/request for proposals document shall require that Bidders/Proposers submitting Bids/Proposals present a signed acceptance at the time of bidding, to be incorporated in any resulting contracts, confirming application of, and compliance with, the World Bank's Anti-Corruption Guidelines, including without limitation the World Bank's right to sanction and the World Bank's inspection and audit rights; (d) the Procurement Documents include sufficient provisions, as agreed with the World Bank, to adequately mitigate against environmental and social (including SEA/SH), risks and impacts; (e) contracts have an appropriate allocation of responsibilities, risks, and liabilities; (f) publication of contract award information; (g) the World Bank has rights to review procurement documentation and activities; (h) there is an effective complaints handling mechanism; and (i) records of the procurement process are maintained. Other national procurement arrangements (other than NOCP), that may be applied by the Borrower (such as limited/restricted competitive bidding, request for quotations/shopping, direct contracting), shall be consistent with the requirements set out in paragraphs 5.3 and 5.4 d. as appropriate.

**35. Public procurement in Tanzania is governed by** the Public Procurement (Amendment) Act No. 5 of 2016, construed as one with the Public Procurement Act No. 7 of 2011 and the associated Regulations. Under the new Act, procurement functions remain decentralized to procuring entities with the PPRA continuing to provide oversight functions for public procurement. In addition, the new Act has maintained the definitions of fraud and corruption with regards to coercive practices, collusive practices, and obstructive practices. The new Act has however introduced, among others: (i) mandatory inclusion of local firms and experts in consultancy contracts; (ii) domestic preference to both international and national competitive bidding; (iii) a requirement to set-aside contracts to be used for capacity building of local firms; (iv) a requirement to set-aside contracts below a set threshold to be awarded to local firms only; (v) negotiations with the lowest cost evaluated bidder to reduce price in the case of goods, works and non-consulting services; (vi) fixed budget method for goods, works and non-consulting services; and (vii) established and approved procurement standards by the Government.

**36. The new Act has been reviewed by the World Bank and found to be satisfactory to a large extent, except for the following provisions:** (i) there will be no preference to be accorded to domestic suppliers and contractors under National Competitive Bidding (NCB) for goods, non-consulting services, and works under this project; (ii) there should be no mandatory requirement for inclusion of local experts and firms for the consulting assignments; (iii) negotiations with the lowest evaluated bidder to reduce price in the case of goods, works and non-consulting services where competitive methods have been used shall not be allowed; (iv) the fixed budget method shall not be used for goods, works and non-consulting services; and (v) procurement standards established and approved by the Government may be used, provided that they are not restrictive. Furthermore, in accordance with paragraph 5.4 of the Procurement Regulations, the following shall be observed: (i) the request for bids/request for proposal document shall require that Bidders/Proposers submitting Bids/Proposals present a signed acceptance at the time of bidding, to be incorporated in any resulting contracts, confirming application of, and compliance with, the World Bank's Anti-Corruption Guidelines, including without limitation to the World Bank's right to sanction and the World Bank's inspection and audit rights; and (ii) rights for the World Bank to review the Borrower's procurement documentation and activities.

**37. Training and Workshops.** The project will finance training and workshops, if required, based on an annual training plan and budget which shall be submitted to the World Bank for its prior review and



approval. The annual training plan will identify, inter alia: (i) the training envisaged; (ii) the justification for the training; (iii) the personnel to be trained; (iv) the duration for such training; and (v) the estimated cost of the training. At the time of the actual training, the request shall be submitted to the World Bank for review and approval. Upon completion of the training, the trainees shall be required to prepare and submit a report on the training received.

**38. Procurement Implementation Arrangements.** Procurement activities under the Project will be carried out by MLHHSD. MLHHSD will establish a PIT to oversee general project coordination, procurement, financial management, monitoring and evaluation and safeguards supervision. The PIT will be responsible for the day-to-day management of the procurement activities of the Project. The PIT will work closely with the MLHHSD's Procurement Management Unit (PMU) to carry out procurement activities of the project as per requirements of the Public Procurement Authority (PPA) and its Regulations especially in processing the internal clearances.

**39. A Procurement Capacity Assessment of the MLHHSD was conducted July 2018 and updated in July 2021.** The assessment reviewed the organizational structure, functions, staff capacity and adequacy for implementation. MLHHSD implemented the Strengthening the Business Environment component under the Private Sector/MSME Competitiveness Project (P085009). However, procurement performance for the component managed by the MLHHSD was unsatisfactory. In terms of legal framework, the assessment revealed that MLHHSD has established all the necessary organs for adjudicating and managing procurement activities in accordance with the provisions of the PPA and its Regulations. MLHHSD's PMU has a total of ten staff including the Director of the PMU.

**40. The assessment revealed that the MLHHSD's PMU has:** (i) inadequate experience with managing procurements in accordance with World Bank procurement guidelines/regulations and procedures, including experience in carrying out procurement of high value and complex goods and services contracts using World Bank Procurement Guidelines/Regulations; (ii) inadequate competent staff for the volume of procurement transactions; (iii) inefficiencies in processing procurement activities (delays initiating procurement activities, preparing terms of reference and specifications, preparing bidding documents and request for proposals; evaluation of bids and proposals and signing of contracts); (iv) inadequate skills and knowledge in contract negotiations; (v) inadequate knowledge and skills in contract management; (iv) inadequate records management system and (vii) lack of awareness and low capacity of the staffs and local construction industry in complying with ES requirements.

**41. Based on the PPRA's Procurement Compliance and Value for Money Audit for FY 2015/16,** MLHHSD attained an overall compliance level of 82.10 percent. Despite attaining an above average compliance level, the following issues were observed: (i) inefficiency in discharging its procurement plan – executed 59 percent of the budget in the annual procurement plan as well as difference in actual time used for the particular tender compared to time stipulated in the APP for the same tender; (ii) unfair treatment of bidders that submitted best technical proposals; (iii) MLHHSD did not accurately communicate the intention to award a contract; (iv) preparation of tender documents had some shortfalls such as: combining two consultants' selection methods in a single tender; neglecting inclusion of performance security clause in the SCC; BOQ did not contain specification, site map and drawings for particular measured items for reference and compliance; (v) there was no work supervisor designated by the MLHHSD to manage contracted works; (vi) delays in making payments; and (vii) contract files had



incomplete procurement records while these records are scattered in various rotating files and payment vouchers.

42. **To address capacity gaps and mitigate the risks identified, the procurement capacity of MLHHSD needs to be strengthened.** To ensure sustainability, MLHHSD will prepare a Capacity Strengthening Plan for the PMU staff, which will articulate areas to be strengthened, capacity strengthening activities to be undertaken and the duration of each activity. Further to address capacity gaps, mitigate the risks identified and build procurement capacity, MLHHSD will recruit/deploy a Procurement Specialist with adequate qualifications and experience acceptable to the World Bank who will assist the PIT in managing the procurement function and build the PMU's procurement capacity.

43. **The overall project procurement risk was assessed to be Substantial.** The risk is reduced to a residual rating of **Moderate** in view of the mitigation measures proposed in Table 1.3.

**Table 1.3: Procurement Risks and Mitigation Measures**

Risk	Mitigation Measure	Timeframe	Responsibility
Inadequate staff in PMU to couple with procurement volume	Recruit additional staff in PMU/PIT with World Bank experience to match with procurement volume	Throughout project implementation	MLHHSD
Inefficiencies in processing, approving, and managing procurement activities	Ensure procurements are processed as per the timelines in the procurement plans, including timely, Tender Board approvals, preparation of ToRs and specifications by user and technical departments	Throughout project implementation	MLHHSD
Inadequate knowledge and experience of World Bank	Provide training in World Bank procurement procedures and processes. For sustainability reasons, MLHHSD will prepare Capacity Building Plan for PMU staff.	Throughout project implementation	MLHHSD
Procurement Guidelines/Regulations and processes for high-value and complex contracts	Deploy or recruit a Procurement Specialist with qualifications and experience acceptable to IDA to build capacity of PMU and assisting in processing procurement activities, in accordance with the Capacity Strengthening Plan.	Withdrawal condition	MLHHSD
Inadequate knowledge and skills/experience in contract management	Conduct training tailored toward addressing weaknesses in contract management for PMU staff and technical departments of the Ministry.	Throughout project implementation	MLHHSD



Risk	Mitigation Measure	Timeframe	Responsibility
Inadequate records keeping system and storage space.	Establish a sound filling and records management system.	Throughout project implementation	MLHHSD
Lack of awareness and low capacity of the staff and local construction industry to comply with ES requirements	Create awareness and conduct a training on ES for the project staff, potential contractors, and consulting firms. Further, contracts should have adequate provisions of ES requirements and effective contract management.	Throughout project implementation	MLHHSD
Delays in paying contractors, consultants, and suppliers on time per the terms of the contracts.	MoFP to expedite approving processes to ensure funds are released timely to the projects.	Throughout project implementation	MoFP and MLHHSD

44. **Procurement oversight and monitoring arrangements:** The World Bank exercises its procurement oversight through a risk-based approach comprising prior and post reviews as appropriate. The World Bank sets mandatory thresholds for prior review based on the procurement risk rating of the project. The requirement for a prior or post review shall be specified in the PP. The World Bank will carry out post reviews of procurement activities undertaken by the borrower to determine whether they comply with the requirements of the Legal Agreement. The World Bank may also use the services of PPRA for carrying out post reviews for the project.

45. Since the assessed procurement risk rating is ‘Substantial’, the borrower shall seek the World Bank’s prior review for contracts of value equivalent to the thresholds detailed in Table 1.4.

**Table 1.4: Thresholds for procurement approaches and methods**

Thresholds for Procurement Approaches and Methods (US\$ millions)—Goods, Works, and Non-Consulting Services				
Category	Prior Review (US\$ millions)	Open International	Open National	Request for Quotation (RfQ)
Works	≥ 10.0	≥ 15.0	< 15	≤ 0.2
Goods, IT, and non-consulting services	≥ 2.0	≥ 5	< 5	≤ 0.1
Thresholds for Procurement Approaches and Methods (US\$, millions) – Consulting Services				
Category	Prior Review	Short List of National Consultants		



	(US\$, millions)	Consulting Services	Engineering and Construction Supervision
Consultants (Firms)	≥ 1.0	≤ 0.3	≤ 0.3
Individual Consultants	≥ 0.3	n.a.	n.a.

46. **Frequency of Procurement Supervision.** In addition to the prior review supervision to be carried out by the World Bank, the capacity assessment of the implementing agencies recommends one supervision mission every six months to visit the field to carry out post review of procurement actions.

#### Implementation Support Plan

47. World Bank team members will be based both at headquarters, and in the Dar es Salaam Country Office to ensure timely, efficient and effective implementation support to the client. The World Bank team is comprised of national and international specialists in land law; land administration; systematic registration; cadaster and geodesy; ICT; urban development; social and environmental safeguards; procurement; and financial management.

48. Joint World Bank and Government Implementation Support Missions (ISM) will take place at least twice a year to assess implementation progress and respond to issues and an Action Plan will be produced as part of each ISM. The ISM will be followed with an Implementation Status and Results Report (ISR). Additional technical mission will be conducted throughout the project period dependent on implementation progress and technical support required.

49. During the first 12 months of the project, the World Bank will support the project launch and initial implementation of the Annual Work Plan and Budget. The pilot mass systematic registration in urban areas will be closely supervised and an independent assessment completed to determine lessons learned from the pilots to be incorporated in the roll-out plan and field manuals.

50. Throughout project implementation the World Bank will provide continuous support to the PIT on the day-to-day implementation and mobilize key experts as needed.

51. The Mid-Term-Review (MTR) will take place 30 months from the date of effectiveness, preceded by a comprehensive and independent assessment of the project implementation and socio-economic and environment impacts. An Implementation Completion and Results Report (ICR) will be prepared within six months after the closing of the project.

**ANNEX 2: Detailed Project Description**

**COUNTRY: Tanzania**  
**Land Tenure Improvement Project**

1. **Component 1: Increased Tenure Security.** This component will support the issuance of CCRDs, CRDs, Residential Licenses, and other related activities. The land records created will provide a means for beneficiaries to recover their property in the case of natural disasters and displacements and improve the ability of respective agencies to respond and address climate-related disasters. The activities under this Component will be done in an inclusive and participatory way to ensure gender equity, and protection of the rights of all groups including women, youth, hunter-gatherers, pastoralists, farmers, urban poor, etc. This Component includes the following subcomponents:
  2. **Subcomponent 1.1: rural mass certification.** Based on the pilot experience under LTSP and LTA, this subcomponent will scale up the direct implementation of rural mass certification and issuance of CCRDs in select areas of the country.<sup>54</sup> The streamlined processes require the previous definition of the village boundaries, and the planning of land uses for long-term environmental and social sustainability, for example, to preserve common grazing areas and designate areas for common social infrastructure (roads, schools, etc.). The next steps are inclusive and participatory demarcation and adjudication processes, conflict resolution and issuance of certificates. Special attention will be given to women and other marginalized groups to ensure they fully participate and benefit from the Project. This would include special sensitization activities for women and men focused on women's land rights; special measures to be implemented when pastoralists are present; and ensuring women's and other's participation in village land committees.<sup>55</sup> The field manuals for mass rural certification developed under LTSP will be used with certain enhancements to better protect the rights of women and other marginalized groups,<sup>56</sup> and vulnerable groups.<sup>57</sup>
  3. **Subcomponent 1.2: urban mass registration.** Urban land certification entails two distinct processes with different outputs: the formalization process to produce 1 million Residential Licenses (RL), and the regularization of unplanned settlements to produce 1 million CRDs. The process for issuance of RLs in urban areas is well tested and includes: i) Adjudicating land parcels in urban areas; ii) Preparing urban land register for all identified land parcels and entering into the database; and iii) Issuing residential licenses for the registered land parcels to both men and women. This will be scaled up through direct implementation by MLHSD which has already issued 443,437RLs. However, avenues for outsourcing this work will also be explored.

<sup>54</sup> Selection of the specific villages will follow screening criteria outlined in the Project ESMF and including that village boundaries are clearly demarcation with protected areas, and recognition of grazing and wildlife corridors, etc. The screening will also include available information about Covid-19 hotspots as needed.

<sup>55</sup> These include the Village Land Use Management Team and the Village Adjudication Committee with members nominated by the Village Council.

<sup>56</sup> Marginalized groups may vary from community to community but will likely include women, those with disabilities, migrants and others.

<sup>57</sup> Vulnerable groups as defined in the Vulnerable Groups Planning Framework are the Hadzabe, Akie, Maasai, Sandawe and Barabaig.



4. The regularization process for unplanned settlements and the issuance of CROs includes the production of regularization schemes to ensure compliance with minimum urban standards (width of streets and pathways, availability of public spaces such as schools and other services) and some land may be required to widen roadways or provide for other public infrastructure, however this will be minimized as much as possible.<sup>58</sup> The steps in the process are: (a) community sensitization and dissemination activities for district and Mtaa level authorities; (b) Individual parcels demarcation and field data collection through participatory and inclusive processes; (c) processing of data; (d) public display to allow for gathering of objections and corrections; (e) validation by the MLHHS and the Commissioner for Lands; and (f) issuance of CROs and registration in the property registry. All steps will be done in an inclusive and participatory way to ensure gender equity, and protection of the rights of all groups including youth, urban poor, etc.

5. The approach to be adopted in land regularization activities, is in line with ESS 5 (footnote 10) where, in some circumstances, it may be proposed that part or all the land to be used by the project is donated on a voluntary basis without payment of full compensation. Subject to prior World Bank approval, this may be acceptable providing the Borrower demonstrates that: (a) the potential donor or donors have been appropriately informed and consulted about the project and the choices available to them; (b) potential donors are aware that refusal is an option, and have confirmed in writing their willingness to proceed with the donation; (c) the amount of land being donated is minor and will not reduce the donor's remaining land area below that required to maintain the donor's livelihood at current levels; (d) no household relocation is involved; (e) the donor is expected to benefit directly from the project; and (f) for community or collective land, donation can only occur with the consent of individuals using or occupying the land. The Borrower will maintain a transparent record of all consultations and agreements reached.

6. The experience with mass certification and issuance of CROs has not yielded the same streamlined procedures and efficiency as in rural areas, and more piloting is needed. This will be done in year one of the Project to test different streamlined approaches and to test direct implementation vs. private sector outsourcing. Depending on the situation with regard to the coronavirus, the community sensitization and field data collection activities may need to be adjusted to: a) involve smaller group meetings; and b) different information dissemination via video, radio, production of a process pamphlet in a picture book style, use of social media and mobile technology. The project could also add include more public health information as part of its information dissemination campaign. However, this will be done in a way that does not sacrifice inclusion and participation. The pilots will be thoroughly evaluated, and the procedures documented in a detailed CRO manual. Based on the results of the pilots the mass certification will be scaled up in the areas selected with the goal to issue 1 million CROs.

7. **Component 2: Land Information Management.** An effective land administration system requires good spatial data infrastructure as well as ICT systems to manage the data. All activities have been designed with sustainability built in to ensure that the technology and infrastructure are sustainable both

<sup>58</sup> Regularization functions may require land from some individual parcels to establish community roads and right of way/ passage between existing land plots. The extent of these land required will be minimised to the extent possible by limiting the width of these rights of way. Such land will be provided via Voluntary Land Donation procedures or will need to be compensated in line with the entitlements matrix or as outlined in the Resettlement Policy Framework prepared for the Project. This will be done according to the Bank's principles for voluntary land donations and fully documented as per the Environmental and Social Framework guidance and RPF.



financially and in terms of human capacity to manage and maintain. Enhancing the land administration system can help increase resilience by providing quality data for monitoring of properties impacted by natural disasters and facilitating disaster response and reconstruction. There are four subcomponents as outlined below.

8. Subcomponent 2.1: Upscaling of ILMIS. This subcomponent will finance the rollout of ILMIS to the regional land offices.<sup>59</sup> For ILMIS to be rolled out across the country, regional offices need conversion of base paper records (including graphical data such as town plans, maps, etc.) to digital format and equipment. The Subcomponent will also support the ICT infrastructure in the National Land Information Center (NLIC, as the backup), the National Internet Data Center (NIDC, for hosting the system) and associated facilities will be upgraded ensuring secured and reliable system operations. MLHHSD has continued to make improvements to ILMIS to provide for unified management of CCROs, CROs, RLs, including first registration and subsequent transactions. More ILMIS development will be needed to include expanded tasks of land valuation, physical planning, field data exchange, and external interfaces with other key institutions. For further ILMIS development, the Subcomponent would support ICT equipment, packaged software, and training. In addition, an integrated web portal and a simple mobile application would be developed to provide open and transparent land information services to stakeholders including public, business, and government, by serving as a single access point to land information. The upgrades will ensure that ILMIS can produce gender disaggregated data on land and property rights

9. Subcomponent 2.2: Production of Base-maps. This subcomponent will finance the outsourced production of base maps using either recent high-resolution satellite imagery or aerial photography in the project areas to support mass land certification and land use planning and management. The districts in between project target districts will be also covered with new base maps if necessary. The fundamental geospatial datasets will be prioritized and defined, and the modern methods of automated classification techniques would be used for geographic feature extraction with digitization options generating different map scales<sup>60</sup> based on locations and purposes. The project will generate topographic maps from high resolution imagery that can be carried out using remote mapping methods if social distancing remains in effect. The mapping component can bring positive impact by producing geospatial data, developing digital skills and promoting job creation while helping to mitigate the unprecedented shocks to the economy and labor market. The maps will be available through the NSDI portal developed under the project, and finally become universal maps for both public and private sectors in Tanzania for land tenure, any planning, location-based services, analysis of climate change adaptation, mitigation, and DRM. In the case of a disaster or pandemic, an NSDI will effectively serve as a platform for risk mapping or measuring disaster impact via analyzing diverse datasets overlaid on the base-map.

10. Subcomponent 2.3: Enhancement of Geodetic Framework. This subcomponent will finance the establishment of Continuously Operating Reference Stations (CORS), associated infrastructure, and geodetic control points to strengthen geodetic reference system needed for accurate and economically feasible Global Navigation Satellite System (GNSS) surveying. The existing CORS station<sup>61</sup> and potential

<sup>59</sup> See Subcomponent 3.1 for details on ILMIS compliant office construction and ICT infrastructure.

<sup>60</sup> The map scales will be differed based on locations and purposes such as the scale of 1:10,000 for the rural area, 1:5,000 map scale for district headquarters as well as 1:2,500 map scale for urban and township centers.

<sup>61</sup> Existing CORS Stations: Dar es Salaam (repairs needed), ARU (Ardhi University in Dar es Salaam), Moshi (repairs needed), Tabora



new stations installed by other parties<sup>62</sup> in support of strengthening the national geodetic system will be also interlinked and integrated into the CORS network if technical conditions are met. Geodetic control points will be installed to support the fieldwork of land certification and the geo-referencing of imagery. To ensure capacity building and sustainability of the geodetic infrastructure, the equipment provider will provide technical assistance to support MLHHSD to manage the geodetic system for the first two years after handover of the CORS network, and sufficient training to enable MLHHSD officials to fully take over management thereafter. A business plan focusing on future uses of the CORS by private surveyors and companies will be prepared.

11. **Subcomponent 2.4: Property Valuation Systems.** This subcomponent will include the mapping of land values across the country and updating the land value rates based on market research. Field data collection by MLHSSD will generate property valuation information and then be entered into a database that could be used in mass appraisal for the determination of property taxes, capital gain taxes, land rent, premium, compensation, etc. As part of the ILMIS upgrade, there will be a module for including this data as well as automating more of the data collection through the recording of sales prices. Technical assistance will be provided to support this automation. Every effort will be made to ensure coordination with local authorities (and the LGRCIS<sup>63</sup>), the Tanzania Tax Authority and other users of this information.

12. **Component 3: Physical Development of the Land Administration System.** Strengthening the physical land administration system and increasing tenure security will require significant capacity to be built in the public and private sectors. This includes office construction, equipment and infrastructure provision and human resource capacity. In addition, an effective land administration system requires citizens who are aware of and understand the service provided and how to use the system to maintain their property rights and ensure project sustainability. There are three subcomponents.

13. **Subcomponent 3.1: Physical development of land offices and infrastructure.** This subcomponent includes construction of Regional Land Offices for 25 regions and renovation/reconstruction of District Land Offices (up to 40) so that they are compliant with ILMIS workflow as well as having the necessary ICT infrastructure (connection of LAN), provision of proper archive furniture and records storage. This Subcomponent will also support the construction of a national land archive building and needed equipment. All sites for construction will be on government-owned land. This subcomponent will also include the development of an archive strategy and policy guideline for all offices – region, district, village – to direct the retention and storage of land documents, maps, drawings and other paper records. For the construction of office buildings, financing will be provided for proper design and engineering drawings and technical specifications, preparation of necessary safeguards documents, and construction supervision.

14. **Subcomponent 3.2: Support for the Land and Housing Tribunals.** The Land and Housing Tribunals should exist throughout the country at the District and village levels. However, that is not currently the case. Many of the DLHTs and the Village Land Councils are not fully operational or not set-up at all. Support under this Sub-component will include: adding new tribunals and councils where they currently do not

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(repairs needed), Tukuyu, and Mtwara.

<sup>62</sup> Currently there is a possible project for CORs to be financed by Korea Exim Bank and the Ministry will ensure that these activities are coordinated and complementary.

<sup>63</sup> The Local Government Revenue Collection Information System (LGRCIS)



exist, financial and human resource support for existing bodies, clearing of backlogs, support for the development of a model manual and other needed guidelines and procedure for Village Land Councils and Ward Tribunals, as well as necessary training and equipment. A needs assessment has been prepared by MLHHSD and will further define the exact activities.

15. Subcomponent 3.3: Legal, regulatory and Public Awareness. The objective of this sub-component is to update and harmonize the policy, legal and regulatory framework, and public awareness to increase the knowledge and understanding of citizens of the systematic land registration processes, land administration system and other land related issues. For effective and efficient land administration and mass registration, the populace needs to be aware of and understand the land administration system and national program for mass registration (CCROs, CROs, RLs), land policy and land laws, CORS and ILMIS. These activities will include preparation of the communications strategy, message development and testing to ensure the messaging builds confidence in, and understanding of, the land administration system specific to the needs and interests of Tanzanians. There will also be a specific focus on women's land rights and land rights of other marginalized groups based on the outcomes of the Social Assessment, and of specific vulnerable groups as defined in the Vulnerable Groups Planning Framework (VGPF) and other documents. Specific public awareness activities related the systematic program for CROs, CCROs and RLs in the targeted communities will be included under Component 1, though there will be coordination with the national level campaign on messaging and information.

16. Subcomponent 3.4: Institutional Strengthening and Capacity Building. The objective of this Subcomponent is to increase the capacity and improve the performance of all relevant actors in the land sector to be able to fulfill their functions in land administration and for the systematic mass registration, including LGAs and District level officials. Training will also be needed for project implementation in procurement, contract monitoring and management and other relevant courses. This Subcomponent will also finance the development of updated curricula and strengthen the capacities of the training institutions in Tabora and Morogoro. In addition, this activity will be coordinated with the plans for the National Geo-Innovation Center in Dodoma which is being financed by the Korean Ministry of Lands (MOLIT) and Statistics Korea (KOSTAT).

17. Training packages (both short courses, study tours and other) will be provided at different levels, including, but not limited to, Ministry departments, local governments, PIT staff, District Land and Housing Tribunals (DLHT), procurement and safeguard staff, village governments, local leaders, contractors, and community-based organizations (CBOs). Training members of Village Land Councils, Village Land Use Management committees (VLUM), Village Adjudication Committee (VAC)<sup>64</sup>, and PLUM teams; and Training of trainers for land registration, implementation of ILMIS and computerized record management and archiving at National, Regional and District levels are among some of the topics. A Training Needs Analysis will be performed in year one of the Project to better assess current strengths, weaknesses and needs for training and capacity building. This Subcomponent will also finance the development of updated curricula and strengthen the capacities of the training institutions in Tabora and Morogoro. In addition, this activity will be coordinated with the plans for the National Geo-Innovation Center in Dodoma which is being financed by the Korean Ministry of Lands (MOLIT) and Statistics Korea (KOSTAT).

18. **Component 4: Project Management.** The Project will be implemented by MLHHSD with support

<sup>64</sup> Efforts will be made to ensure that these teams are gender representative.



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from a Project Coordination Unit (PIT). This Component will support effective project management, fiduciary support (financial management and procurement), monitoring and evaluation of project activities, establishment of a solid M&E framework, and compliance with Environmental and Social Framework (ESF) policies and processes. The Component will also include financing for annual surveys, and the mid-term and end-of-project evaluations to assess performance and document important lessons to inform the design of future operations. Under this Component a grievance redress mechanism (GRM) for the Project will be established and managed to ensure that all grievances, complaints and concerns are responded to.

## **ANNEX 3: Project Map**



The regions identified on the map are the regions that will benefit from the systematic certification activities (CROs, CCROs). All regions of the country will benefit from the other project activities (rollout of ILMIS, training, PAC, etc.)