

The Efficacy of Regulatory Frameworks in Fostering Involuntary Resettlement in Tanzania: A Case Study of the Standard Gauge Railway

*Noah Makula Pauline**

Abstract

Involuntary resettlement from large-scale development projects often devastates the livelihoods of affected populations. This article examines the effectiveness of Tanzania's regulatory frameworks in promoting equitable and sustainable resettlement, using the Standard Gauge Railway (SGR) project as a case study. Guided by Rawls' theory of social justice and the principles of free, prior, and informed consent (FPIC), the study employs a mixed-methods approach, analysing primary data from 10 key informant interviews; and secondary data from policy documents and Resettlement Action Plan (RAP) reports. Using the International Finance Corporation's (IFC) Performance Standard 5 (PS5) as a benchmark, the findings reveal a critical gap: Tanzania lacks a specific, comprehensive policy governing involuntary resettlement. This absence leads to inconsistent applications of international standards, which are primarily applied only when required by donors like the IFC. Consequently, the SGR project exhibited significant deficiencies in stakeholder consultation, disclosure, grievance mechanisms, livelihood restoration, and compensation based on replacement costs: all violating the principles of social justice and FPIC. The study concludes that the current framework fails to protect project-affected persons (PAPs); and recommends an urgent establishment of a national resettlement policy framework that legally mandates PS5-aligned RAPs, replacement-cost compensation, and independent monitoring to ensure equitable outcomes.

Keywords: *Standard Gauge Railway, International Finance Standard, Tanzania's regulatory framework on involuntary resettlement.*

1. Introduction

Involuntary resettlement represents one of the most profound and disruptive consequences of large-scale development projects worldwide. When governments and corporations build dams, highways, railways, mines, and urban infrastructure, millions of people are displaced from their homes and livelihoods, often with devastating long-term consequences (Cernea, 2000; Vanclay, 2017). Over the past two decades, an estimated 250 to 300 million individuals have been displaced due to development-induced resettlement activities, making it one of the most significant human rights and social justice challenges of our era (Kaida & Miah, 2015; Mteki et al., 2017). Iconic examples such as the Three Gorges Dam in China, which displaced over 1.4 million people; and the Sobradinho Dam in Brazil, which

* University of Dar es Salaam, Institute of Resource Assessment: pauline.noah@udsm.ac.tz

displaced 70,000 people: all underscore the far-reaching consequences of poorly managed resettlement processes, including persistent poverty, social disintegration, loss of cultural identity, and environmental degradation (Jones et al., 2015; Vanclay, 2017; Kieti, 2021). In Africa, major infrastructure projects such as the Volta Dam in Ghana (displacing over 78,000 people), the Aswan Dam in Egypt (displacing approximately 120,000 people), and various dams in Kenya (displacing hundreds of households): all have similarly demonstrated that without adequate safeguards, resettlement can impoverish already vulnerable communities (Olima & K' Akumu, 1999; Jones et al., 2015).

Recognizing these pervasive harms, the international community has developed progressively stronger frameworks to govern resettlement practices. The World Bank's Operational Policy on Involuntary Resettlement (OP 4.12), now superseded by the Environmental and Social Standards (ESS), established core principles including minimizing displacement, providing fair compensation at replacement cost, restoring livelihoods, and ensuring meaningful community participation (World Bank, 2001; Vanclay, 2017). Building on this foundation, the International Finance Corporation (IFC) developed the Performance Standard 5 (PS5) on Land Acquisition and Involuntary Resettlement, which provides a comprehensive, risk-based framework for managing resettlement in private sector projects; and which emphasizes transparent consultation, grievance mechanisms, livelihood restoration, and independent monitoring (IFC, 2012). These international standards reflect a growing consensus that resettlement must be governed not merely as a technical exercise in land valuation and compensation, but as a matter of fundamental justice that respects the rights, dignity, and well-being of the affected populations.

However, translating these international standards into effective national practice remains a profound challenge in many developing countries. Research consistently identifies weak governance, limited institutional capacity, corruption, lack of political will, and inadequate legal frameworks as the persistent barriers to protecting the rights and livelihoods of PAPs (Downing, 2002; Rew et al., 2000). Studies across Asia, Africa, and Latin America have documented recurrent failures, such as compensation calculated at depreciated rather than replacement value, exclusion of informal occupants and squatters from eligibility, lack of meaningful consultation or consent, absence of functioning grievance mechanisms, and the lack of systematic monitoring of whether displaced households actually restore their livelihoods after relocation (Bisht, 2009; Das, 2008; Owen et al., 2018; Tagliarino, 2019). These failures are not merely procedural shortcomings, rather they represent fundamental violations of social justice that leave displaced communities worse off than before development intervened.

Tanzania provides a critical case for examining these challenges. The country is currently undertaking an ambitious programme of large-scale infrastructure

development, including the Standard Gauge Railway (SGR) line, a major hydropower dam, and extensive road constructions: all of which are accelerating land acquisition and displacement across the country (Mchome & Nzoya, 2023). Tanzania possesses sectoral laws relevant to land and environment, including the Land Act (Cap 113), the Village Land Act (Cap 114), the Environmental Management Act (EMA, 2004), and the Land Acquisition Act (2007). These laws address land valuation, compensation procedures, and environmental impact assessment. However, a critical question remains: does Tanzania have a specific and comprehensive policy framework governing the holistic process of involuntary resettlement, including mandatory RAPs, livelihood restoration programmes, community consultation and consent mechanisms, independent monitoring, and accessible grievance redress?

Existing literature suggests there are significant gaps. Studies by Tagliarino (2019), Owen et al. (2020), and Price and Drydyk (2023) have documented that many developing countries lack national resettlement policies aligned with international standards, leading to inconsistent applications of safeguards depending on project financing sources. In Tanzania, Mchome and Nzoya (2023) found that even when a grievance mechanism was established for the SGR project under the IFC requirements, 74% of the affected persons did not use it; and 94% of those who did, received no feedback. Felician (2014) highlighted the ambiguity of fair compensation in Tanzania's laws, noting that statutes provide neither an explicit definition nor a deadline for payment. Myenzi (2005) argued that Tanzania's compensation laws do not align with principles of social justice. However, no study has systematically evaluated Tanzania's entire regulatory framework against the comprehensive criteria of IFC PS5, nor has any research empirically documented how the absence of a dedicated resettlement policy translates into specific violations of procedural and distributive justice for PAPs on major infrastructure projects like the SGR.

This study addresses this critical knowledge gap by systematically evaluating the alignment of Tanzania's legal and policy framework with IFC PS5, using the SGR project as an empirical case study. The study is guided by two interconnected theoretical perspectives: Rawls' theory of social justice (1971), which provides a lens for assessing distributive justice (whether PAPs receive fair compensation, livelihood restoration, and a genuine share of project benefits, particularly the least advantaged); and the principle of free, prior, and informed consent (FPIC) (UN, 2007), which provides a framework for evaluating procedural justice (whether communities are meaningfully consulted, have access to timely and accessible information, and possess the right to negotiate or refuse displacement). Using a mixed-methods approach that combines primary data from key informant interviews with secondary analysis of policy documents, laws, and RAP reports, the study answers the following research questions: (i) To what

extent do Tanzania's policies and laws align with IFC PS5? (ii) What gaps exist in the current regulatory framework for involuntary resettlement? (iii) How did the SGR project perform against IFC PS5 criteria in practice?

The article is organized into five sections. After this introduction, section two presents the theoretical framework, elaborating Rawls' theory of social justice and the FPIC principle as analytical lenses. Section three details the methodology, including the mixed-methods design, data collection from 10 key informant interviews and documentary sources, and the development of a legal compliance matrix against the IFC PS5 criteria. Section four presents the results and discussion, organized thematically around each IFC PS5 criterion, integrating empirical findings with theoretical analysis and comparative evidence. Section five contains the conclusion and policy recommendations, including the urgent need for a national resettlement policy framework, replacement-cost compensation, codification of FPIC for vulnerable groups, and the establishment of independent monitoring mechanisms.

2. Theoretical Context

This study is guided by two interconnected theoretical perspectives: Rawls' Theory of Social Justice (1971), and the principle of free, prior, and informed consent (FPIC). Rawls' difference principle' argues that social and economic inequalities should be arranged to benefit the least advantaged members of society. In the context of resettlement, this implies that policies must actively prioritize the well-being of vulnerable PAPs—such as the landless, women, and vulnerable groups—by ensuring they receive fair compensation, robust livelihood support, and a genuine share of project benefits. Failure to do so constitutes a fundamental injustice (Bala, 2008).

Complementing this, the FPIC principle as enshrined in the UN Declaration on the Rights of Indigenous Peoples (UN, 2007), establishes the right of communities to give or withhold their consent to projects affecting their lands, based on timely and accessible information (Anaya, 2004). The FPIC operationalizes Rawlsian justice by providing a procedural standard for equitable negotiation. This study applies these theories as analytical lenses: Rawls' principles are used to assess the distributive justice of outcomes (e.g.: Is compensation fair? Are livelihoods restored?); while the FPIC is used to assess procedural justice (e.g., Were communities meaningfully consulted, and did they have the opportunity to refuse?). This dual framework directly informs the evaluation matrix used to analyse Tanzania's laws against IFC PS5.

3. Methodology

The study employed a qualitative, mixed-methods design. Primary data were collected through semi-structured key informant interviews (KIIs) with ten (10)

purposely selected experts, including government officials from the Ministry of Lands, SGR project consultants, and civil society experts on land governance. The rationale for selecting KIIs was to gain in-depth and expert insights into the operational realities of resettlement that are not documented in official reports (USAID, 1996). The secondary data comprised a systematic documentary review of Tanzania's land laws, the SGR's Resettlement Action Plan reports, and IFC PS5 guidance documents.

The data analysis involved two stages. First, a legal compliance matrix (Table 1) was developed, comparing provisions of Tanzanian legislation against each substantive criterion of IFC PS5. Second, interview transcripts were examined using thematic analysis to identify recurring themes related to consultation, compensation, and grievance redress (Elo & Kyngäs, 2008). These themes were then triangulated with documentary evidence to ensure validity.

4. Findings and Discussions

4.1 Alignment of Tanzania's Legislation with IFC Performance Standard 5

A structured matrix was used to evaluate the compliance of Tanzania's legislation and Resettlement Action Plans with IFC Performance Standard 5 (Table 1). A significant gap was identified, where there is no specific policy requiring involuntary resettlement or the preparation of RAPs for PAPs. The regulatory framework is limited to land acquisition, valuation, and compensation; with RAP implementation often contingent on donor requirements rather than legal mandates. This gap leads to systemic violations of justice, as proven by reliance on donor conditionalities, which create inequities between donor-funded and nationally-funded projects (North, 1990; Scott, 2014; Mair & Marti, 2009; DiMaggio & Powell, 1983).

Globally, the risks of operating without a comprehensive resettlement framework are well-documented. For instance, a study in Mozambique showed that even after receiving compensation, displaced households struggled with diminished access to markets and social networks (Ganhane & Stage, 2025). Similarly, the Lagos-Ogun transmission line project in Nigeria illustrated that while procedural compliance exists, substantive livelihood restoration remains inadequate; further weakening community trust in the process (Olasehinde & Lawal, 2025). These findings underscore the need for robust resettlement legislation in Tanzania to promote substantive justice for PAPs.

4.1.1 Consultation and Stakeholder Engagement

The findings in Table 1 indicate that Tanzania's laws, including the EIA and Audit Regulations (2005), require project proponents to seek the views of affected parties, reflecting partial compliance with IFC PS5. However, a significant gap arises in practice.

Table 1: Compliance Status of the Tanzania Legal Framework

Themes	National Land Policy, 2021	Village Land Act, 2019	Land Act, 2019	Env. Managt. (Env. Impact Assessment and Audit) (Amend.) Regulations, 2008	Env. Impact Assessment and Audit Regulations, 2005	Env. Managt. Act, 2002	Level of Compliance
Consultation	4.1.1(c) The rights and interests of citizens in the Land shall not be taken without due process of Law.	Part 11 (1)h, to enable all citizens to participate in decision-making on matters connected with their occupation or use of land	Section 3(1) To enable all citizens to participate in decision-making related to their occupation	According to Regulation 17 under the fourth schedule. The environmental experts or firm of experts shall ensure that concerns and views from stakeholders are fully taken into account during the assessment of impacts.	Reg.17(1) During the environmental impact assessment study, the developer must consult the Council and seek feedback from anyone affected by the project. 17(2)(b) Hold public meetings with affected parties to explain the project and receive feedback.		Partial
Disclosure	Section 25(10) of the Land Acquisition Act states that the government or local government authority will pay interest on any compensation if it is not promptly paid within six months after the land has been acquired. However, this provision is not well disclosed to displace people who fail to receive compensation on time. Most of them are not informed about the interest they are entitled to receive after the delay in receiving compensation in receiving compensation nation”				By Regulation 17(2), the proponent is required to seek the views of the public regarding the proposed project. To achieve this, the proponent shall display posters in strategic locations, publish a notice in a newspaper, and make an announcement in both Kiswahili and English on a radio station with national coverage.		Partial

Monitoring

Under the fourth schedule
The Council will evaluate the effectiveness of mitigation measures through environmental monitoring, by the Environmental and Social Management Plan and Monitoring Plan.

**Resettlement
planning
and
documentation**

A project is required to undertake an EIA if it involves resettlement as a result of land development, land reclamation, housing, and human settlements. (Type A list, First Schedule, EIA and Audit Regulation, 2005.)

None

The key informants noted that for SGR Lots 1 and 2, the consultation process was merely informational rather than a genuine negotiation or a consent-seeking effort. One expert remarked:

The government had acquired the land without providing proper compensation as required by law, and the project was executed without adequate planning. The affected people needed an opportunity to negotiate their land. They were given no choice but to accept or reject the government's offer (Interviewee 2, 2023).

This situation highlights the failure of procedural justice as outlined by the FPIC principle (UN, 2007). Without the right to negotiate or refuse, PAPs are reduced to passive recipients of state decisions, exacerbating stress and undermining their adaptive capacity (Vanclay, 2017; Reddy et al., 2014). Additionally, Tanzania's laws exclude encroachers and squatters from consultations due to their lack of legal title, which directly contradicts IFC PS5, which mandates engagement for all, including those without formal rights, to prevent homelessness (IFC, 2012; Price & Drydyk, 2023).

From a Rawlsian perspective, this exclusion of the most vulnerable reflects a violation of the difference principle, as it fails to benefit those who are least advantaged. The legislative framework in Tanzania—which includes the National Land Policy of 2021, Land Act Cap 113, Village Land Act Cap 114, Environmental Management Act (2004), and the EIA and Audit Regulations—allows for stakeholder engagement and consultation. Regulation 17(1)(2)(b) specifies that developers must consult the Council and seek feedback from affected parties during the environmental impact assessment.

The IFC PS5 further requires timely disclosure of information to potentially affected people before negotiations begin, alongside transparency in valuation methods and a supplementary resettlement plan if livelihoods are at risk. The standards affirm that procedures should be developed consistently and equitably to ensure that willing sellers maintain their income and livelihood post-project (Price & Drydyk, 2023). Key informants emphasized that negotiation and participation should embody equity, efficiency, participatory decision-making, sustainability, and accountability; and hence align with the concept of free, prior, and informed consent. Effective stakeholder engagement is crucial, as the absence of diverse local and national actors in the planning process increases stress among PAPs due to a lack of awareness. Research by Vanclay (2017) and Reddy et al. (2014) supports that meaningful engagement enhances affected stakeholders' ability to cope with relocation stress. However, the legal framework on resettlement does not require PAPs' consent for involuntary displacement, complicating the process. As noted by Price and Drydyk (2023) and De Wet (2006), a lack of consent makes forced displacement spatially complex and intrusive.

Non-legal occupants, such as encroachers and squatters, are neither consulted nor offered compensation options because the law recognizes legal landowners as the only ones entitled to compensation. Consequently, involving encroachers in the consultation process, as required by IFC PS5, is extremely challenging. There are no policies that mandate the involvement of displaced individuals in decision-making. Although the state claims that land acquisition is for public interest, and hence will benefit most of the population, there is insufficient evidence that these benefits actually reach the majority in affected areas.

4.1.2 Disclosure and Access to Information

The findings (Table 1) indicates that Regulation 17(2) of the EIA Audit Regulation (2005, amended 2018) requires projects to publicize information through posters, newspaper notices, and radio announcements. However, Tanzania's laws lack specific provisions requiring the disclosure of the RAP process, including periodic reports on RAP implementation, and the availability of grievance mechanisms. Furthermore, neither the EIA regulations nor the land acquisition and compensation regulations specify when affected individuals will be informed: whether before, or after project commencement.

This lack of precise planning and transparency contradicts IFC PS5, which gives mandate to clients to engage PAPs in the planning, implementation, monitoring, and evaluation of compensation, livelihood restoration, and resettlement activities. During key informant interviews, one respondent noted:

... non-disclosure of the project leaves displaced persons with little knowledge about it, and the majority are not involved in the planning or resettlement procedures (Interviewee 1, 2023).

The interviewee further highlighted an issue with the compensation policy:

Section 25(10) of the Land Acquisition Act states that the government or local government authority will pay interest on any compensation if it is not promptly paid within six months after the land has been acquired. However, this provision is not well disclosed to displaced people. Most of them are unaware of the interest they are entitled to receive if there is a delay in compensation (Interview 1, 2023).

This lack of information represents fundamental violation of transparency requirements essential for procedural justice under the FPIC framework (Anaya, 2004). According to Lockwood (2010), transparency involves not only the availability of information but also its quality, timeliness, and accessibility to affected stakeholders. When PAPs do not know their legal entitlements, such as interest on delayed compensation, they cannot exercise their rights, rendering formal legal provisions meaningless. This creates what Sen (1999) described as a 'capability failure'; where individuals may have legal rights on paper, but lack the information and institutional support to turn those rights into actual outcomes.

The Mandalika case offers a relevant comparison. The Asian Infrastructure Investment Bank's (AIIB) agreement to allow its client to provide a single data dump at the self-described terminus of the resettlement process was criticized for preventing access to crucial information on land acquisition, resettlement, and compensation by project-affected peoples and the public (Business & Human Rights Resource Centre, 2025). This situation parallels that of Tanzania, where information is often provided late, incomplete, or not at all; undermining PAPs' ability to make informed decisions about their future.

4.1.3 *Vulnerable Groups and Social Equity*

Resettlement can have disproportionately negative impacts on specific vulnerable groups, including those limited by gender, ethnicity, age, physical or mental disabilities, economic disadvantages, or social status (IFC, 2012). The analysed legislation reveals that no provisions in Tanzania's laws require paying attention to indigenous people as a unique group concerning land acquisition. While women, children, and disabled individuals are recognized as requiring special attention, indigenous populations remain entirely unprotected.

There are currently no laws or policies protecting indigenous people regarding land-related issues. Most laws regarding land and security of tenure in Tanzania operate *de jure* under state ownership of land. This contrasts sharply with Kenya, where the Constitution (2010) defines marginalized communities as indigenous groups with preserved traditional lifestyles, regardless of their nomadic or non-nomadic status (Feiring, 2013).

From a Rawlsian perspective, this omission is particularly egregious. The 'difference principle' requires that social and economic inequalities be arranged to benefit the least advantaged (Rawls, 1971). Indigenous peoples, often among the most marginalized and vulnerable to displacement, are rendered invisible by Tanzania's laws. Their exclusion from special protection measures means they are denied the very consideration that the Rawlsian justice demands be prioritized for the least advantaged members of society (Bala, 2008). Young (1990) would characterize this as 'structural injustice', where seemingly neutral legal frameworks systematically disadvantage particular social groups because they fail to recognize the difference.

The vulnerability of indigenous and pastoralist communities to displacement without adequate protection is evident across Africa. For example, in Cameroon's Dja Landscape Project, meaningful engagement required translation for Baka indigenous communities, ensuring that consultations were conducted in languages they understood, and through culturally appropriate processes (ECPH, 2025). This stands in stark contrast to Tanzania's legal framework, which provides no such accommodation.

In Uganda's Acholi Region, the attempted eviction of Balaalo pastoralists exposed the complexity of land rights, where customary tenure systems clash with formal land acquisition processes. Acholi land is communally held by clans and families, making individual land sales legally ambiguous and socially unacceptable (*The Observer*, 2025). Yet, formal land acquisition laws often fail to recognize customary systems, leaving indigenous and pastoralist communities vulnerable to displacement. As one Acholi leader stated: "No one in Acholi owns 1,000 acres alone, how is it possible for outsiders to claim such land?" This question resonates with the Tanzanian context, where the SGR project's land acquisition similarly disrupted customary land arrangements without adequate recognition of communal tenure systems.

In Nigeria, six autonomous communities in Imo State recently accused the state government of forcefully taking over 30,000ha of ancestral farmland with armed military and police backing; destroying crops and preventing farming activities under the guise of compulsory land acquisition (*The Guardian Nigeria*, 2025). The communities described this as 'economic genocide' and 'an orchestrated assault on their only means of livelihood', invoking the African Charter on Human and Peoples' Rights, together with the Universal Declaration of Human Rights, to challenge the expropriation. This case demonstrates how vulnerable agrarian communities are systematically disadvantaged by land acquisition processes that prioritise state-defined public interest over community livelihoods.

4.1.4 Grievance Mechanism and Institutional Accountability

A study by Mchome and Nzoya (2023) on the SGR Project's GRM (designed according to IFC requirements), found that approximately 74% of the affected persons did not utilize the established GRM. Furthermore, 99% of the grievances received concerned compensation; of which 94% of the PAPs who used the GRM received no feedback or communication. The findings in Table 1 indicate that no specific GRMs are mentioned within resettlement-related legislation in Tanzania. While community-level mechanisms exist to resolve disputes before escalating to courts—including the Court of Appeal, Land Division of the High Court, District Land and Housing Tribunals, Ward Tribunals, and Village Land Councils—these are not specifically designed for resettlement grievances. Negotiation and conciliation serve as primary dispute-resolution methods, but the implementation of local dispute-resolution tribunals has not been consistent across all areas.

Moreover, the law does neither facilitate confidential lodging of complaints, nor does it clarify how the needs of local minority groups are addressed. The legislation does not mandate third-party involvement or specify domestic channels for seeking remedies via international redress systems. Zhou et al. (2017) concluded that legislative loopholes and illegal government interventions often hinder judicial

decisions concerning land acquisition and resettlement conflicts. This absence of accessible, effective grievance mechanisms fundamentally undermines accountability, a core requirement of governance effectiveness (Lockwood, 2010). Effective governance requires not only rules but also mechanisms to enforce them, and provide remedies when they are violated. Without functioning grievance mechanisms, PAPs have no practical recourse when their rights are infringed, rendering legal protections illusory.

Again, the Mandalika project provides stark evidence of GRM failure. Affected communities reported that countless complaints and inquiries issued to the ITDC have, in the complainants' own words, "... been ghosted, not registered, or not responded to" (Business & Human Rights Resource Center, 2025). Despite over 20 field visits being conducted by the AIIB from 2019 to 2023, no information about site visits from 2024 onward is available; and requests for disclosure of resettlement, compensation, and land acquisition data were met with silence. This pattern of GRMs that exist on paper but fail in practice, mirrors the SGR experience, where 94% of those who used the GRM received no feedback.

Similarly, in Nigeria's Lagos-Ogun transmission line project, researchers found that limited communication flow between project institutions and affected persons had weakened community confidence in the restoration process (Olasehinde & Lawal, 2025). The study concluded that sustained livelihood recovery requires stronger institutional coordination, participatory monitoring, and inclusive communication strategies: recommendations equally applicable to the Tanzanian context.

4.1.5 Monitoring and Evaluation

Furthermore, the findings (Table 1) show that there is no specific local legislation governing the monitoring and evaluation aspects of resettlement. The EMA 2004 states that "... the Council will evaluate the effectiveness of mitigation measures through environmental monitoring, by the Environmental and Social Management Plan and Monitoring Plan." However, there are neither explicit provisions for M&E in the RAP process; nor is there any institution directly responsible for resettlement monitoring. Once compensation has been paid, there is no follow-up on the impact of resettlement on affected individuals. Implementing agencies are solely responsible for monitoring the technical and financial aspects of compensation and the project as a whole.

According to SGR Lots 1 and 2, ARUP was responsible for overseeing compliance with IFC standards. ARUP reported that SGR Lots 1 and 2 met IFC criteria but required modifications, including compensating encroachers and addressing seized land. However, commission activities for Lots 1 and 2 were scheduled to start in May 2021, with completion estimated at three to six months, yet this timeframe was approximately twelve months later than initially expected (Coyne et al., 2023). This lack of independent monitoring represents a critical failure of the accountability mechanisms essential for effective governance (Lockwood, 2010).

From a governance effectiveness perspective, monitoring serves multiple functions: it provides information for corrective action, deters non-compliance, demonstrates accountability to stakeholders, and generates learning for future projects (Cashmore et al., 2008; Morrison-Saunders & Arts, 2004). The absence of resettlement-specific monitoring in Tanzania means that even when RAPs are prepared (as for SGR Lots 1 and 2), there is no systematic follow-up to determine whether compensation has restored livelihoods, whether PAPs have successfully resettled, or whether vulnerable groups require additional assistance. This creates what Armitage (2008) terms a ‘monitoring gap’: a situation where data on outcomes is unavailable, making adaptive management impossible.

The Mozambican case study on mining-induced displacement provides compelling evidence of the importance of long-term monitoring. While previous studies conducted shortly after resettlement focused on whether compensation packages made up for immediate losses, Ganhane and Stage (2025) examined long-run impacts and found that even households who had used compensation to buy productive land still saw themselves as worse off due to being far from marketplaces and the river, making it difficult to develop new sources of income and have access to water. This finding – which can only be visible through long-term monitoring – has profound implications: that mitigation interventions and future resettlements must think more carefully about selecting resettlement sites by considering not just asset replacement, but also ongoing access to livelihoods and resources.

4.1.6 Resettlement Planning and Documentation

The results (Table 1) also indicate that, according to the Type A list in the First Schedule of the EIA and Audit Regulation (2005), a project must undergo an EIA if it involves resettlement due to land development, land reclamation, housing, or human settlements. However, while EIA regulations require addressing resettlement concerns for projects that cause involuntary resettlement, EIA guidelines and regulations do not specifically address resettlement or displacement. Therefore, Tanzania’s laws and policies do not explicitly specify the mandatory preparation of RAPs to guide land acquisition and compensation.

The failure to establish a clear resettlement policy statement has resulted in improper and inadequate implementation of the resettlement process. During KIIs, two experts revealed:

... on SGR Lots 1 and 2, there was no proper planning of resettlement since people’s land was obtained even before compensation. The planning of resettlement was poor, and it caused some delays of the project (Interviewees 1 and 2, 2023).

This finding aligns with studies by Vanclay (2017), Reddy et al. (2015), and Senior and Kemp (2016): all of which demonstrate that poor project planning for land acquisition significantly affects resettlement activities, thereby increasing risks for all parties; and resulting in delays, frustration, and annoyance.

When RAPs are not mandatory, there is no requirement to systematically document affected persons, inventory lost assets, budget for restoration, or establish compensation timelines. This creates conditions for impoverishment risks, landlessness, joblessness, homelessness, marginalization, food insecurity, loss of access to common property, and social disarticulation (Cernea, 2000). Tanzania's failure to mandate RAPs means that these impoverishment risks are neither assessed nor mitigated as a matter of routine.

4.1.7 Census and Asset Inventory

The analysis reveals that Tanzania's laws do not provide compensation for livelihood losses, directly contradicting international standards. Tanzania's laws focus primarily on compensating for asset loss, while resettlement performance standards emphasize improving or restoring livelihoods. A study by Owen et al. (2018) supports this finding by showing that despite advances in international standards, more precise objectives are needed for managing livelihood restoration at the national level. The main aim of the SGR RAP was to improve PAPs' living conditions, or restore them to their former state. However, allocated resources and arrangements were limited. There was no clear policy to restore income-generating capacity essential for livelihood sustainability. Only a small number received vocational training, which proved to be of limited use since many did not know how to apply what they had learned.

Additionally, some PAPs were displaced before receiving full compensation payments. This represents a fundamental violation of both the Rawlsian distributive justice, and the procedural requirements of FPIC. Without livelihood restoration, PAPs are rendered worse off than before displacement, the precise outcome that just resettlement policies must prevent. The failure to restore livelihoods means that the least advantaged are not only not benefiting from development but are being actively harmed by it, a direct contradiction of Rawls' difference principle (Rawls, 1971; Bala, 2008). Cernea's (2000) impoverishment risks framework identifies livelihood loss as a primary driver of resettlement-induced poverty, yet Tanzania's laws do not even recognize it as a compensable harm.

The Mozambican study provides quantitative evidence of livelihood restoration failure. Despite receiving compensation and purchasing alternative land, resettled households still saw themselves as worse off than before their relocation because they were now far from marketplaces and the river, making it difficult to develop new sources of income and have access to water (Ganhane & Stage, 2025). The study found out that households were willing to contribute approximately nine working days per month to restore the landscape where they used to live, indicating the profound value they placed on their original locations and livelihoods.

In Ethiopia's Dollo Ado refugee camps, a livelihood empowerment programme implemented by the UNHCR and IKEA Foundation achieved significant improvements in mental health, life satisfaction, financial inclusion, and social integration among participants (UNHCR & IKEA Foundation, 2025). However, the programme did not significantly improve food security; which was attributed to external influences such as regional instability, humanitarian shortfalls, and climate issues. This finding underscores the notion that livelihood restoration is complex and multi-faceted; and thus requires attention not just to income but to food security, social integration, and resilience to external shocks: dimensions entirely absent from Tanzania's compensation framework. The Nigeria Lagos-Ogun transmission line study confirmed that despite progress in compensation delivery, challenges persist, particularly in livelihood diversification, documentation quality, and the operationalization of feedback and grievance mechanisms (Olasehinde & Lawal, 2025).

4.1.8 Compensation and Benefits of the Displaced Persons

In Tanzania, when land is acquired for project development, the affected person is entitled to compensation. Sections 3(g) and 156 of the Land Act state that "... full, fair, and prompt compensation must be paid to any person whose right of occupancy, recognized long-standing occupation, or customary use of land is revoked or interfered with by the State, or acquired under the Land Acquisition Act." The Land Policy also insists that "... no acquisition shall be made without due process of law, which provides fair, adequate, and prompt compensation." However, the law does not explicitly define what 'fair' means regarding the compensation procedure.

This creates ambiguity, as seen in the study by Felician (2014), which states that there is no attempt in any of the laws to explain the explicit meaning of terms used in land acquisition procedures, further adding to the confusion. The law requires prompt compensation to be paid to landowners when their land is acquired, but it does not set a deadline for payment. This means that the state may pay affected landowners at its discretion, and landowners may have to wait years before compensation is effected. This issue is evident in the SGR Project lots 1 and 2, where the land was taken from landowners without prompt compensation. The RAP for lots 1 and 2 of the SGR Project indicates that compensation to the PAPs did not include the socio-economic activities they conducted. This raises questions about the meaning of 'fair' compensation, as it does not account for other activities conducted by the PAPs. According to the FAO handbook, compensation must be both fair and proportional. However, it appears that this principle is not adequately reflected in the law.

According to the Valuation and Valuers (General) Regulations 2018, compensation paid for land loss to a project-affected person should be based on the market value

of the land and unexhausted improvements (Regulation 8). However, this regulation does not include additional provisions such as businesses and other economic activities. As a result, the compensation received by an affected landowner may not fully cover the loss incurred. Studies conducted by Owen et al. (2020) and Tagliarino (2017) show that fair market valuation impacts those who have built, used, and maintained improvements on their land, leading to insufficient compensation for their investments over time. Conversely, Bala (2008) and Cornea (1997) suggest that when individuals lose their resources and possessions, they become poorer; and this loss may be perceived as an injustice to the affected persons.

The compensation calculation process in Tanzania is based on depreciation costs, as outlined in Section 11(2) of the Land Acquisition Act, and Section 9 of the Valuation and Valuers (General) Regulation of 2018. This section states that compensation for public land should not exceed the value of the land acquired for an estate that is not greater than the one acquired, and under the same terms and conditions as the land was held. This means that compensation does not consider non-market values such as social, religious, spiritual, and cultural activities. For example, if a property was built with expenses of TZS100m in 1999, the law requires that the compensation be based on that year's value, not the current market value. Additionally, this approach has caused issues because it does not reflect the current cost of living. Even if people are compensated with the same amount of money, they cannot rebuild the same quality of house they previously owned. Furthermore, the government estimates depreciation costs during the project, which often results in people living in poor conditions and being unable to maintain the same quality of housing as before. In this case, the PAPs affected by the RAP received compensation based on the full replacement cost of their structure. The compensation included two parts: (i) cash compensation, which was calculated by subtracting depreciation from the cost of replacing the structure; and (ii) an accommodation allowance covering a rent of 36 months. However, despite receiving this compensation, the PAPs faced financial difficulties as such compensation did not cover the non-market value expenses.

Additionally, according to the Valuation and Valuer's (General) Regulation, the transport allowance specified in the Law on Regulation 16 states that "... transport allowance shall be the actual costs of transporting twelve tons of luggage by rail or road within twenty kilometres from the point of displacement." However, this is unrealistic and does not reflect current living conditions. Rawls (1971) argued that the social justice theory should guide the determination of fair compensation for displaced communities. This helps ensure they feel valued, confident, and properly considered. Nevertheless, the current laws governing compensation fail to deliver social justice to project-affected individuals. Likewise, Myenzi (2005) claimed that compensation laws do not align with the principles of social justice.

4.1.9 Compensation and Livelihood Restoration

The findings in Table 1 show that Tanzania's laws do not provide compensation to individuals who suffer livelihood losses, which contradicts international standards. This indicates that Tanzania's laws mainly focus on compensating for asset loss, while resettlement performance standards emphasize improving livelihoods. A study by Owen et al. (2018) supports this, showing that despite advances in international standards, laws, and policies, more precise objectives and measures are needed to manage and understand livelihood restoration at the national level. Other studies, such as Zaman et al. (2002), reveal that countries like Bangladesh, India, Pakistan, and Sri Lanka do neither explicitly consider replacement value for assets, nor formally recognize the economic and social impacts of displacement and livelihood loss in their land laws. Tanzania's laws include a compensation schedule that mandates compensation for PAPs.

The main aim of the RAP was to improve the living conditions of the PAPs, or at least restore them to their former state. However, the resources and arrangements allocated for this purpose in the SGR case were limited. There was no clear policy to restore the income-generating capacity of the PAPs, which is essential to their livelihoods. Only a small number received vocational training, which proved to be of limited use because many did not know how to apply what they had learned. Additionally, some PAPs were displaced before receiving full compensation.

4.1.10 Replacement Housing

Tanzania's land compensation regulations partially align with the IFC standards on replacement housing. Regulation 10(1)(2) (a, b, c, d) of the Land (Compensation Claims) Regulation 2001 (Table 1) states that compensation can either be monetary, or in-kind through the provision of a building of comparable quality and size. However, it was revealed during the KIIs that the PAPs were compensated solely with cash for RAP Lots 1 and 2. One of the interviewees explained:

While some of the people affected by the project used the compensation money to build houses as required, many others spent their money on luxury goods such as living a lavish lifestyle, giving money to relatives, having multiple partners, conducting ceremonies, and so on. The majority of the rural population needed to gain experience in managing large sums of money, the lack of which resulted in losing the money quickly to debt repayment or poor consumption (Interviewees 5, 2023).

Hence, the law only focuses on the direct costs associated with replacement housing and compensation for disruption. It does not consider all the other indirect costs that can arise from displacement.

4.1.11 Security of Tenure

The findings (Table 1) also indicate that there is no provision for securing land tenure as part of the compensation allowance under Tanzania's law. This aligns with the IFC PS5, which requires security of tenure to be granted to all individuals

affected by a resettlement process, as per Section 12(2) of the Land Acquisition Act. Compensation is only given for the ‘improvements’ made on the land, not the land itself. Over time, this has created a disadvantage for customary rights-holders who need to prove that they have contributed to the increase in land value (Pederson & Kweka, 2017; Maganga, 2002; Tenga & Kakoti, 1993; Tenga & Mramba, 2014).

Some individuals residing in a specific area required for a particular project may have different legal or customary ownership of the houses or land they occupy or use. However, IFC PS5 indicates that these individuals still have rights and must be considered during any resettlement process. Even though they may not be entitled to full compensation for their dwellings or land, they should not be left homeless as a result of land acquisition for a project. Such a project should assist in relocating and re-establishing their livelihoods. PS 5 (footnote 8 and paragraph 22) stipulates that people who occupy land without formal, traditional, or recognizable use rights are entitled to retain, replace, or receive compensation for their non-land assets. If relocation is necessary, they must be provided with security of tenure over the new land and housing. Additionally, lost livelihoods must be restored.

4.1.12 Human Rights

Human rights are basic entitlements of every person by virtue of being human (van der Ploeg & Vanclay, 2017). From a human rights perspective, forceful eviction can also be referred to as ‘forced resettlement’. It involves a permanent or temporary removal of individuals, families, and communities from their homes and lands without their consent, while denying them access to appropriate legal or other protections (United Nations, 2014b: 3). Expropriation and involuntary resettlement breach fundamental human rights, including freedom of movement, private and family life, property, and housing (Van der Ploeg & Vanclay, 2017; Terminski, 2018; Morel, 2014; Penz et al., 2011).

The findings in Table 1 indicate non-compliance with human rights. Tanzania’s laws on land acquisition and resettlement do neither explicitly mandate consideration of human rights issues during resettlement, nor do they require project developers to conduct human rights with due diligence. However, the constitution of the United Republic of Tanzania mandates the Bill of Rights, which both the government and private entities must protect. Based on the SGR Project Lots 1 and 2, and the responses from the KII interviews, human rights issues related to resettlement are of concern. In this regard, one of the interviewees noted:

Human rights were given very little importance. For lots 1 and 2, there was no component of human rights established, but in subsequent lots, including lot 3 and others, there were components related to human rights in the project (Interviewee 3, 2023).

The IFC respects human rights in accordance with the United Nations Guiding Principles on Business and Human Rights (UNGPs), and requires a client to conduct human rights due diligence. The IFC has specific guidelines for implementing human rights assessments, which are carried out in line with the UNGPs. However, contrary to Principle 2, human rights due diligence was not performed following the UNGPs (particularly paragraphs 17–21) to identify human rights risks and impacts that may be caused by the SGR Project Lots 1 and 2. This omission contradicts the principles of social justice, which suggest that when there are no specific human rights provisions regarding land acquisition and involuntary resettlement, project-affected people may face inequality, social unrest, and deprivation of their property rights.

4.2 Gaps in the Current Regulatory Framework for Involuntary Resettlement

The findings in Table 2 highlight significant discrepancies between Tanzania’s legal provisions and the IFC PS5, particularly regarding the protection of PAPs. While laws like the National Land Policy broadly mandate consultation and stakeholder engagement, they lack the IFC’s emphasis on a tailored ongoing process that adapts to project risks. The current legal framework does neither guarantee affected communities a comprehensive understanding of potential risks, nor does it provide them a genuine opportunity to influence resettlement decisions. Additionally, although legislation mandates a public dissemination of EIA measures, it falls short of ensuring proactive and periodic reporting on RAPs that are accessible to affected communities. Furthermore, there is an insufficient disclosure of grievance mechanisms, as required by the IFC’s performance standards.

In terms of vulnerable groups, while Tanzania’s law recognizes specific categories such as women, children, and individuals with disability, it lacks provisions specifically addressing the rights of indigenous peoples. Although dispute resolution avenues are available, the existing framework does not guarantee their accessibility, effectiveness, or compliance with international standards, particularly regarding impartial involvement by third parties. These findings underscore the urgent need for Tanzania to align its legal framework more closely with IFC PS5 by fostering more inclusive, transparent, and equitable resettlement processes for all communities affected by development projects. Table 2 provides more details on specific gaps.

4.3 Performance of the SGR Project against IFC PS5 Criteria in Practice

Among others Table 2 identifies gaps in the regulatory framework concerning land acquisition and involuntary resettlement. If involuntary resettlements are carried out without addressing these gaps, the socio-economic and livelihood outcomes for the PAPs will be at risk. To address this, Tanzania needs to develop a national resettlement policy framework to safeguard the rights of the PAPs. This framework should be formulated within the criteria outlined under IFC PS5, which set minimum international standards for land acquisition and involuntary resettlement.

Table 2: Existing Gaps in the Regulatory Framework on Involuntary Resettlement

Issue	IFC Standard PS 5	Tanzanian Laws	Gaps
Consultation and Stakeholder Engagement	<p>A Stakeholder Engagement Plan will be developed, scaled to the project risks and impacts and development stage, and tailored to the characteristics and interests of the affected communities.</p> <p>A project will undertake and document a process of consultation in a manner that provides the affected communities with an understanding of the risks, impacts, and opportunities presented by resettlement and enables them to express their views and the project to consider and respond to them.</p> <p>The consultation process will be undertaken in an inclusive and culturally appropriate manner. The Project will tailor its consultation process to the language preferences of the affected communities, their decision-making process, and the needs of disadvantaged or vulnerable groups.</p> <p>Consultation should capture men's and women's views and concerns. All households and communities will be informed early in planning about their options and rights regarding displacement and compensation.</p>	<p>Communities shall participate in decision-making on matters connected to their occupation of land. (National Land Policy, The Land Act Cap 113, and The Village Land Cap 114).</p> <p>The project proponent is to "seek the views of any person who is likely to be affected by the project" (17(1), EIA and Audit Regulations, 2005).</p> <p>Where appropriate, the proponent will hold public meetings with the affected parties and communities to explain the project and its effects and receive their oral or written comments (17(2), EIA and Audit Regulations, 2005).</p>	<p>IFC's approach to engagement is more extensive than what is mandated by local laws and it also involves ongoing participation throughout the resettlement process.</p>
Disclosure	<p>The project will complete and publicly disclose the RAP to the affected communities as early as possible in the Project Cycle.</p> <p>The project will provide periodic reports describing progress with the RAP implementation. Documents to be disclosed will be in a format that is accessible to the affected communities.</p> <p>The project's grievance mechanism will be disclosed as well.</p>	<p>For projects requiring an EIA measure to publicize the project with affected communities and persons, the measure shall include posting posters in strategic places around the project site, publishing a notice in national newspapers, and making an announcement by a radio station with national coverage (17(2), EIA and Audit Regulations, 2005).</p>	<p>There is some overlap between the requirements of the Tanzanian EIA and land legislation and those of the International Finance Corporation Performance Standard 5 (IFC PS 5). However, Tanzania's law has no specific provisions mandating periodic reports on the progress of the implementation of Resettlement Action Plans (RAP) or the disclosure of grievance mechanisms.</p>

<p>Vulnerable Groups</p>	<p>Vulnerable groups will be identified from the start of the Project development and offered tailored assistance throughout the resettlement process. Vulnerable groups will also involve indigenous people as socially vulnerable groups that need the necessary attention.</p>	<p>There are provisions in Tanzanian laws that require paying attention to particular groups (women, children, and the disabled) concerning land acquisition. However, Tanzania's laws have no requirement for indigenous people to be a unique group.</p>	<p>Tanzania's law focuses on specific groups, such as women, children, and disabled individuals. However, no special provisions in Tanzania's law require attention to be paid to indigenous people.</p>
<p>Grievance Redress Mechanism</p>	<p>The project will establish a grievance redress mechanism to receive and facilitate the resolution of the affected communities' concerns and grievances about the project's environmental and social performance. The grievance mechanism should address concerns promptly, using an understandable and transparent process that is culturally appropriate and readily accessible to all segments of the affected communities at no cost and without retribution. The project will inform the affected communities about the mechanism during community engagement. The GRM should also deal with concerns beyond land and accommodate issues related to the projects, such as gender-based violence, labour-related disputes, Indigenous People as a socially vulnerable group, etc.</p>	<p>The Courts (Land Disputes Settlements) Act, 2002, the Village Land Act Cap 114, and the Land Act Cap 113 define avenues for hearing disputes, actions, and proceedings concerning land. For example, the Village Land Act refers to the following: (a) the Court of Appeal; (b) the Land Division of the High Court; (c) the District Land and Housing Tribunals; (d) Ward Tribunals; and (e) Village Land Councils. The Commissioner can also establish an inquiry to investigate land matters. Negotiation and conciliation are the primary modes of dispute resolution in the local forums. The adoption of local dispute-resolution tribunals has reportedly been less than universal.</p>	<p>Although there are no specific provisions for grievance redress mechanisms in Tanzanian legislation related to resettlement, community-level agents are in place to settle disputes before going to court.</p>
<p>Monitoring</p>	<p>The project will establish procedures to monitor and measure the effectiveness of resettlement and use dynamic mechanisms, such as inspections and audits, where relevant, to verify compliance and progress toward the desired outcomes. The project will retain qualified and experienced external experts to verify its monitoring information. The project will document monitoring results, implement corrective and preventive actions, and follow up on these actions to ensure their effectiveness.</p>	<p>Tanzanian environmental legislation states that the Environmental and Social Monitoring Plan (ESMP) will require regular implementation as well as monitoring and audit, as defined in the Environmental Management Act and Environmental Impact Assessment and Audit Regulations, 2005, as amended in 2018</p>	<p>There is no specific local legislation governing the monitoring and evaluation aspects of resettlement, although the National Policy recognizes the importance of M & E.</p>

<p>Resettlement Planning and Documentation</p>	<p>In the case of physical displacement, RAP that covers, at a minimum, the applicable requirements of IFC PS 5, regardless of the number of people affected, will be developed. The RAP will mitigate the negative impacts of displacement, identify development opportunities, develop a resettlement budget and schedule, and establish the entitlements of all categories of affected persons (including host communities).</p>	<p>A project must undertake an EIA if it involves resettlement due to land development, land reclamation, housing, or human settlements.</p>	<p>The planning and documentation for the Resettlement Action Plan (RAP) are partially in line with the International Finance Corporation's (IFC) Performance Standard 5 (PS5).</p>
<p>Eligibility</p>	<p>Displaced persons may be classified as persons who: a) have formal legal rights to the land or assets they occupy or use; b) do not have formal legal rights to land or assets but have a claim to land that is recognized or recognizable under the national laws; or c) have no recognizable legal right or claim to the land or assets they occupy or use.</p>	<p>Under the Land (Compensation Claims) Regulations 2001, the following may claim compensation under prescribed circumstances:</p> <ul style="list-style-type: none"> a) the holder of a granted right of occupancy that is transferred to Village Land or by the President to public purpose land; b) the holder of a customary right of occupancy of land which is declared to be hazardous; c) the holder of a customary right of occupancy where the land becomes the subject of a granted right of occupancy in favor of another person and such holder is moved or relocated; d) Occupancy of land as a result of disposition by a GKO holder; and e) the occupier of land in any urban or peri-urban area where such land is acquired by the President under Sect – 60 of Land Act (Cap 113). <p>Those without granted, customary, derivative, or otherwise recognizable rights are not entitled to compensation.</p>	<p>Eligibility for those with formal rights or access rights to the land is not affected in any way. However, people living in informal settlements are not recognized under Tanzania's law. Moreover, IFC PS 5 defines assets more broadly, which includes loss of access to livelihoods and quality of life. The objective is to improve or restore them to their pre-displacement level.</p>

<p>Census and Asset Inventory</p>	<p>A census and asset inventory will be carried out to collect appropriate data to identify the persons whom the project will displace, establish the losses they will experience, determine who will be eligible for compensation and assistance, and prevent ineligible persons, such as opportunistic settlers, from claiming benefits.</p>	<p>This needs to be explicitly addressed in the legislation; however, a project must prepare a valuation report, and a valuation team must undertake an asset survey of all those affected by land acquisition. This aims to identify land and asset ownership and subsequent loss.</p>	<p>According to International Finance Cooperation (P.S.5), a comprehensive socio-economic survey, census, and asset inventory are mandatory. However, the legislation in Tanzania needs to address this requirement. Instead, it only mandates a valuation report and a valuation team to conduct an asset survey for those impacted by the land acquisition from the project.</p>
<p>Cut-off Date</p>	<p>A cut-off date for eligibility should be established. Information regarding the cut-off date will be well-documented and disseminated throughout the project area. The project is not required to compensate or assist those who infringe on the project area after the cut-off date for eligibility, provided the cut-off date has been established and made public.</p>	<p>The Valuation and Velour's Registration Act No. 7, 2016 provides directives on the cut-off date, which is the commencement date of valuation.</p>	<p>Tanzanian law requires a cut-off date as a legal notice, while IFC PS 5 mandates publicizing the cut-off date in the project area.</p>
<p>Compensation and Benefits for Displaced Persons</p>	<p>Adverse social and economic impacts from the land acquisition or restrictions on land use will be minimized by compensating for the loss of assets at replacement cost. Replacement cost is defined as the market value of the assets plus transaction costs and should not take into account depreciation.</p>	<p>The Land (Assessment of The Value of Land for Compensation) Regulations. Valuation assessment is performed to determine the level of compensation required based on market value, considering depreciation. Additional benefits include a disturbance allowance, transport allowance, accommodation allowance, and loss of profit for businesses.</p>	<p>According to Tanzanian law, compensation is determined based on market value instead of replacement value, which the IFC requires. This approach allows for the depreciation of structures, which contradicts IFC PS 5.</p>
<p>Improve or Restore Conditions / Livelihoods and Provide Associated Transitional Support</p>	<p>Means of income earning capacity, productivity levels, as well as associated livelihoods and living standards of affected communities must be improved or at least restored to pre-project levels.</p>	<p>There is no legal requirement for livelihood restoration. The LAND (ASSESSMENT OF THE VALUE OF LAND FOR COMPENSATION) REGULATIONS make provision for the following types of transitional support measures:</p>	<p>There is a discrepancy between international and Tanzanian requirements, as there are no provisions under Tanzanian law for compensation resulting from loss of livelihood.</p>

<p>Provide transitional support based on reasonable estimates of the time required to restore income-earning capacity, productivity levels, associated livelihoods, and living standards.</p>	<p>a) Accommodation allowance: market rent/month x 36 months. It is provided to physically displaced households. b) Disturbance allowance: land value x average commercial bank interest rate x 12 months. It is provided to all displaced households (both economically and physically). Loss of profit: net monthly gain of business carried out on the land x 36 months (only where 'necessary and applicable') provided to displaced businesses</p>	<p>Tanzanian laws require partial alignment with international finance cooperation to replace houses. However, according to IFC PS 5, replacement housing and resettlement sites must provide improved living conditions where there are no active markets for land and housing. This is particularly relevant in cases where displaced persons are unfamiliar with such needs or when there is an insufficient supply of land and housing.</p>
<p>Replacement Housing In the case of physically displaced persons, the client will offer the choice of replacement property of equal or higher value, security of tenure, equivalent or better characteristics, and advantages of location or cash compensation where appropriate. Compensation in kind should be considered in line with cash.</p>	<p>Tanzania's laws have provisions for providing compensation in the form of a plot of land and equivalent cash compensation.</p>	<p>Tanzania needs to provide security of tenure for people displaced by the project.</p>
<p>Security of Tenure Security of tenure will be provided to all those displaced by the project.</p>	<p>There is a provision in Tanzanian laws to provide for the security of tenure, including for people displaced by the project.</p>	<p>There is a gap between IFC PS 5 and Tanzanian requirements because Tanzania needs to provide security of tenure for people displaced by the project.</p>
<p>Human Rights In line with UNGPs, the IFC requires project developers to conduct human rights due diligence to assess the actual or potential adverse human rights impacts/risks related to project development and indicate how they should be avoided, mitigated and remediated.</p>	<p>Tanzanian laws, specifically the Constitution of the United Republic of Tanzania of 1977, provide for the bills of rights that must be promoted and protected by the government and private entities. However, Tanzania's laws have no explicit provisions that require project developers to conduct due diligence on human rights in development projects.</p>	<p>Tanzanian laws do not require due diligence in development projects regarding human rights.</p>

However, despite the observed gaps in Table 2, some crucial aspects of resettlement are missing from the current regulatory framework. These include:

- (a) Helping with relocation, such as providing suitable infrastructure and services at the new site. This should be clearly outlined in the resettlement policy framework.
- (b) Offering compensation that reflects the market value for lost assets, income, and means of subsistence; and when there are delays in compensation, adding interest on top of the initial costs.
- (c) Providing support for rehabilitation so that people can maintain or improve their standard of living after resettlement.

Together with the policy framework, the legislation should be designed to compensate non-illegal occupants, including those with unregistered land titles. This should be achieved through various strategies, including looking beyond registered rights to determine entitlement to compensation, surveying the affected land, and establishing legal requirements. It is important to identify and consult with the concerned community, as this can help determine the rightful owner. In the case of any illegal owner claims entitlement to compensation, they should be given a chance to prove their legality, and any development made to the land should be adequately and promptly compensated. This approach aligns with the IFC PS5 standards, which require a transparent and participatory resettlement process.

These findings underscore the urgent need for Tanzania to align its legal framework more closely with IFC PS5 to foster more inclusive, transparent, and equitable resettlement processes. The study recommends a national resettlement policy framework formulated in accordance with the IFC PS5 criteria by addressing relocation support, compensation reflecting full replacement cost (not depreciated market value) with interest for delays, and rehabilitation support enabling maintained or improved living standards. Also, legislation should compensate non-illegal occupants, including those with unregistered titles, through strategies that look beyond registered rights to determine entitlement, survey affected land, and establish legal requirements with transparent, participatory processes aligned with the IFC PS5 standards.

5. Conclusion

This study concludes that Tanzania's regulatory framework for involuntary resettlement is fundamentally inadequate, creating systemic risks for project-affected persons. The central finding is that the absence of a specific, comprehensive national resettlement policy leads to a reliance on fragmented sectoral laws that prioritize land valuation over livelihood restoration. Using the SGR case study, the study has empirically demonstrated how this regulatory

framework gap translates into the violations of both distributive and procedural justice. PAPs were denied meaningful consultation (violating FPIC), compensated based on depreciated market value rather than full replacement cost (violating Rawls' difference principle), and left without adequate support to restore their livelihoods. The inconsistent application of the IFC PS5 standards limited to cases where international financiers require it, further underscoring the need for domestic legal mandates to protect PAPs, regardless of a project's funding source.

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