



Government of Tanzania

Southern Agricultural Growth Corridor of Tanzania (SAGCOT)

Strategic Regional Environmental and Social Assessment

Interim Report

July 2012



Government of Tanzania

***Southern Agricultural Growth Corridor of
Tanzania (SAGCOT):***

**Strategic Regional Environmental and Social
Assessment**

July 2012

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For and on behalf of
Environmental Resources Management

Approved by: Eamonn Barrett

Signed:



Position: Partner

Date: 31 July 2012

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Cover graphic: indicative map of SAGCOT prepared by SAGCOT Centre Ltd.

EXECUTIVE SUMMARY

Environmental Resources Management Limited (ERM) in association with eMJee Development Consult of Tanzania is undertaking a Strategic Regional Environmental and Social Assessment (SRESA) for the Southern Agricultural Growth Corridor of Tanzania (SAGCOT). This Interim Report has been prepared part way through the five-month study as a record of the study team's initial findings and as a roadmap for completion of the assessment.

The Interim Report is intended to meet the requirements in the study's Terms of Reference (ToR) for preparation of:

- A draft scoping report with record of consultation
- A stakeholder analysis
- A consultation and disclosure plan
- A Resettlement Policy Framework (RPF) scoping and methodology

The report also includes:

- Notes on the policy, legal and administrative framework for environmental and social aspects of the SAGCOT Programme
- Notes on the corridor area baseline
- The Executive Summary of the draft Environmental and Social Management Framework (ESMF: another study deliverable)
- An indicative work plan for Phase 2 of the study, i.e. all tasks through to study completion in mid-September

It should be noted that this report is a working document. Significant upgrades to the information presented here will be included in the final SRESA report.

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ABBREVIATIONS

ACT	Agricultural Council of Tanzania
AGG	Agriculture Green Growth
AGRA	Alliance for a Green Revolution in Africa
ANSAF	Agricultural Non-State Actors Forum
ASDP	Agricultural Sector Development Program
AWF	African Wildlife Foundation
BAGC	Beira Agricultural Growth Corridor
BIDP	Bagamoyo Irrigation Development Project
BoT	Bank of Tanzania
BP	Bank Procedure
BTC	Belgian Development Agency
CBD	Convention on Biological Diversity
CBNRM	Community Based Natural Resource Management
CBO	Community Based Organisation
CCRO	Certificate of Customary Right of Occupancy
CEO	Chief Executive Officer
CF	Catalytic Fund
CIP	Commodity Investment Plan
CITES	Convention on International Trade in Endangered Species of Wild Fauna and Flora
CMS	Convention on the Conservation of Migratory Species of Wild Animals
COSTECH	Commission for Science and Technology
CRO	Customary Right of Occupancy
CSO	Civil Society Organisation
CTI	Confederation of Tanzanian Industries
DADP	District Agricultural Development Plan
DAP	Di-ammonium Phosphate
DC	District Council
DED	District Executive Director
DfID	Department for International Development (UK)
DoE	Division of Environment
DPG-E	Development Partners Group-Environment
DSS	Decision Support System
EA	Environmental Assessment
EAFCOMP	Eastern Arc Forest Conservation and Management Project
EFA	Environmental Flow Assessment
EHS	Environment, Health and Safety
EIA	Environmental Impact Assessment
EIS	Environmental Impact Statement
EMA	Environmental Management Act
eMJee	eMJee Development Consult
EMP	Environmental Management Plan
ERM	Environmental Resources Management Ltd.
E&S	Environmental and Social
ESAP	Environmental and Social Action Plan
ESMF	Environmental and Social Management Framework
EU	European Union
EWURA	Energy and Water Utilities Regulatory Authority
FAO	UN Food and Agriculture Organisation
FCS	Foundation for Civil Society
FDI	Foreign Direct Investment
FM	Fund Manager
FPIC	Free Prior and Informed Consent
FR	Forest Reserve
GCA	Game Controlled Area

GDP	Gross Domestic Product
GHG	Greenhouse Gas
GIS	Geographic Information System
GMO	Genetically Modified Organism
GoT	Government of Tanzania
GP	Good Practices
GR	Game Reserve
GRO	General Right of Occupancy
HAKIARDHI	Land Rights Research and Resources Institute
HIV/AIDS	Human Immunodeficiency Virus/ Acquired Immunodeficiency Syndrome
IBA	Important Bird Area
IDA	International Development Association
IFC	International Finance Corporation
IIED	International Institute for Environment and Development
ILC	International Land Coalition
ILIMS	Integrated Land Information Management System
ILO	International Labour Organisation
ILLOVO	Illovo Sugar Ltd.
IMP	Integrated Management Plan (for the Kilombero wetlands)
IP	Indigenous Peoples
IPM	Integrated Pest Management
IPMP	Integrated Pest Management Plan
IPPC	International Plant Protection Convention
IPPF	Indigenous Peoples Planning Framework
IRA	Institute for Resource Assessment (Univ. of Dar es Salaam)
ISDS	Integrated Safeguards Data Sheet
ISO	International Standards Organisation
IUCN	International Union for the Conservation of Nature
IWRM	Integrated Water Resources Management
IWRMD	Integrated Water Resources Management and Development
KILORWEMP	Kilombero and Lower Rufiji Wetlands Ecosystem Management Project
KIVEDO	Kilombero Valley Environmental Organisation
KPL	Kilombero Plantations Ltd.
KSCL	Kilombero Sugar Company Ltd.
KVRS	Kilombero Valley Ramsar Site
KVTC	Kilombero Valley Teak Company
LA	Land Act
LEAT	Lawyers' Environmental Action Team
LGA	Local Government Authority
LGR	Local Government Roads
LGRP	Local Government Reform Programme
LHRC	Legal and Human Rights Centre
LUP	Land Use Plan
LWG	Land Working Group
M&E	Monitoring and Evaluation
MAFSC	Ministry of Agriculture, Food Security & Cooperatives
MEA	Millennium Ecosystem Assessment
MGF	Matching Grants Facility
MLFD	Ministry of Livestock & Fisheries Development
MLHSD	Ministry of Lands, Housing & Human Settlements Development
MKUKUTA	National Strategy for Growth and Reduction of Poverty (NSGPR)
MNRT	Ministry of Natural Resources & Tourism
MoU	Memorandum of Understanding
MTEF	Mid-term Expenditure Framework
MVIWATA	Mtandao wa Vikundi vya Wakulima Tanzania (a small farmers' association)
NAFAKA	Tanzania Staples Value Chain (USAID-sponsored under FTF)
NEMC	National Environment Management Council
NEP	National Environmental Policy

NGO	Non-government Organisation
NIMP	National Irrigation Master Plan
NIP	National Irrigation Policy
NLP	National Land Policy
NLUPC	National Land Use Planning Commission
NMB	National Microfinance Bank
NORAD	Norwegian Agency for Development Cooperation
NTC	National Technical Committee (of SAGCOT)
NSGPR	National Strategy for Growth and Poverty Reduction (MKUKUTA)
O&OD	Obstacles and Opportunities Development
OECD	Organisation for Economic Cooperation and Development
OHS	Occupation Health and Safety
OP	Operational Policy
PAD	Project Appraisal Document
PAP	Project-Affected Person
PCP	Participation and Consultation Plan
PCPD	Public Consultation and Disclosure Plan
PCU	Project Coordination Unit
PEA	Preliminary Environmental Assessment
PELUM	Participatory Ecological Land Use Management - Tanzania
PES	Payment for Ecosystem Services
PFM	Participatory Forest Management
PGP	Partnership Generation Programme
PINGO	Pastoralists' Indigenous Non-governmental Organisation
PMO	Office of the Prime Minister
PMO-RALG	Prime Ministers Office Regional Administration and Local Government
POPs	Persistent Organic Pollutants
PPE	Personal Protective Equipment
PPP	Public-Private Partnership
PRAI	Principles of Responsible Agricultural Investment
PS	Performance Standard
PSCP	Private Sector Competitiveness Project
PSDP	Private Sector Development Programme
RAP	Resettlement Action Plan
RBWO	Rufiji Basin Water Office
REA	Rural Energy Agency
REDD	Reducing Emissions from Deforestation and Forest Degradation
REF	Rural Energy Fund
REPOA	Research in Poverty Alleviation
RPF	Resettlement Policy Framework
RUBADA	Rufiji Basin Development Authority
SACCO	Savings and Credit Cooperative
SAGCOT	Southern Agricultural Growth Corridor of Tanzania
SEA	Strategic Environmental Assessment
SIL	Specific Investment Loan
SME	Small and Medium Enterprises
SOP	Standard Operating Procedure
SPILL	Strategic Plan for Implementation of the Land Laws
SRESA	Strategic Regional Environmental and Social Assessment
SRI	System of Rice Intensification
SUA	Sokoine University of Agriculture
SVCF	Social Venture Capital Fund
TAC	Technical Advisory Committee
TAFSIP	Tanzania Agriculture and Food Security Investment Plan
TAGT	Tanzania Agriculture Growth Trust
TAHA	Tanzania Agricultural and Horticultural Association
TANAPA	Tanzania National Parks
TANESCO	Tanzania Electric Supply Company Ltd.

TANROADS	Tanzania National Roads Agency
TANZAM	Tanzania-Zambia (road)
TAP	Tanzania Agricultural Partnership
TAPHGO	Tanzania Pastoralists, Hunters and Gatherers Organisation
TARIPA	Tanzania Rice Partnership
TASAF	Tanzania Social Action Fund
TAWIRI	Tanzania Wildlife Research Institute
TAWLAE	Tanzania Association of Women leaders and Environment
TAZARA	Tanzania-Zambia Railway
TBD	To be determined
TCCIA	Tanzania Chamber of Commerce, Industry and Agriculture
TDHS	Tanzania Demography and Health Study
TFCG	Tanzania Forest Conservation Group
TIC	Tanzania Investment Centre
TNBC	Tanzania National Business Council
TNRF	Tanzania Natural Resources Forum
ToR	Terms of Reference
TPA	Tanzania Ports Authority
TPAWU	Tanzania Plantation and Agricultural Workers Union
TPSF	Tanzania Private Sector Foundation
TRC	Tanzania Railways Corporation
TSIP	Transport Sector Investment Plan
TSP	Triple Superphosphate
UDSM	University of Dar es Salaam
UEMC	Udzungwa Ecological Monitoring Centre
UMNP	Udzungwa Mountains National Park
UN	United Nations
UNDP	United Nations Development Programme
URL	Universal Resource Locator
URT	United Republic of Tanzania
UNESCO	United Nations Education, Scientific and Cultural Organisation
USAID	United States Agency for International Development
VICOBA	Village Community Bank
VLA	Village Land Act
VLUP	Village Land Use Plan
VPO	Vice President's Office
WB	World Bank
WCA	Wildlife Conservation Act
WCS	Wildlife Conservation Society
WDC	Ward Development Committee
WEF	World Economic Forum
WFP	World Food Programme
WMA	Wildlife Management Area
WHO	World Health Organisation
WSDP	Water Sector Development Programme
WWF	Worldwide Fund for Nature / World Wildlife Fund

UNITS

BCM	billion cubic metres
ha	hectare
G	Gigawatt
GH	Gigawatt-hour
km	kilometre
km ²	square kilometre
kV	kilovolt
m	metre
mm	millimetre
MW	Megawatt
t	tonne
TEU	Twenty-foot equivalent unit (a measure of cargo handling capacity based on shipping containers)
Tsh	Tanzanian shilling
USD	US dollar
yr	year

1 INTRODUCTION

1.1 BACKGROUND TO THE STUDY

Environmental Resources Management Limited (ERM) has signed a contract with the Bank of Tanzania (BoT) to undertake a Strategic Regional Environmental and Social Assessment (SRESA) for the Southern Agricultural Growth Corridor of Tanzania (SAGCOT). ERM, in association with eMJee Development Consult of Tanzania, is undertaking the study over a five-month period (mid-April to mid-September 2012) using a multi-disciplinary team of international and national specialists.

This Interim Report has been prepared mid-way through the study as a record of the study team's initial findings and as a roadmap for completion of the assessment.

1.2 PROJECT OVERVIEW

The SAGCOT programme is a public-private partnership (PPP) aiming to mobilize US\$2.1 billion in private sector investment over the next 20 years to achieve rapid and sustainable growth in Tanzania's Southern Corridor, a very large area stretching west from Dar es Salaam through Morogoro, Iringa and Mbeya to Sumbawanga. The initiative aims to facilitate the development of profitable agricultural businesses in 'clusters' along this corridor to achieve economies of scale, synergies and increased efficiency. The partnership is the centrepiece of Tanzania's high-level *Kilimo Kwanza* ⁽¹⁾ strategy for enhancing food security, poverty reduction and reducing vulnerability to climate change.

The SAGCOT programme is at an early stage of its organizational development, and the Government of Tanzania (GoT) has requested funding from the International Development Association (IDA) to support the establishment of the necessary institutions, institutional reorganization and capacity building, and initial operation of promotional funding mechanisms (the SAGCOT Catalytic Fund). The lending instrument will be a Specific Investment Loan. The Bank has prepared a Project Concept Note (PCN) and is preparing a Project Appraisal Document (PAD) for the proposed Southern Agricultural Growth Corridor (SAGCOT) Investment Project (P125728-IDA). The proposed Project Development Objective (PDO) is to expand investment in agribusiness leading to income growth among smallholders and employment generation across agribusiness value chains in the Southern Corridor.

As an arm of the World Bank ("the Bank"), the IDA must comply with the Bank's environmental and social safeguard policies, in particular Operational Policy 4.01 Environmental Assessment. Screening of the proposed loan (see 1.4.2 below) placed it into environmental Category A, which necessitates a comprehensive environmental and social assessment. Since the proposed funding is programmatic rather than project-oriented, the appropriate form of assessment is 'strategic', and since the programme covers a large but specific geographic area, the assessment is also 'regional'. ⁽²⁾

There is urgency to implementation of some aspects of the SRESA study since Bank rules require the submission of specific safeguard documents 120 days before loan appraisal board meetings, in this case an Environmental and Social Management Framework (ESMF).

Separately from the Bank's requirements for safeguard-related assessment prior to loan appraisal, SAGCOT is a candidate for strategic environmental assessment under Part VII of Tanzania's Environmental Management Act (2004), as described in the Strategic Environmental Assessment Regulations (2008).

1.3 OBJECTIVES OF THE INTERIM REPORT

A draft Inception Report was prepared in April 2012 and a revised, final version submitted in May. The Inception Report covered the study's start-up activities and included an indicative plan for

(1) *Kilimo Kwanza*: Agriculture First

(2) Another common type of Strategic Environmental Assessment is 'Sectoral'.

Phase 1 of the study.

This Interim Report is intended to meet the requirements in the study's Terms of Reference (ToR) for preparation of:

- A draft scoping report with record of consultation
- A stakeholder analysis
- A consultation and disclosure plan
- A Resettlement Policy Framework scoping and methodology

The report also includes:

- Notes on the policy, legal and administrative framework for environmental and social aspects of the SAGCOT Programme
- Notes on the corridor area baseline
- The Executive Summary of the draft Environmental and Social Management Framework (another study deliverable)
- An indicative work plan for Phase 2 of the study, i.e. all tasks through to study completion

It should be noted that this report is a working document. Significant upgrades to the information presented here will be included in the final SRESA report.

1.4 THE SRESA APPROACH

1.4.1 Overview of the SRESA Process

Strategic and regional assessments are tools to help development planners design investment policies and programmes that are sustainable over large areas and long timeframes. They take into account environmental and social opportunities and constraints on a much wider basis than the more well-known project-focused Environmental Impact Assessments (EIAs). They take a regional perspective and provide strategic advice to decision makers.

A rapid methodology review is given in the following sections.

1.4.2 Screening

The Bank's proposed project (the loan) was screened prior to the start of this study and was determined to trigger most of the Bank's "safeguard policies", including the framework Operational Policy 4.01 Environmental Assessment. The study's TOR include the task of reviewing which policies are triggered and the results are given at 3.5.2.

1.4.3 Scoping

Scoping is a process whereby the scope of an impact assessment study is determined based on preliminary information, so as to concentrate on the topics of most concern and avoid wasted effort. Ideally scoping results in preparation of the study's ToR. In this case the ToR already existed, so the process was used to re-confirm and add detail to the issues of most concern. Scoping activities included:

- Literature review, including obtaining project reports ("grey literature") as well as published documents.
- Discussion with key informants in the main stakeholder groups.
- Preliminary fieldwork, mainly in the Kilombero Valley, and further meetings with key

informants.

- A scoping workshop, held in Dar es Salaam on 07 June 2012.

1.4.4 Baseline Description

The study team is developing a baseline description to characterise the study area, allow easy comparison between the clusters identified so far, and provide context for the more detailed assessment of the Kilombero Cluster. An initial description is provided in the ESMF and repeated in this report (Chapter 4). This will be developed in more detail in the draft SRESA report, and will include regional stressors (existing processes driving change in valued regional ecosystem components) and proposed indicators for use in the future SAGCOT monitoring and evaluation (M&E) system.

1.4.5 Scenario Development

To determine a typical range of potential impacts from the SAGCOT programme, a set of scenarios is under development for a single cluster, Kilombero. The three scenarios are:

- The "no-action" or "no-project" scenario, i.e. what will probably happen without the SAGCOT programme over the next 20 years.
- An "accelerated agribusiness" scenario, i.e. what could happen with the SAGCOT programme but without any specific environmental or social conditionality or mitigation.
- A "green SAGCOT" scenario, i.e. accelerated agribusiness investment in the cluster with comprehensive environmental and social planning and management.

The scenarios will be built around key social, environmental and economic indicators (e.g. land use, water use, crop yields and production, employment). In addition, as far as possible the spatial component of each scenario will be geographically realistic, mapping actual locations and areas where investment, development and impacts might occur. The proposed approach is noted in more detail at Annex D.

1.4.6 Impact Assessment

Prediction: the projections in the three scenarios will be used to determine probable impacts on a range of environmental and social values and indicators. These values will include physical constraints and processes such as water availability and climate change, ecological values such as habitat connectivity, pressure on forests and impacts on endangered species, social processes such as demographic change and resource-use conflicts, and economic factors including employment. As far as possible quantitative indicators of each value will be used, e.g. areas of forest, numbers of endangered antelope, etc. The impacts may be positive or negative, direct or indirect, and cumulative. As far as possible all impacts will be quantified.

Evaluation: the strategic significance of the predicted impacts will be assessed in relation to both Tanzanian policies and, where relevant, international policies and guidelines. This analysis will be, in effect, a cumulative effects assessment of possible developments in the Kilombero Valley.

Note: if feasible, the agricultural change scenarios will also be used for carbon sequestration modelling by the parallel SAGCOT Green Growth consultancy ⁽¹⁾.

1.4.7 Development of Mitigation Measures

For each scenario, the study team will assess what specific measures could be undertaken to avoid, minimise, or mitigate identified significant negative impacts and/or enhance positive effects. The

(1) EcoAgriculture Partners.

measures may include policy changes as well as planning procedures, and the need for institutional changes as well as capacity development. Most importantly, the recommendations will focus on physical sustainability in terms of key limiting factors such as water, environmental sustainability in terms of factors such as fuelwood production and water quality, and social sustainability in terms of ensuring benefit flows to smallholders and communities, as well as resolution of potential land use conflicts especially between crop farmers and livestock herders.

The measures and recommendations will then be extrapolated to the corridor as a whole, and will form the basis for a study recommendation for a "preferred alternative" that minimises environmental and social risks and maximises sustainable development benefits.

1.4.8 Consultation

The consultation process is described in Chapter 5 of this report. A record of consultations to date, a draft Participation and Consultation Plan and notes on the Scoping Workshop are attached at Annexes A, B and C, respectively.

The consultation process includes engagement with other SAGCOT consultants, in particular EcoAgriculture Partners (USA) who are developing a Green Growth Investment Framework.

1.4.9 Study Schedule

- The study schedule and deliverables are noted in Table 7.1.
- We revised the indicative work plan in order to meet the Client's requirement for ESMF disclosure in country by the end of July (see Chapter 9). The draft ESMF was submitted on 12 July 2012.
- Early preparation of the ESMF required reorganisation of the schedule for other deliverables, specifically this Interim Report.
- Preparation and delivery of further deliverables (SRESA main report, Resettlement Policy Framework) should not be significantly affected.

2.1 OVERVIEW OF THE SAGCOT PROGRAMME

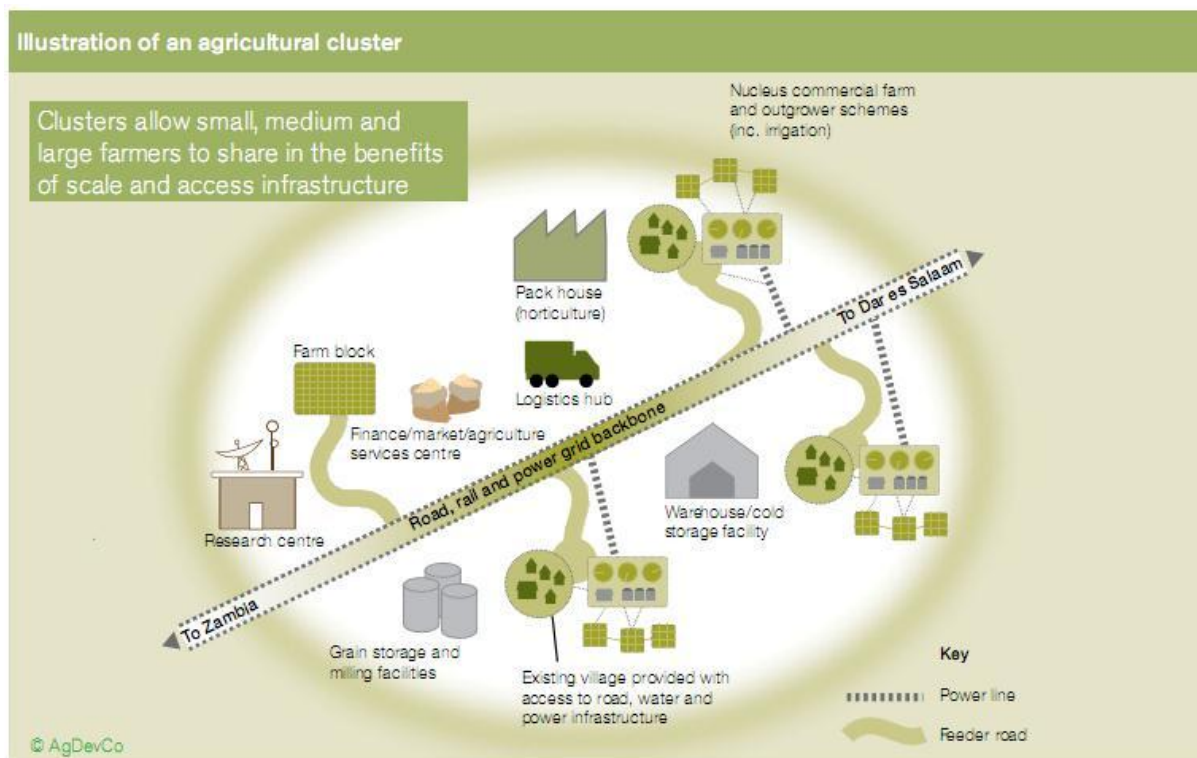
The centrepiece of the GoT's strategy for economic development and poverty reduction is the *Kilimo Kwanza* (Agriculture First) policy. This is a "national vision" of rapid transformation of the livelihoods of millions of Tanzanians. The policy is composed of ten "Pillars" that create a roadmap to improve financing and infrastructure within the sector, streamline or rationalise the institutional environment for agriculture, strengthen value chains, reduce the costs of doing business, improve trading opportunities, expand local production of inputs, adopt a science-based approach to meeting needs in the sector and address concerns related to access to and use of land (Boudreaux 2012). Crucially, and unlike all previous attempts at major change in the rural economy, *Kilimo Kwanza* is to be led by the private sector. This involves the creation of Public Private Partnership (PPP) frameworks championed by the Private Sector Foundation and Government through the Tanzania National Business Council (TNBC). The new Tanzania Agricultural Growth Trust (TAGT) will oversee the development of implementation mechanisms such as agricultural projects in various 'corridors' (South, North, Central, etc) and other initiatives including the Tanzania Agricultural Partnership (TAP). TAGT also oversees financing mechanisms through its TAGT Fund Board and coordinates sources of funding in general (Tenga *et al.* 2012).

The SAGCOT Programme is a major initiative to articulate the *Kilimo Kwanza* policy, and is broadly identified as a public-private partnership explicitly designed to achieve higher rates of income growth and job creation through the development of competitive agribusiness value chains across the Southern Corridor. The Programme intends to concentrate investments within the rail and road corridor stretching from Dar es Salaam in the east through Morogoro, Iringa, and Mbeya, and west to Sumbawanga. Over the next 20 years, the programme aims to bring 350,000 ha of farmland into commercial production for regional and international markets, to increase annual farming revenues by US\$1.2 billion, and to lift more than 2 million people (roughly 450,000 farm households) out of poverty.

As stated in the SAGCOT Investment Blueprint ⁽¹⁾, one of the programme's main objectives is to provide opportunities for smallholder producers to engage in profitable agriculture. It will do this by incentivising stronger linkages between smallholders and commercial agribusinesses, including "hub and outgrower" schemes that allow smallholders in the vicinity of large-scale farms to access inputs, extension services, value-adding facilities and markets. SAGCOT will also support smallholder producer associations, helping them enter into equitable commercial relationships with agri-processing and marketing businesses. In many cases, irrigation will be made available through professionally-managed farm blocks.

(1) SAGCOT Investment Blueprint, Jan. 2011

Figure 2.1: Diagram of an Agricultural Cluster



Source: SAGCOT Concept Note, 2010

The Blueprint goes on to state that "An agricultural transformation can be achieved if the public and private sectors (including development partners) work together to achieve shared goals. A SAGCOT partnership organisation will help coordinate and guide investments, focusing on the cluster areas. New financing facilities, including 'social venture capital' (for start-up businesses) and 'patient capital' (long-term debt for infrastructure), will help new farming and processing operations get established and become internationally competitive."

Further, "To ensure fairness and promote responsible investment, access to the SAGCOT financing facilities will come with strong conditions attached. Funding will only be made available to investors who demonstrate a commitment to building equitable and sustainable partnerships with smallholder producers. Compliance will be monitored and investment withdrawn if social or environmental obligations are not met."

"By helping new businesses overcome initially high costs and risks, SAGCOT will help kick-start a virtuous cycle of lower production costs, increased productivity, higher profitability, more investment and rapid growth."

The next steps in SAGCOT Programme implementation are seen as "In 2011 the SAGCOT Partnership will move rapidly from the design to the implementation phase. Two key actions are needed to launch this process:

- Establish the SAGCOT partnership organisation – supported by an independent and professional Secretariat – to act as a neutral coordinating body and focal point for planning, implementation and monitoring.
- Launch a catalytic fund, initially of \$50 million, with financial backing from the Tanzanian government and development partners. The catalytic fund will enable resources to be channelled into early stage investment opportunities, including some of the 'early wins' identified in the investment blueprint."

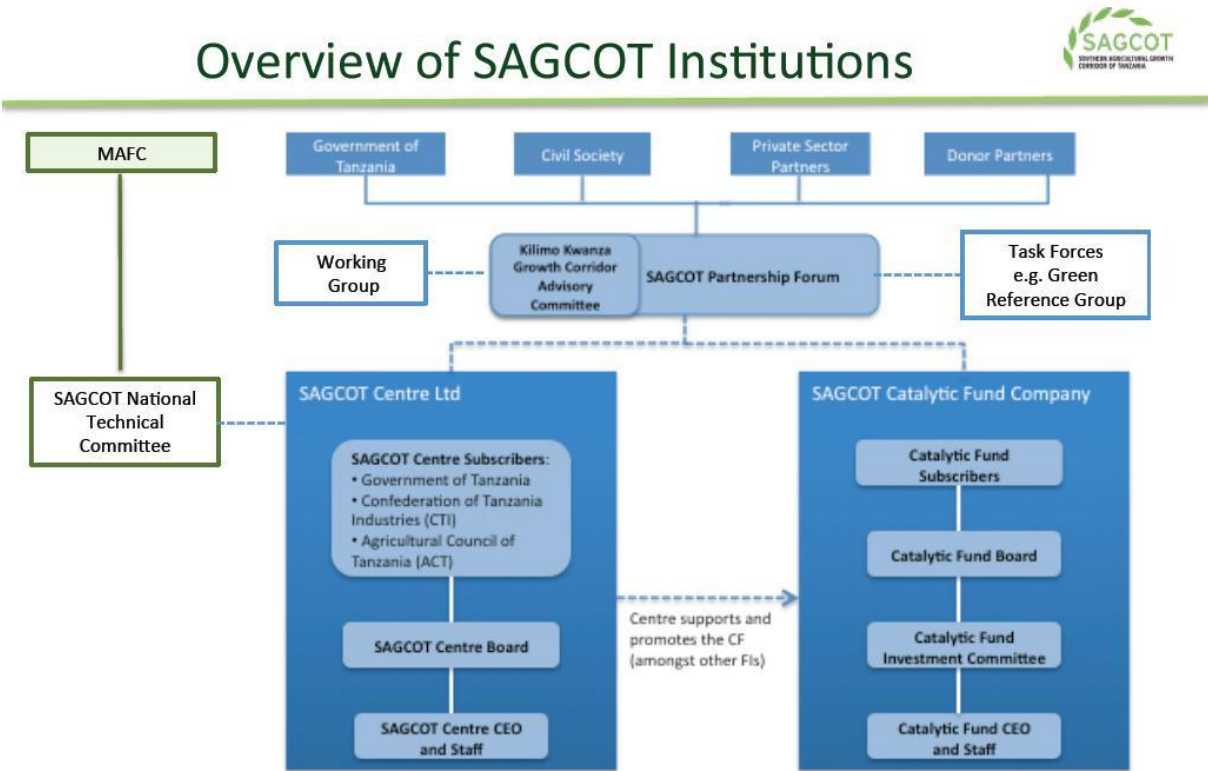
The organisational framework for the SAGCOT programme is diagrammed in *Figure 2.2*. In this

overview, the SAGCOT Centre and the SAGCOT Catalytic Fund are being guided by the SAGCOT Partnership Forum, which is fed/ supported by taskforces (amongst others the SAGCOT Green Reference Group) and the Kilimo Kwanza Growth Corridor Advisory Committee. The SAGCOT Centre itself is being steered by the SAGCOT National Technical Committee (NTC).

It is not clear how these planning mechanisms and processes link up to the national planning cycles for agriculture, natural resource management and land use management, which are each decentralised to their specific line Ministries in parallel with the Local Governance Decentralisation by Devolution process.

As of mid-2012 the SAGCOT secretariat - the "SAGCOT Centre" - is in its initial stages of establishment and the catalytic fund awaits approval of the World Bank loan (see below), likely before the end of 2012. At the same time a "Partnership Generation Programme" (PGP) is being launched to attract investors in priority sectors: cereals, sugar, livestock, power and transport.

Figure 2.2: Overview of SAGCOT Institutions



Source: SAGCOT Centre: Basic Presentation, Slide 13

2.2 WORLD BANK SUPPORT FOR THE SAGCOT PROGRAMME

The Government of Tanzania has requested support from the International Development Agency (IDA, part of the World Bank) to assist in implementation of the SAGCOT concept. The proposed World Bank support ("the Project") will be in the form of a Specific Investment Loan (SIL).

The Project has three components:

Component 1. SAGCOT Catalytic Fund (approximately US\$ 45 million): the main objective of the Catalytic Fund (CF) is to catalyze agribusiness investment in the Southern Corridor in ways that reduce poverty, improve food security and benefit smallholder farmers. The Catalytic Fund is expected to have two windows: (a) the Matching Grants Facility (MGF) will finance the efforts of established commercial agribusinesses to expand their commercial linkages with smallholder farmers by building or extending competitive supply chains, and (b) a Social Venture Capital Fund (SVCF) is

expected to promote the development and expansion of smaller and younger agribusinesses with supply chain links with smallholders to become commercially and financially viable businesses. The financing will be provided as low-cost or interest-free loans, repayable as soon as the business attracts private finance or equity depending on the specific situation. IDA will not contribute to this fund.

Component 2. Strengthening Agribusiness Support Institutions (approximately US\$ 13 million):

the Project will support several institutions connected to the SAGCOT Programme. The SAGCOT Centre will facilitate the sustained pursuit of the overall mission of expanding agribusiness development in the corridor. Technical support will also be provided to complementary institutions such as the Tanzania Investment Centre (TIC), the Rufiji Basin Development Authority (RUBADA) and the Ministry of Lands, Housing and Human Settlement Development (MLHSD).

Component 3. Project Implementation Support (~ US\$2 million): a Project Coordination Unit (PCU) will be created in the Prime Minister's Office to manage the overall implementation of the financing agreement and to monitor the budget and implementation of the Project Implementation Manual. This Unit will facilitate communications between key SAGCOT stakeholders including the SAGCOT Centre, SAGCOT Catalytic Fund, RUBADA, and the Tanzania Investment Centre.

At present the Bank is preparing the documentation necessary for loan appraisal including a Project Appraisal Document (PAD). The Board meeting for loan appraisal is understood to be 29 November 2012.

3.1 INTRODUCTION

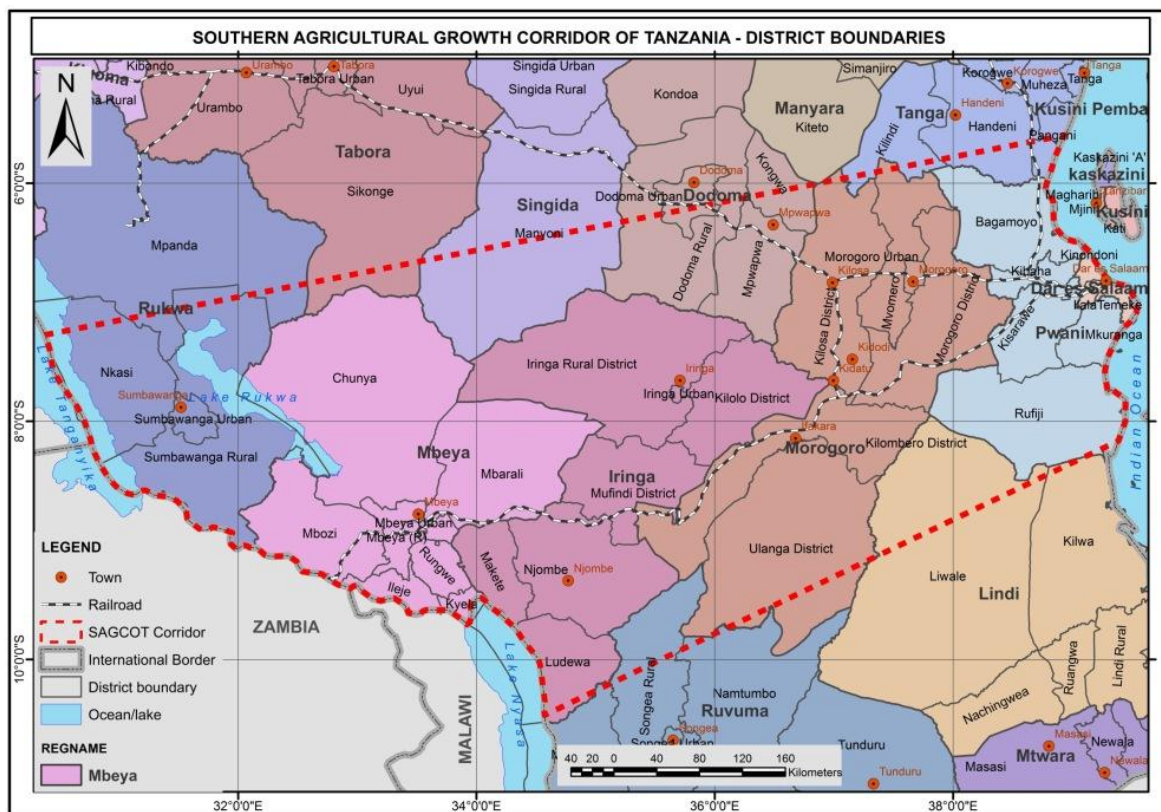
This chapter gives a brief overview of some aspects of the policy, legal and administrative framework relevant to environmental and social management of the SAGCOT initiative. The overview will be improved and focused in the final SRESA report.

3.2 LOCAL ADMINISTRATION

As stated by Makwarimba & Ngowi (2012), mainland Tanzania is divided into some 28 Regions and 137 administrative Districts. There are 25 urban authorities, 106 district authorities and about 10,397 registered villages ⁽¹⁾. Due to subsequent divisions, the National Land Use Planning Commission (NLUPC) estimates that by November 2011 there were anything between 11,000 and 14,000 villages. Villages are administrative units managed by elected Village Councils, and typically have a population of two to four thousand. Two to four villages make up a Ward. An elected Ward Councillor represents the Ward at District Council Level.

The Corridor covers four complete administrative regions, and includes a part of four further regions. District boundaries are shown in Figure 3.1.

Figure 3.1: SAGCOT - District Boundaries



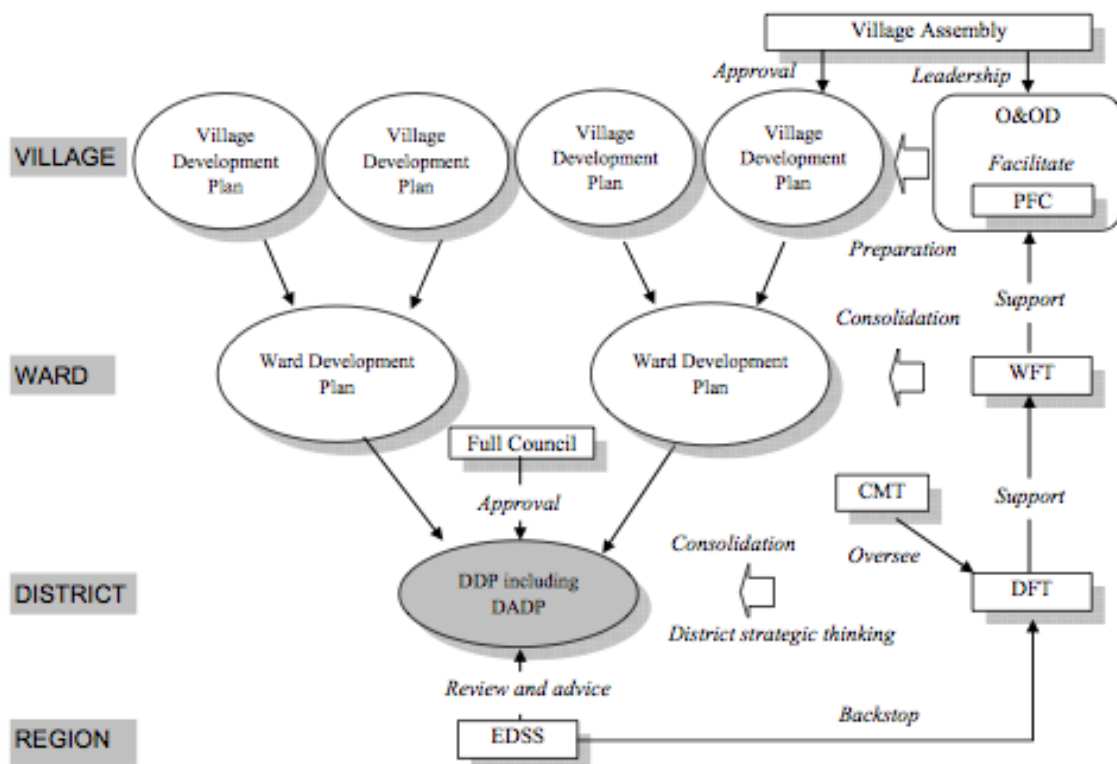
3.3 DISTRICT AGRICULTURAL DEVELOPMENT PLANNING PROCESS

The process of developing District Agricultural Development Plans (DADPs) is diagrammed in Figure 3.2. The process begins at grass-roots level with the preparation of Village Development Plans (VDP),

(1) Kironde (2009): data sourced from the Ministerial report on achievements of the Government for the past three years (Uhuru, January 13th 2009, p13-17) and from PMO-RALG.

part of the approach being "O&OD" (Obstacles and Opportunities Development), a participatory planning tool introduced by GoT to plan for development at village level. The VDPs are compiled into Ward Development Plans and then into DADPs (as a component of District Development Plans). Following approval by the full District Council the plans are then sent to the relevant Regional Secretariat which determines whether they are in line with the Mid-Term Expenditure Framework (MTEF) guidelines and associated budget ceilings. They are then forwarded to the concerned Parliamentary Committee (PAC-LAAC). Eventually, the Ministry of Finance receives all the adjusted plans and prepares the National Budget, which is discussed in the June Parliamentary session every year.

Figure 3.2: Overview of DADP Planning Structure and Process



Source: Agricultural Development Strategy Program (ASDP): Guidelines for District Agricultural Development and Implementation, Nov. 2006

Implementation of the DADPs is dependent on receipt of funds from central government. This happens erratically and is often not consistent with the approved DADPs. Government capacity at all level is constrained by limited budgets and high staff turnover.

Recently the Tanzania Agricultural Partnership (TAP), which is active in 25 districts, has developed a process to establish Commodity Investment Plans (CIPs) that bring together government authorities, farmers and agri-business in focusing effort and investment in a specific, locally important commodity. This is proving a useful tool in stimulating agricultural commercial development at the district level, as well as a vehicle for accessing additional support, via the district agricultural development plans, from the agricultural sector development programme ⁽¹⁾.

Governance will be a major aspect of the SAGCOT Programme's success or failure. Two issues stand out: (i) the effectiveness of the existing systems of government administration at all levels, and (ii) the transparency of decisions on land, resource use and other topics of vital interest to rural communities and land users. Perceptions of the transparency of decisions concerning land and land use are possibly even more important than the weaknesses in the administrative system as a factor affecting success of the programme. Tanzania is an agricultural country and land is the fundamental resource - and not only for cultivation: other key uses are for grazing and fuelwood collection. Land governance in

(1) SAGCOT Investment Blueprint: Appendix II, Partnership and Financing Mechanisms

Tanzania is exhaustively analysed in numerous documents (see e.g. Deininger *et al.* 2012), with key features being a strong movement for reform with limited implementation and many ambiguities, resulting in complex, slow process of formalisation, little tenure certainty for marginalised groups and limited transferability of land. There is significant public concern over what is perceived to be "land grabbing" by investors and an increasingly vocal civil society willing to speak out on land issues.

The sustainability of the SAGCOT programme will rely heavily on turning it from a perceived threat to residents' interests to a process with tangible, reportable benefits. This will require major improvements in the transparency of the land leasing process, active support for communities when negotiating with possible investors, and a clear process for acquisition of land and water rights that not only provides immediate benefits to local communities but also guarantees future benefit flows from the investment. Mechanisms for achieving this will be discussed in the final SRESA report.

3.4 LEGISLATIVE FRAMEWORK APPLICABLE TO THE SAGCOT PROGRAMME

3.4.1 Environment

Environmental policy: the policy basis for environmental management in Tanzania is the *National Environmental Policy* of 1997 (NEP). Six major problems are highlighted by the Policy: (1) loss of wildlife habitats and biodiversity; (2) deforestation; (3) land degradation; (4) the deterioration of aquatic systems; (5) lack of accessible, good quality water; and (6) environmental pollution. To address these issues the Policy defines sustainable development and commits Tanzania to pursue it by, amongst others, preventing the degradation of land, water, vegetation and air, conserving and enhancing Tanzania's natural and man-made heritage including biodiversity, raising public awareness and promoting international cooperation.

These objectives are to be achieved by mainstreaming environment and sustainability into decision-making with particular reference to poverty, demographics, land tenure, technology, biodiversity, public participation and education, and the enhanced role of women, and by tapping the knowledge and resources of NGOs and the private sector.

In addition to establishing sectoral policies for, e.g., agriculture, livestock, water, wildlife, health, energy and mining, the Policy describes various environmental policy instruments, including Environmental Impact Assessment (EIA), framework environmental legislation, economic policy instruments, environmental standards and indicators, and use of the precautionary approach (... "it is better to be roughly right in time than to be precisely right too late ... This means that in certain cases action may be taken to protect and enhance environmental integrity without complete knowledge of the causes and effects involved, or without waiting for more substantial proof of damage." (NEP 1997)).

Tanzania continues to profess its support for sustainable development, most recently in the *Gaborone Declaration* of May 2012 in which various African governments including Tanzania committed to:

"...ensure that the contributions of natural capital to sustainable economic growth, maintenance and improvement of social capital and human well-being are quantified and integrated into development and business practice;" (Box 1.).

Box 1: Gaborone Declaration, May 2012

Extract:

We, the participants at the Summit for Sustainability in Africa, meeting from 24 to 25 May 2012 in Gaborone, Botswana ...

... hereby undertake to pursue the following overarching objective and concrete actions, in cooperation with other countries and partners, and to share information on progress on these actions on an annual basis:

To ensure that the contributions of natural capital to sustainable economic growth, maintenance and improvement of social capital and human well-being are quantified and integrated into development and

business practice; through:

- Integrating the value of natural capital into national accounting and corporate planning and reporting processes, policies, and programmes, in agreed efforts, including the appended communiqué on natural capital accounting,
- Building social capital and reducing poverty by transitioning agriculture, extractive industries, fisheries and other natural capital uses to practices that promote sustainable employment, food security, sustainable energy and the protection of natural capital through protected areas and other mechanisms,
- Ecosystem restoration measures, as well as actions that mitigate stresses on natural capital, building the knowledge, data, capacity and policy networks to promote leadership and new models in the field of sustainable development, and to increase momentum for positive change,
- Effective communication and public education.

Each of us, no matter our stage of development, will start to implement this agreement, consistent with our respective capacities and resources.

Source: Gaborone Declaration, Summit for Sustainability in Africa, Gaborone May 24-25 2012

Environmental law: the framework law is the *Environmental Management Act, Cap 191, 2004 (EMA)*. This provides the legal and institutional framework for management of the environment and implementation of the NEP. The Act establishes and empowers the National Environmental Management Council (NEMC) to screen, review and determine the types of development projects subject to EIA study. It defines projects that require a full EIA or those that may be subjected to full EIA, after NEMC determination. Under the Act, the NEMC is mandated to undertake enforcement, compliance, review and monitoring of EIA and has the role of facilitating public participation in environmental decision making, exercise general supervision and coordinating over all matters relating to the environment.

EIA Regulations: the EIA regulations were gazetted in 2005: *Environmental Impact Assessment and Audit Regulations, 2005*. These regulations describe the procedures and requirements for undertaking EIAs for various types of development projects likely to have significant environmental impacts. In addition the regulations provide a list of projects that qualify for Environmental Assessment procedures in Tanzania. The regulations set out in detail the process to be followed in conducting an EIA, the form and content of EIAs, the review process, decision-making and appeals. The steps that must be taken to conduct an EIA are provided in the Fourth Schedule: the EIA study must address social, cultural and economic impacts as well as environmental issues; public participation is mandatory during the EIA process; and the content and format of the Environmental Impact Statement (EIS) is prescribed.

The Regulations classify projects into two types: Type A Projects require a mandatory EIA, and Type B projects which require a Preliminary Environmental Assessment (PEA). The First Schedule lists typical examples of Type A and B projects. Many SAGCOT programme projects will fall into the category of projects that require mandatory EIA. Items 22 (i) and (vii) of the First Schedule refer to land development planning, land reclamation, housing and human settlement, resettlement/relocation of people and animals and development of residential and commercial estates on ecologically sensitive areas as projects that require a mandatory EIA.

EIA Guidelines: sectoral EIA guidelines for agriculture are in the process of development (Dr. Mary Shetto, pers. comm.).

SEA Regulations: in 2008 further regulations were gazetted, concerning strategic assessment: the *Strategic Environmental Assessment Regulations, 2008*. These regulations mandate a Strategic Environmental Assessment (SEA) when either (a) a Bill which is likely to have an effect on the management, conservation and enhancement of the environment or the sustainable management of natural resources; or (b) when promulgating regulations, policies, programs and development plans;

or (c) when any major mineral or petroleum resource is identified or when a major hydroelectric power station or water project is being planned.

The SEA must contain: (a) a full description of the policy, Bill, legislation, strategy, program or plan being considered; (b) identification, description and assessment of the positive and negative effects of the implementation of the proposed document on the environment and the sustainable management of natural resources; (c) identification, description and assessment of the likely effects of alternative means to meet the objectives of the proposed instrument; and (d) identification, description and assessment of a range of practicable measures that could be taken to avoid, mitigate or remedy any adverse effects that may result from the implementation of the proposed policy, Bill, legislation, strategy, program or plan being considered.

Other regulations under the EMA are:

- Registration of Environmental Experts Regulations, 2005
- Hazardous Waste Control and Management Regulations, 2009
- Solid Waste Management Regulations, 2009

Environmental Quality Standards: standards are established in:

- Air Quality Standards, 2007
- Water Quality Standards, 2007
- Soil Quality Standards, 2007

3.4.2 *Land*

National Land Policy

The overall aims of the National Land Policy (NLP: 2nd edition, 1997) are "to promote and ensure a secure land tenure system, to encourage the optimal use of land resources, and to facilitate broad-based social and economic development without upsetting or endangering the ecological balance of the environment."

Under the Constitution, in Tanzania the President owns all land in trust for present and future generations. The Commissioner for Lands acts on behalf of the President and administers the land. The NLP maintains the dual system of land tenure introduced by the colonial administration: right of occupancy, which is the main form of tenure, can be acquired through a grant by the Commissioner for Lands or through customs and tradition.

As pointed out by the Lawyers' Environmental Action Team (LEAT) ⁽¹⁾, the NLP promotes protection of the environment and natural resources. Village lands and some communal areas can be reserved for conservation purposes (e.g. forests on village land). Highly sensitive areas such as water catchment areas, forests areas of biodiversity, national parks, wetlands and etc. are also protected: the Policy declares that "mechanisms for protecting sensitive areas ⁽²⁾ will be created.... These areas or parts of them should not be allocated to individuals." (NLP: para 4.2.10). Furthermore, the NLP states that "The government will ensure that permits, licenses, claims and rights for exploitation of natural resources are issued in line with land use polices, and environment conservation policies and programmes." (NLP: para 7.1.1).

Despite these good intentions, mechanisms for their implementation remain unclear, especially in terms of intersectoral coordination and the devolution of land management responsibilities from the Commissioner for Lands to local governments. Recognising this the GoT developed a Strategic Plan for Implementation of the Land Laws (SPILL), a programme that has received mixed reviews (see, e.g., Kosyando 2007).

(1) See <http://www.lead.or.tz/>

(2) Including, e.g., wildlife corridors.

Land Acts

The Land Act, 1999 and the Village Land Act, 1999, facilitate the implementation of the National Land Policy. They confirm the National Land Policy directive that all land in Tanzania is public land vested in the President as trustee on behalf of all citizens.

The major function of the Land Act, (No. 6), 1999 is to promote the fundamentals of the National Land Policy, through giving clear classification and tenure of land, land administration procedures, rights and incidents of land occupation, granted rights of occupancy, conversion of interests in land, dispositions affecting land, land leases, mortgaging of land, easements and analogous rights, co-occupation and partitioning and settlement of land disputes. Under the Act, Tanzanian land falls into three categories, namely;

- Reserved Land, which is set aside for wildlife, forests, marine parks, etc., and the way these areas are managed is explained in the laws that protect each sector (e.g. Wildlife Conservation Act, National Parks Ordinance, Marine Parks and Reserves Act, etc.). Specific legal regimes govern these lands under the laws which established them.
- Village Land, including all land inside the boundaries of registered villages, which the Village Councils and Village Assemblies are given power to manage. The Village Land Act governs the land and gives details of how this is to be done.
- General Land, which is neither reserved land nor village land and is therefore managed by the Commissioner. It includes urban areas as well as land occupied by parastatals and by government agencies such as the prisons and the National Service.

In general terms, the Land Act (LA) covers General and Reserved Lands, while the Village Land Act (VLA) creates rules and processes to allocate land use rights to most rural lands. However, as pointed out in various studies including, e.g., Boudreaux (2012), a major problem revolves around category (iii) village lands: the VLA and the LA do not define "general" land the same way. In Section 2 of the VLA, "general land" means *all public land which is not reserved land or village land*. However, in Section 2 of the Land Act, "general land" means *all public land which is not reserved land or village land and includes unoccupied or unused village land*. As a result of these differing definitions, the Land Act may allow the government to consider category (iii) lands as general land because they are "unused or unoccupied." This creates real uncertainty and insecurity for villagers. Because it is the national government that determines the allocation of general land and that directly benefits from leasing general lands, adopting this broad definition of general land places villages at risk of loss of land, use rights, and potential revenue or other benefits; it also creates opportunities for corruption. There is widespread agreement among civil society, land tenure experts, and many Tanzanians that this ambiguity in the definition of "general land" needs to be resolved (Boudreaux 2012).

Land Acquisition and Compensation

There is no direct law or legal provision specifically for resettlement in Tanzania. Resettlement is generally guided by a variety of national policies and supported by legislation in relation to land acquisition, tenure and compensation. This includes the:

- Constitution of the United Republic of Tanzania (1977 - as amended)
- National Land Policy of 1996
- National Environmental Policy of 1997
- National Resettlement Policy Framework of 2003 (as yet not adopted as Government Policy)

The Constitution provides for the protection of the rights and interest of citizens in matters concerning their property and its acquisition. Under article 24 (1), every person is entitled to own property, and has a right to the protection of property held in accordance with the law. Subarticle (2) prescribes that it is unlawful for any person to be deprived of property for any purposes without the authority of law, which makes provision for fair and adequate compensation.

With respect to land acquisition and compensation, the NLP states that:

- All land is public land vested in the President as trustee on behalf of all citizens;
- Land has value;
- The rights and interest of citizens in land shall not be taken without due process of law; and
- Full, fair and prompt compensation shall be paid when land is acquired.

Compensation should be paid to any person whose right of occupancy or recognized longstanding occupation or customary use of land is revoked or otherwise interfered with to their detriment by the state or is acquired under the Land Acquisition Act Cap 118.

The principal laws that provide the legal basis for compensation in Tanzania are listed below. These do not cover resettlement requirements, but do provide requirements related to tenure and compensation:

- Land Act No. 4, 1999, Cap. 113 R.E. 2002;
- Village Land Act No. 5, 1999, Cap. 114 R.E. 2002;
- Land Acquisition Act, Cap. 118 R.E 2002;
- Land Disputes Act No. 2 of 2002;
- Roads Act, 2007;
- Urban Planning Act, 2007;
- Land Use Planning Act, 2007;
- Graves (Removal) Act, Ca. 73;
- Local Government (District Authorities) Act, Cap.287; and
- Local Government (Urban Authorities) Act, Cap. 288

Other Acts of relevance include the Valuation Act; the Wildlife Act; the Tanzania Investment Act and the Rufiji Basin Development Authority (RUBADA) Act; and also acts related to farmers' cooperatives, contract farming, and access to credit.

3.4.3 Other Major Sectors

The policy, legal and administrative framework governing other major sectors (for example, water, forests, wildlife, fisheries, agriculture (GMOs, agrochemicals), energy and mining; and social topics such as gender, employment and unionisation, occupational health, community-based organisations (CBOs) and non-government organisations (NGOs) will be described in the final SRESA report.

3.5 INTERNATIONAL OBLIGATIONS AND COMMITMENTS

3.5.1 International Treaties

Tanzania is a party to many international agreements on environmental and social issues. Some of the most relevant are:

Environmental

- The African Convention on the Conservation of Nature and Natural Resources (1968)
- Convention Concerning the Protection of the World Cultural and Natural Heritage (World Heritage Convention, 1972, ratified 1977)
- Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES) (1974, ratified 1979)
- UN Framework Convention on Climate Change (1983)
- Montreal Protocol on Substances that Deplete the Ozone Layer (1987)
- Basel Convention on the Control of Transboundary Movements of Hazardous Wastes and their Disposal (1989)
- Convention on the Ban of the Import into Africa and the Control of Transboundary Movement and Management of Hazardous Wastes within Africa, Bamako, Mali (1991)
- Convention on Biological Diversity (1992, ratified 1996)

- Convention to Combat Desertification in Countries Experiencing Serious Drought and/or Desertification particularly in Africa (1994, ratified 1994)
- Lusaka Agreement on Cooperative Enforcement Operations Directed at Illegal Trade in Wild Fauna and Flora (1994)
- Convention on Wetlands of International Importance (Ramsar Convention, 1971, came into force in Tanzania 2000)

Social

- International Covenant on Economic, Social and Cultural Rights (1966, ratified 1976)
- UN Convention on the Elimination of All Forms of Discrimination against Women (1979).
- UN Convention on the Rights of the Child (1989).
- UN Convention on the Rights of Persons with Disabilities (adopted 6 December 2006)

Together with 35 ILO Conventions including, most recently:

- Worst Forms of Child Labour Convention (No. 182, 1999, ratified 2001)

3.5.2 *World Bank Safeguard Policies*

Initial screening of the Bank's proposed support to the SAGCOT programme resulted in assignment of an EA Category A, due to the potential for a variety of adverse environmental and social impacts as a result of programme implementation. Projects with this categorisation require full assessment in line with the requirements of OP 4.01 *Environmental Assessment*.

A summary of the current status of the programme with respect to the Bank's safeguard policies is given below.

Table 3.1: World Bank Safeguard Policies Triggered by Project

Applicable?	Operational Policy
Yes	Environmental Assessment (OP/BP/GP 4.01) The project will promote expanded investment in agribusiness leading to intensified commercialized agriculture and employment generation across agricultural value chains in the Southern Corridor. Given the project's scale and its location in a region with many environmentally sensitive areas with high biodiversity and numerous Critical Natural Habitats, the policy is triggered.
Yes	Natural Habitats (OP/BP 4.04) There are numerous critical natural habitats and natural habitats (mainly forests and wetlands) in the corridor, some of which may be degraded or converted by SAGCOT-related activities. Therefore the policy is triggered.
Yes	Forests (OP/BP 4.36) There are numerous natural forests and critical forest areas within the corridor. SAGCOT-related activities have the potential to affect the health and quality of these forests and the rights and welfare of local residents dependent on forest resources. Therefore the policy is triggered.
Yes	Pest Management (OP 4.09) The project will promote intensive commercial agriculture in tropical and subtropical environments with significant pest and disease control challenges, so the Policy is triggered.
Yes	Physical Cultural Resources (OP 4.11) The corridor covers about one third of Tanzania's land area and therefore must contain significant physical cultural resources, including culturally significant natural sites. However most remain undocumented. Some SAGCOT-related activities will involve significant earthworks and land use change and therefore have the potential to directly

Applicable?	Operational Policy
	affect PCR. Therefore the policy is triggered.
Yes	Involuntary Resettlement (OP/BP 4.12) World Bank project investments will not be used directly for land acquisition for agriculture, but may be used to acquire land for last-mile infrastructure such as roads and/or for agro-processing facilities. In addition some environmental conditionality may restrict residents' access to natural resources, and the SAGCOT program as a whole will involve significant changes in land ownership and use, with associated reputational risks to the Bank. Therefore the policy is triggered.
Yes	Indigenous Peoples (OP 4.10) SAGCOT-related activities will be undertaken in areas used by livestock herders belonging to the Barabaig ethnic group, which is officially recognized as an indigenous group in Tanzania under the World Bank's policy. Therefore this policy is triggered.
No	Safety of Dams (OP/BP 4.37) As the World Bank SAGCOT Project is designed, there will not be any funds used for dam construction.
No	Projects in Disputed Areas (OP/BP/GP 7.60) There will not be any activities in disputed areas.
TBD	Projects on International Waterways (OP/BP/GP.7.50)

The scenario analysis which ERM is carrying out as part of the study will indicate the type and scale of mitigation measures required to satisfy the Bank safeguard policies triggered by the various investment and development scenarios.

Notes:

- **OP 4.09 Pest Management**
Pesticide use and management will be guided by the Agricultural Sector Development Project's (ASDP) Integrated Pest Management Plan (IPMP) which provides appropriate guidance for IPM in the agricultural sector in Tanzania. To support this, the SAGCOT programme will also need apply the standards described by FAO's *International Code of Conduct on the Distribution and Use of Pesticides*. This encourage responsible and generally accepted trade practices and sets out the "conduct for public and private entities engaged or associated with the distribution and use of pesticides." The Code is designed for use within the context of national legislation as a basis whereby government authorities, pesticide manufacturers, those engaged in trade and any citizens concerned may judge whether their proposed actions and the actions of others constitute acceptable practices. In addition, it describes the shared responsibility of many sectors of society to work together so that the benefits to be derived from the necessary and acceptable use of pesticides are achieved without significant adverse effects on human health or the environment.
Further information can be found at: <http://www.fao.org/docrep/005/y4544e/y4544e00.htm>
- **OP 4.10 Indigenous Peoples**
A draft Indigenous Peoples Planning Framework (IPPF) has been prepared for the Corridor by the World Bank's lead indigenous peoples specialist.

4.1 INTRODUCTION

This chapter presents a summary of environmental and social features in the Corridor. In the final SRESA report this description will be more detailed and organised around (a) the Corridor, (b) the clusters, and (c) the Kilombero Valley. It will also include indicators of "significant ecosystem values", both environmental and social, which can be used for monitoring.

4.2 THE CORRIDOR

4.2.1 Water Resources

Almost the entire Corridor falls within the Rufiji Basin. This comprises four sub-basins: the Great Ruaha, Kilombero, Luwegu, and Lower Rufiji (*Figure 4.1*). Their characteristics are given in *Table 4.1*. A detailed description of the Basin's environmental, social, infrastructural and hydrological features is given in the three-volume *Rufiji IWRMD Plan Interim Report* (WREM Int. 2012).

The Rufiji Basin receives one third of Tanzania's total rainfall and produces one quarter of the country's river flow (GoT, 2003). Approximately 62% of the annual Rufiji flow is contributed by the Kilombero Sub-Basin, which covers only 22% of the Rufiji Basin but receives twice the average annual basin rainfall.

Table 4.1: Hydrological Characteristics of Rufiji Sub-basins

Sub-Basin	Drainage area (km ²)	% of total area	Annual average rainfall (mm)	Annual average flow (BCM/yr)	% of total flow
Great Ruaha	85,554	46.5	400-1200	3.3	14.9
Kilombero	40,330	21.9	1000-1800	13.8	62.2
Luwegu	35,288	13.8	800-1400	4	18.0
Lower Rufiji	32,619	17.7	650-1100	1.1	5.0
Total	183,791	100		22.2	100.0

Source: Rufiji Basin Water Office, 2010

The flow of the Rufiji is markedly seasonal. This is the result of the strong precipitation seasonality with the highest flows in March, April and May and the lowest in August, October and November. A small delay exists as a result of the rainy season patterns between Kilombero and the Great Ruaha. Unfortunately hydrological records are characterised by many data gaps, obvious discrepancies and inconsistent temporal coverage, which limits the utility of the records for modelling and assessment.

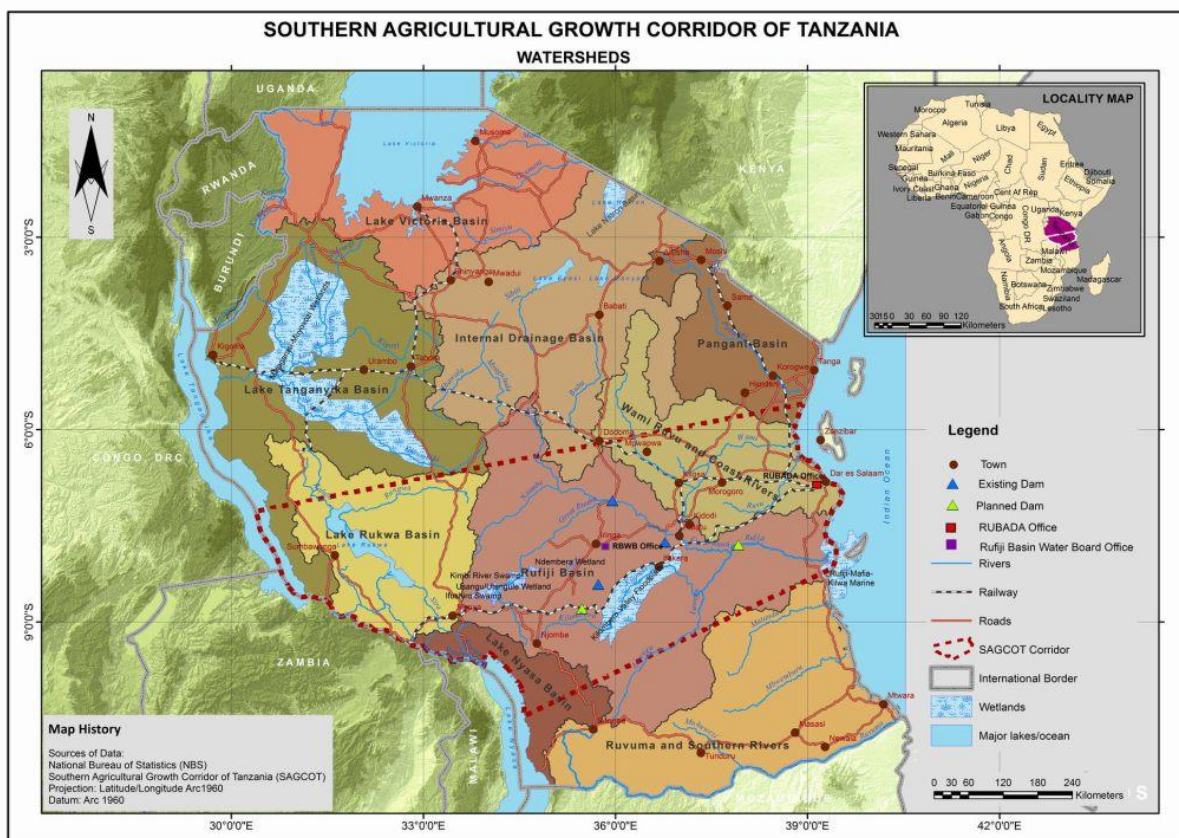
The size and hydrology of the basin attest to its national significance. Its natural resources and potential for agricultural production and energy generation make the Kilombero Sub-Basin *the* most important basin from an economic development perspective in Tanzania (*Figure 4.1*).

In agricultural terms, Tanzania is dominated by smallholder farmers who cultivate farms of average size 0.9 - 3.0 ha, under rainfed farming systems. The major constraints facing smallholders relate to labour, capacity, and land productivity due to application of poor technology and a dependence on unreliable and irregular weather conditions, including periodic droughts. These factors have contributed to low rainfed crop production. Improving agricultural productivity through irrigation is therefore a key strategy of the Tanzanian National Vision 2025 and the National Strategy for Growth and Reduction of Poverty (MKUKUTA) towards food security and poverty alleviation. In this regard, the Rufiji Basin is vital because by some accounts ⁽¹⁾ it encompasses over 4 million ha of irrigable lands, almost half of which have been classified as having high or medium irrigation potential (an

(1) National Irrigation Master Plan (NIMP: 2002).

assessment which ignores ecosystem constraints: much of this land is wetland of high ecological, economic and water resource value). Currently, only a very small fraction of the irrigable land in the basin (37,000 ha) is under irrigation.

Figure 4.1: Tanzania: River Basins



Source: ERM compilation from various sources

The Rufiji Basin contains over 100 Forest Reserves. These are important for the sustainability of land and water resources but are subject to unsustainable exploitation, degradation and conversion. Specifically, over the 1990-2008 timeframe, the Udzungwa Mountain natural forest and woodland areas were degraded at a rate of 65 ha and 228 ha per year respectively (Ministry of Natural Resources and Tourism, 2010).

The basin's rivers are critical for power generation, currently contributing 464 MW at 3 hydropower sites: Kidatu (204 MW), Kihansi (180 MW) and Mtera (80 MW). The installed capacity in these three power plants represents 82.6% of the total national hydropower capacity and 48.7% of the total national hydrothermal power capacity. An additional 2,876 MW of hydropower capacity can be developed at Ruhudji (358 MW), Mpanga (118 MW) and Stiegler's Gorge (2400 MW).

In addition to agriculture, forestry and energy, the basin supports a variety of other important water uses, including water supply for 4.5 million people who live in its urban and rural areas.

In summary, the following observations apply for surface water resources in the basin according to the IWRMD Interim Report (WREM Int., 2012):

- Hydrological assessments demonstrate that water use in Great Ruaha has reached unsustainably high levels impacting the flow regime and all downstream water uses. The need to implement interventions to restore the river flows and to avoid the escalation of upstream-downstream conflicts is compelling. However, a key prerequisite for developing such plans and interventions is good and quantitative knowledge of the basin surface water hydrology. This

knowledge can only be built upon good data and information on the underlying (i) hydrologic processes and (ii) actual water use. In the Rufiji Basin, both of these areas require significant investments.

- The water resources assessments clearly indicate that the Rufiji Basin development potential is very high but also entails critical tradeoffs among consumptive water uses, energy generation, and environmental sustainability. Among other important tradeoffs, the energy generation opportunity cost of the current irrigation withdrawals is estimated at approximately 400 GWH per year. This energy generation cost exceeds the average annual energy generation of Mtera (~380 GWH).
- Development of the Mpanga, Ruhudji, and especially Stiegler's Gorge hydro-electric projects would increase average annual energy generation from the current 2,150 GWH to 10,000 GWH.
- This energy generation potential is nearly two and a half times the energy produced by the entire Tanzanian system (from all existing hydro and thermal plants) in 2008 (~4,000 GWH). The average energy generation from Stiegler's Gorge Phase III alone would be about 5,100 GWH. Firm energy generation (i.e., energy generation guaranteed even under the most severe historical droughts) would exceed 7,000 GWH.
- Development of the Stiegler's Gorge hydroelectric facility can alter the flow regime in the Lower Rufiji and the Delta, particularly during the low flow season. While these flow alterations can be mitigated using adaptive reservoir management methods (such as those encoded in the Rufiji Basin Decision Support System (DSS)), the assessments show that the development and management of the Stiegler's Gorge project entails basinwide tradeoffs (among upstream water uses, energy generation, fisheries, and the environment) that need to be reconciled by the basin stakeholders.

There is very little information or data concerning groundwater reserves in the Rufiji basin.

4.2.2 *Environment, Wildlife and Biodiversity*

Southern Tanzania is one of the most successful demonstrations of large conservation landscapes worldwide. As pointed out by the African Wildlife Foundation (AWF) ⁽¹⁾, the Southern Tanzania and the SAGCOT area contain three mega conservation complexes: the Greater Selous, Greater Ruaha and Greater Katavi landscapes (*Figure 4.2*). Southern Tanzania hosts the second largest population of elephants on the continent. Southern Tanzania's lion populations are also relatively stable and the country is now believed to host more than 50% of the world's remaining lions.

Selous Game Reserve is one of the largest wildlife reserves of the world. Designated as a UNESCO World Heritage Site in 1982 for its diversity of wildlife and undisturbed nature, the reserve covers an area of 54,600 km² plus additional buffer zones. Selous Game Reserve's lion population of 4,500 alone accounts for a quarter of Tanzania's lions (IUCN, 2010 ⁽²⁾). The world's second and third largest wild dog populations are found in the Selous and Ruaha ecosystems (WCS ⁽³⁾). The three landscapes contain 17 Important Bird Areas (IBAs).

The Greater Selous system includes the Selous Game Reserve, Mikumi National Park, Udzungwa National Park and four surrounding community Wildlife Management Areas, covering a total of 321,000 km². The Selous landscape contains the Udzungwa and Mahenge Mountain forest areas, which are two of thirteen forest blocks comprising the Eastern Arc Mountains recognized as a biodiversity hotspot (Conservation International ⁽⁴⁾), an area of exceptional importance for endemic species of vertebrates and trees (Burgess et al, 2007 ⁽⁵⁾). The Udzungwa region supports the most

(1) AWF provided a submission to the study in May 2012.

(2) http://www.conservationforce.org/pdf/Tanzania_lion_Conservation_Status.pdf

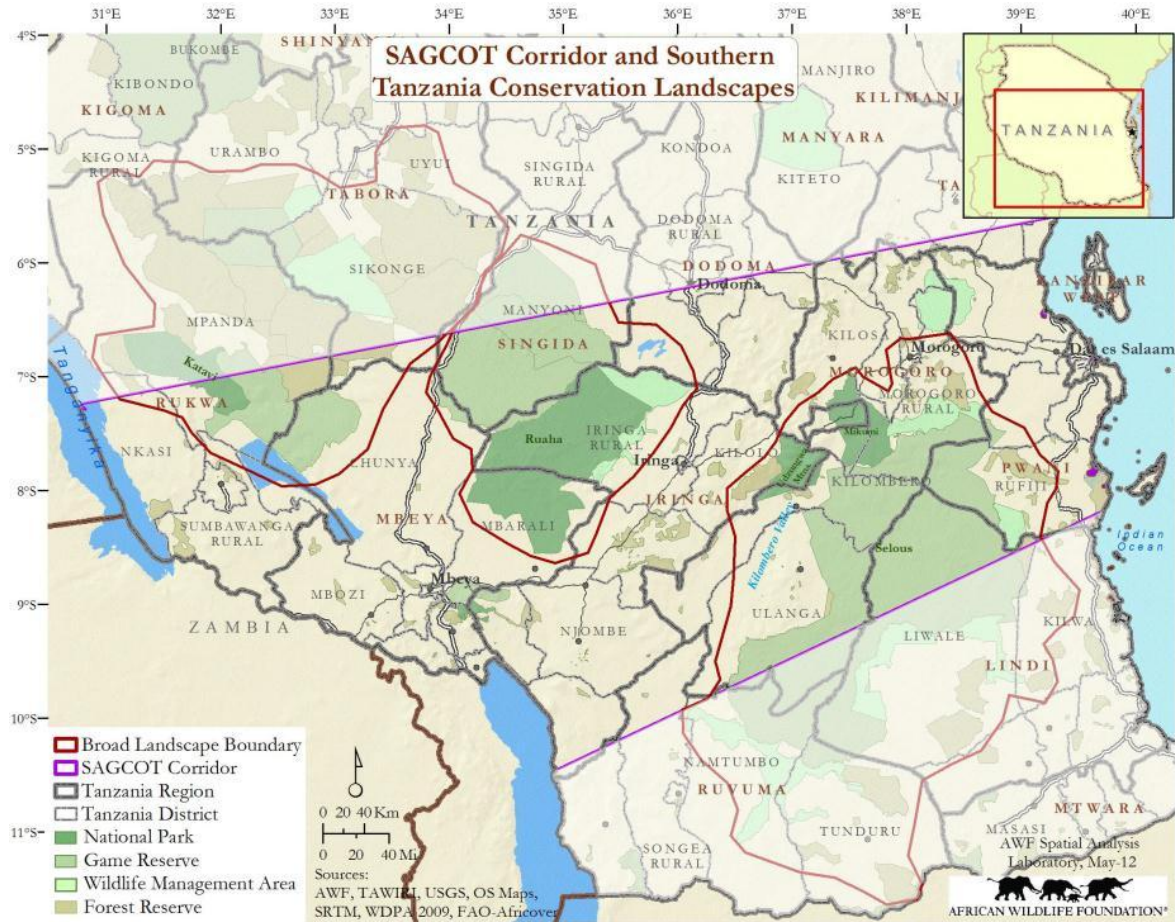
(3) http://www.wcstanzania.org/wild_dog.htm

(4) <http://cepf.tfcg.org/easternarc.html>

(5) http://www.udzungwacentre.org/public/burgess_et_al_07_e%20arc%20endemics.pdf

endemic vertebrates of any of the Eastern Arc forest blocks.

Figure 4.2: Conservation Landscapes in the SAGCOT Area



Source: AWF, May 2012

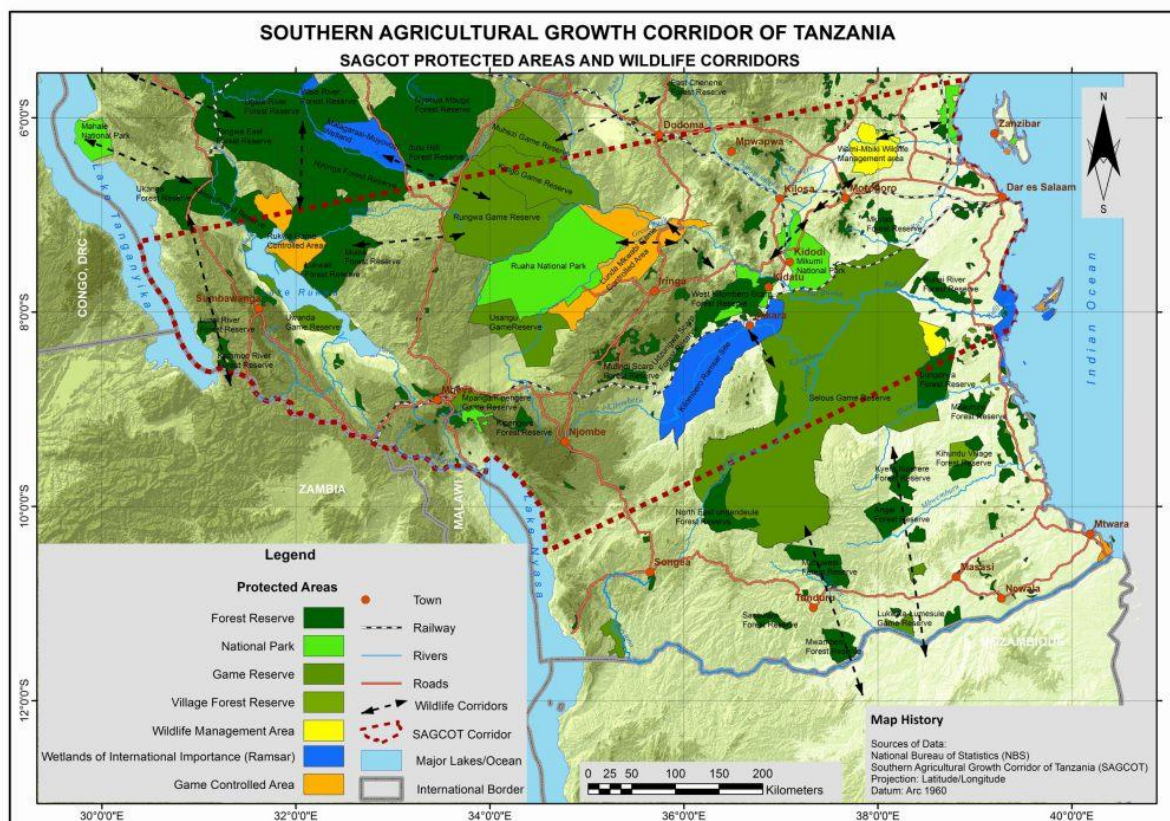
The Rufiji River, the largest in Tanzania, flows through the Ruaha and Selous landscapes and is one of three Tanzanian river systems identified as important centres for freshwater biodiversity (IUCN ⁽¹⁾). The river, which flows 900 km from southwest Tanzania into the Indian Ocean opposite Mafia Island, is used as a migratory corridor by 14 fish species, many of which are of economic importance. The river and its tributaries including the Great Ruaha is a lifeline connecting the Ruaha and Selous landscapes and is the largest river in East Africa. It is also home to Stiegler's Gorge, a canyon of 100 m depth and 100 m width, which is targeted for hydroelectric development.

The Kilombero Valley Floodplain just to the west of Selous Game Reserve is a Ramsar wetland supporting an outstanding variety of rare and endangered plant and mammal species as well as numerous endemic fish and bird species. The ecological values of the Valley have been severely affected by economic activities over the last two decades (infrastructure development, intensive agricultural development, population in-migration including agro-pastoralists and their cattle, forest and woodland degradation, illegal and unsustainable hunting and fishing).

Connectivity in the landscapes described above is particularly important to many of the wide-ranging mammals that are prominent attractions for tourism as well as for the delivery of ecosystem services such as water (see next section) (Figure 4.3). Ecological connectivity is also a fundamentally sound means of enhancing regional resilience to climate change.

(1) http://cmsdata.iucn.org/downloads/eastern_africa_freshwater_factsheet_1.pdf

Figure 4.3: Protected Areas and Wildlife Corridors in SAGCOT



Source: ERM compilation from various sources

Southern Tanzania's human population is steadily increasing with population density expected to increase some 6-10% between 2010 and 2015. Much of the rural population of Tanzania is dependent on extensive agricultural production for their livelihoods, so while the population increases, agriculture spreads, often into areas that once connected core habitats in the landscape. The challenge is how to boost agricultural production without compromising ecological integrity. Part of the answer, as explained above, is to maintain connectivity between the large protected area blocks through community conservation areas such as Wildlife Management Areas and by promoting agricultural systems and practices, which are compatible with wildlife and conserve habitat.

Common threats to all three conservation landscapes include unmanaged fires, poaching, wildlife disease, human-wildlife conflict, uncontrolled grazing and agriculture, including the ecological impacts of pesticides especially on freshwater organisms and also eutrophication due to organic pollutants and fertilizer runoff.

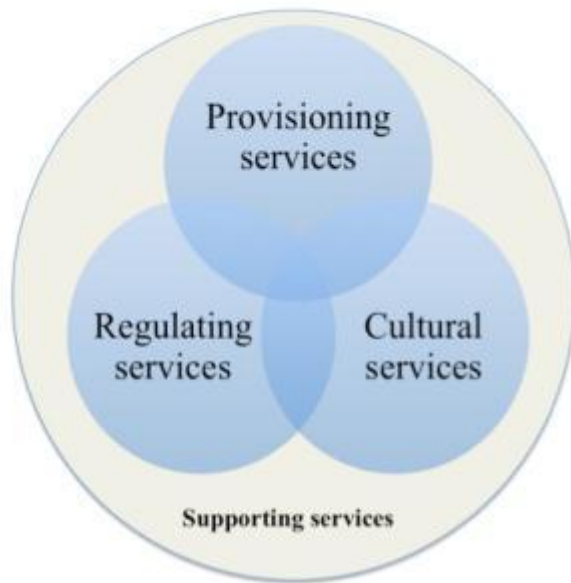
Climate change is increasingly a factor in the landscapes with farmer surveys reporting declines of between 30 and 40% in agricultural productivity in recent years mainly due to decreased and delayed rainfall, declining river flows, and also an increase in temperature. Water shortage is one of the causes for increased human-wildlife conflict related to wildlife leaving the protected areas in search of water during the dry season (START 2011⁽¹⁾).

4.2.3 Ecosystem Services

The natural habitats of the corridor region provide multiple ecosystem services essential for human well-being. These can be categorised into four groups (Figure 4.4):

(1) <http://start.org/download/2012/biodiv/tanzania-externship-report.pdf>

Figure 4.4: Categories of Ecosystem Services



Source: Devisscher 2010, after Millennium Ecosystem Assessment (MEA) 2005

- Provisioning services are services such as the production of water for domestic uses, industry, hydropower and irrigation; grazing and fodder for livestock; wood and non-timber forest products; and the wide variety of goods and services derived from biodiversity.
- Regulating services are services such as water flow regulation and flood protection, biodegradation of wastes, absorption of carbon dioxide, control of disease vectors, and regulation of climate.
- Cultural services include non-material benefits derived from ecosystems such as spiritual enrichment and recreation, and all the heritage values of societies with close cultural connections with particular landscapes and habitats.
- Supporting services are services necessary for production and maintenance of the first three categories of ecosystem services, and include water and nutrient cycling, production of atmospheric oxygen, carbon sequestration, soil formation, and primary production of biomass through plant photosynthesis.

Of particular importance are (i) the forests of the Eastern Arc Mountains - especially Udzungwa, Mahenge - for exceptional biodiversity values, as sources of water essential for downstream agricultural users (for example, sugar in the Kilombero Valley), and for timber and other forest products for the increasing local populations; (ii) the extensive woodland and grassland habitats - partly protected in large protected areas such as the Selous Game Reserve and Ruaha National Park ⁽¹⁾ and increasingly in Wildlife Management Areas - for wildlife and its associated economic benefits through commercial hunting, tourism and local community provisioning; and (iii) the many wetlands in the corridor - the Kilombero Ramsar Site and the Usangu Flats being the most well known and documented - and including all the freshwater and coastal ecosystems including lakes, rivers and deltas for their diverse fish fauna and fisheries, support for wildlife including internationally endangered birds, and of course flood recession agriculture.

The importance of these ecosystem services is well documented (see, e.g., Devisscher 2010), as are the consequences of un-coordinated development (see, e.g., Copolillo *et al.* 2008; Walsh 2012). If not well planned, the SAGCOT programme risks repeating mistakes already made, with potentially serious

(1) Now Africa's largest park after recent expansion to include Usangu Game Reserve.

risks to the sustainability of the benefits generated. Specific risks are (i) to **forests and forest services** due to increased population pressure associated with agricultural land use and economic development; (ii) to **water volumes and quality** from forest degradation, consumptive use of dry season flows and use of agrochemicals; and (iii) to **biodiversity**, through the cutting of migration corridors, habitat degradation and conversion, and increased hunting pressure.

4.2.4 *Infrastructure*

From a geographical perspective the development of Tanzania's infrastructure backbone has followed the spatial patterns of population and agricultural growth along its main transport and development corridors. The following sections provide an overview of the current situation for some of the key sectors relating to SAGCOT ⁽¹⁾.

(a) Ports

Dar es Salaam Port is managed by the Tanzania Ports Authority (TPA) which despite operating a number of concessions in its container business continues to act as both a landlord and service provider. The port is currently handling about 9 million tons of freight annually (compared to about 19 million tons in Mombasa). Import of bulk grains (mainly wheat, which is milled in Dar es Salaam) accounts for approximately 7% of all throughputs, and import of fertilizers about 4%. There are no bulk exports of agricultural products, though some cash crops are exported in containers.

Despite its relatively high productivity, Dar es Salaam Port suffers from significant capacity constraints and congestion following double-digit growth in the container sector during the last decade. Its demand to capacity ratio is 140% in the container sector (demand of 350,000 TEU/year and capacity of 250,000 TEU/year) and 93% in the general cargo sector (demand of 3.8 million tons/year and capacity of 4.1 million tons/year). These are the highest ratios in Africa after Mombasa. In general, port services are slow, complex and beset with numerous problems that increase the delivery period and add to the already high cost of transport in the region.

Another important problem adding to transport costs is the growing traffic congestion in Dar es Salaam. Trucks can take up to a full day to get access to the port through Morogoro road, Ubungo junction and Nelson Mandela Road. Proposed flyovers at the Ubungo and Tazara junctions may help this situation, but are only at planning stage.

(b) Roads

There are essentially two types of roads in Tanzania: the national road system consisting of trunk and regional roads managed by TANROADS, an executive agency of the Ministry of Works; and Local Government Roads (LGR) which are owned and managed by Local Government Authorities (LGA) consisting of district, feeder and urban roads. The trunk road network provides regional and national connectivity, linking the capital to the coast, international border crossings, and the internal provincial capitals.

Both paved and unpaved roads in Tanzania are in relatively good condition (as of 2006, about 95% of the paved network and 69% of the unpaved network were in good condition, compared to an average of 79% and 58% respectively for middle-income African countries). For SAGCOT the key road is the TANZAM highway which runs for 1,002 km from Dar es Salaam to Tunduma on the border with Zambia. An estimated 10 million tons of freight is being transported annually along the road at present, which is assessed to be in good to fair condition. Rural accessibility remains an issue throughout Tanzania, with only 24% of the rural population living within two km of an all-weather road.

An issue of relevance to SAGCOT is the frequent roadblocks on truck routes in Tanzania. A study carried out by the Centre for Economic Prosperity shows that on average a truck gets stopped six times on the road from Dar es Salaam to Mbeya, needs to pay a total bribe of about Tsh 7000, and can

(1) The description is based primarily upon research and findings presented in the following two reports: (i) Tanzania's Infrastructure: A Continental Perspective, World Bank Policy Research Paper 5962 (M. Shkaratan, February 2012); (ii) SAGCOT Cluster Infrastructure Planning Report (D. Schelling, September 2011).

lose about half an hour of time on each occasion it is stopped.

The overall plan for the strengthening of the Tanzanian transport sector is the Transport Sector Investment Plan (TSIP). Phase one covers 2007/08 to 2011/12, during which time the plan was to invest US\$6.2 billion, of which 69% was for roads, 15% for railways, 7% for ports, 5% for airports and the balance for institutional support and cross cutting issues. Actual expenditure over this period is estimated to have been about half the planned amount.

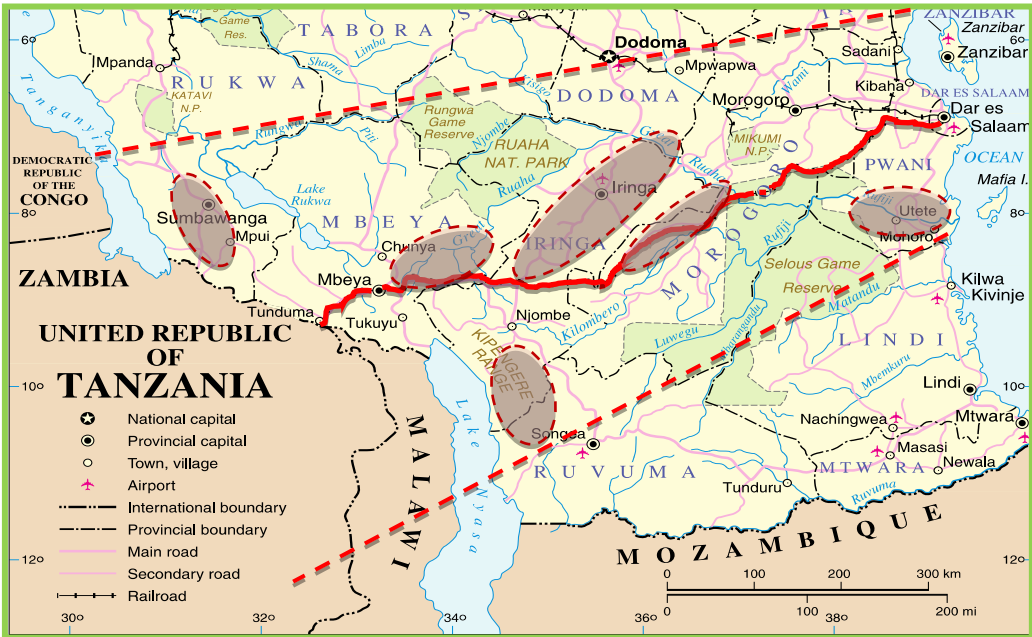
(c) Rail

Tanzania’s major rail corridors are: the northeast corridor connecting Sudan-Ethiopia-Kenya-Tanzania-Uganda; the east-west corridor connecting Tanzania-Rwanda-Democratic Republic of Congo, Kigoma-Burundi; and the east-south corridor connecting Tanzania-Zambia-Zimbabwe-Mozambique-South Africa.

The Tanzania Railways Corporation (TRC) concession was awarded to India's RITES in September 2007 for a period of 25 years, giving the concessionaire a 51% stake in the company. However, labour conflicts and financial problems quickly led to operational and financial performance indicators falling below pre-concession level, and subsequently to termination of the contract.

For SAGCOT, the key line is the TAZARA railway which was built with Chinese assistance in the 1970s and is the only more or less frequently operating line. It runs south of the TANZAM highway through the Kilombero valley until Makambako from where it largely follows the highway (*Figure 4.5*). It connects Dar es Salaam port with Kapiri Mposhi in Zambia and was built to ensure supplies to Zambia and allow for the export of its copper when South Africa was under an international embargo due to apartheid. Despite a capacity of up to 10 million tons of freight annually, it currently transports only about 0.5 million tons per year, which is about 5% of the total freight in the corridor.

Figure 4.5: TAZARA and the SAGCOT Clusters



Source: SAGCOT Partnership Generation Programme presentation, 2012

It is generally recognized that for the TAZARA to become more effective and able to compete with road transport it needs to be commercialised through private sector involvement. Though this is recognized by the owning governments - Tanzania, Zambia and China (which is the de-facto owner, since the loan has never been paid back) - little progress has been made up to now. The railway plays a very modest role in the transport of agricultural and other commodities (the current freight consists mainly of export copper from Zambia). A case for revitalising TAZARA has been prepared as part of the SAGCOT Partnership Generation Programme (PGP).

(d) Air Transport

Tanzania has the fourth-largest air transport domestic market in Sub-Saharan Africa, in part due to its substantial tourist industry. The main airport is Dar es Salaam, which is operating at the margins of its design capacity. There are currently constraints in terminal capacity and airside infrastructure, such as taxiways and aprons. In 2007, passenger traffic at the airport was estimated to be 1.2 million passengers, compared with a terminal capacity of 1.5 million passengers. Runways, aprons, and taxiways have been completely revamped in recent years and are now of an international standard; however, the main terminal will soon become a constraint. The government is evaluating options for increasing air traffic handling capacity at the airport.

(e) Power

At the national level, Tanzania's hydropower potential is estimated at 4.7 GW (3.2 GW is firm capacity), of which 561 MW has been so far developed. Coal reserves are estimated at about 1,200 million tons, of which 304 million tons are proven.

Natural gas is estimated at 45 billion cubic metres of proven reserves. However, Tanzania's power supply sector remains vulnerable to hydrological conditions, and the pressing need to expand and diversify generation capacity. A major drought in the mid-2000s caused a major supply crisis. Power supply and electricity access in Tanzania remain extremely low in absolute terms. Both installed generation capacity and power consumption in Tanzania are comparable, if not slightly worse, than the benchmark for low-income African countries.

Following a review of the National Energy Policy in 2003, the New Electricity Act was passed by the President in 2008 and is intended to have a pivotal role to attract substantial private sector participation in the development of the power sector. In addition, the Energy and Water Utilities Regulatory Authority (EWURA) became operational in 2006 with the role of ensuring regulatory oversight to promote private sector investment in the energy sector. The Rural Energy Agency (REA) also became operational in 2007 for the furtherance of rural electrification programs across Tanzania by means of the Rural Energy Fund (REF) (biomass-based fuels (wood, charcoal) still account for more than 90% of energy use across the country). The REA, with funding from government and support from development partners, is currently implementing a Tsh 100 billion rural electrification program in 16 regions. Additionally, private sector is investing in various small-scale renewable power systems. Both on-grid and off-grid solutions are being sought

From the SAGCOT perspective, the existing power supply system in the corridor consists of two 220 kV lines between Dar es Salaam and Iringa, and a single 220 kV line between Iringa and Mbeya. From Iringa a link line of 220 kV connects to the north of the country. Several 33 kV lines connect areas adjacent to the corridor. The major hydropower stations of the country are situated in the corridor, these being Kidatu (installed capacity 204 MW), Mtera (installed capacity 80 MW) and Kihansi (installed capacity 180 MW).

4.2.5 Agriculture

While Tanzania's overall economic growth trajectory has been in line with the national poverty reduction strategy, the agricultural sector has only grown at an annual rate of about 4 to 5% in the last 10-15 years (in 2010 it was 4.2%). The sector nevertheless is key to the country's growth and poverty reduction prospects, providing a quarter of national GDP and accounting for 75% of rural household income. The contribution of agriculture to GDP was 24.1% in 2010, compared to 24.6% in 2009. In the southern corridor (Rufiji Basin), agriculture contributes more than 75% to rural household income, with crop production more important than animal husbandry.

Farming Systems

Table 4.2 summarises the principal farming systems in the Rufiji Basin. Maize production dominates (it accounts for 75% of all cereals produced in Tanzania) although the southern corridor is also an important rice producing area, especially the Rufiji's alluvial plains (Usangu flats, Kilombero Valley and lower Rufiji flood plain and delta).

Table 4.2: Farming Systems in the Rufiji Basin

Farming system	Location	Characteristics
Banana/coffee horticulture	Outside Rufiji Basin	-
Maize/legume	Occurs widely in the basin, especially the parts of the basin within Iringa, Morogoro, Mbeya and Rukwa regions	<ul style="list-style-type: none"> • Maize and legumes (beans, peas, groundnuts etc) sometimes intercropped with Arabica coffee • Land is abundant • Shifting cultivation
Cashew/coconut/cassava	In the coastal parts of the basin – Rufiji, Liwalo and Kilwa districts	<ul style="list-style-type: none"> • Land is not scarce • Shifting cultivation • Low rainfall • Low soil fertility
Rice/sugarcane	In alluvial river valleys, especially Kilombero Valley	<ul style="list-style-type: none"> • Maize commonly grown alongside rice and sugarcane • Reliable rainfall • Fertile clay soils and alluvial fans • Many large scale / commercial farms
Sorghum/bulrush millet/livestock	Outside Rufiji Basin	-
Tea/maize/pyrethrum	In Njombo and Mufindi districts	<ul style="list-style-type: none"> • Tea, maize, Irish potatoes, beans, wheat, pyrethrum, wattle trees and sunflower • Highlands • Reliable rains • Moderately fertile soils • Dairy cattle kept
Cotton/maize	Sikongo, Manyoni, Chunya, Mbarali, Kilosa, Morogoro Rural and Rufiji districts	<ul style="list-style-type: none"> • Cotton, sweet potatoes, maize, sorghum and groundnuts • Intensive cultivation • Livestock is kept
Horticulture	Iringa Rural and Morogoro Rural districts	<ul style="list-style-type: none"> • Vegetables (cabbages, tomatoes, paprika, cauliflower, lettuce, onions and local) and fruits (apples, plums, pears, passion fruits and avocado) • Maize, coffee, Irish potatoes, tea and beans are also grown in these areas
Wet-rice and irrigated system	In river valleys and alluvial plains, particularly the Kilombero, Ulanga, Usangu and Lower Rufiji plains	<ul style="list-style-type: none"> • Rice, vegetables and maize grown in small and large commercial farms
Pastoralists and Agro-pastoralists	In semi-arid parts of the basin – Mpwapwa, Dodoma Rural, Manyoni, Sikongo, Chunya and Mbarali districts	<ul style="list-style-type: none"> • Low and unreliable rain • Limited resource base • Traditional pastoral systems with strong attachment to livestock and simple cropping system • Shifting cultivation of millet • Moderate to low population density

Source: WREM Int. 2012, Vol. I, p23

Approximately 95% of the 2.1 million ha that are under crop production in the southern corridor is farmed by small-holders using traditional rain-fed methods, primarily for subsistence farming. In general, agricultural yields are low, with grain and pulse yields averaging less than one and a half t/ha. Despite its huge potential there is currently very limited large scale irrigated farming in the southern corridor. Of the 7.5 million ha of arable land, less than 2% is farmed under irrigation (these being mainly public irrigation schemes for smallholder rice production).

The low agricultural productivity mainly results from the limited use of quality inputs, including water, seeds and fertilizers, a lack of mechanization (often originating from a lack of access to credit), a lack of information on farming techniques and market intelligence, and low value addition/ agro-

processing. Further constraints include ⁽¹⁾ :

- low farm gate prices;
- high post-harvest losses;
- poor connectivity between agricultural villages and markets (feeder roads)
- high disease and pest prevalence; and
- prohibitive agrochemical costs.

Extension services

Tanzanian farmers' skills and knowledge of improved farming techniques are low. The Tanzanian government has tried to improve this situation since independence by a variety of approaches, but with limited success. The extension services are constrained by low numbers of extension officers per district and limited budgets.

Livestock

Livestock rearing is very important in the Rufiji Basin, with most crop-producing households also keeping livestock (primarily cattle). Only about 1% of agricultural households are considered to be 'livestock only' or 'pastoralist'. Livestock rearing is not evenly distributed within the basin, and tsetse fly infestation is partly responsible for restricting livestock rearing to the drier areas. The Sukuma, Maasai and Barabaig keep the largest cattle herds. Pastoralism is discussed further in Section 2.2.7.

Fishing

The traditional inhabitants of the Rufiji floodplains and delta (the Nderegereko and Nyangatwa) are widely engaged in fishery activities. In the Kilombero district fishing is ranked second to agriculture in economic importance. The fish caught (around 120 t annually) is consumed locally with very little surplus being sold to neighbouring regions, as it is considered an important supplemental protein source.

4.2.6 Pastoralism

Livestock accounts for about 30% of the total agricultural GDP in Tanzania and is traditionally a crucial component of people's livelihoods. There are an estimated 18 million head of cattle in Tanzania, making it the third largest population in Sub-Saharan Africa after Ethiopia and Sudan. The number of livestock is also on the increase, with cattle numbers rising by 16% between 2000 and 2005, and goats by 30%, pigs by 64% and chickens by 10% during the same timeframe ⁽²⁾ .

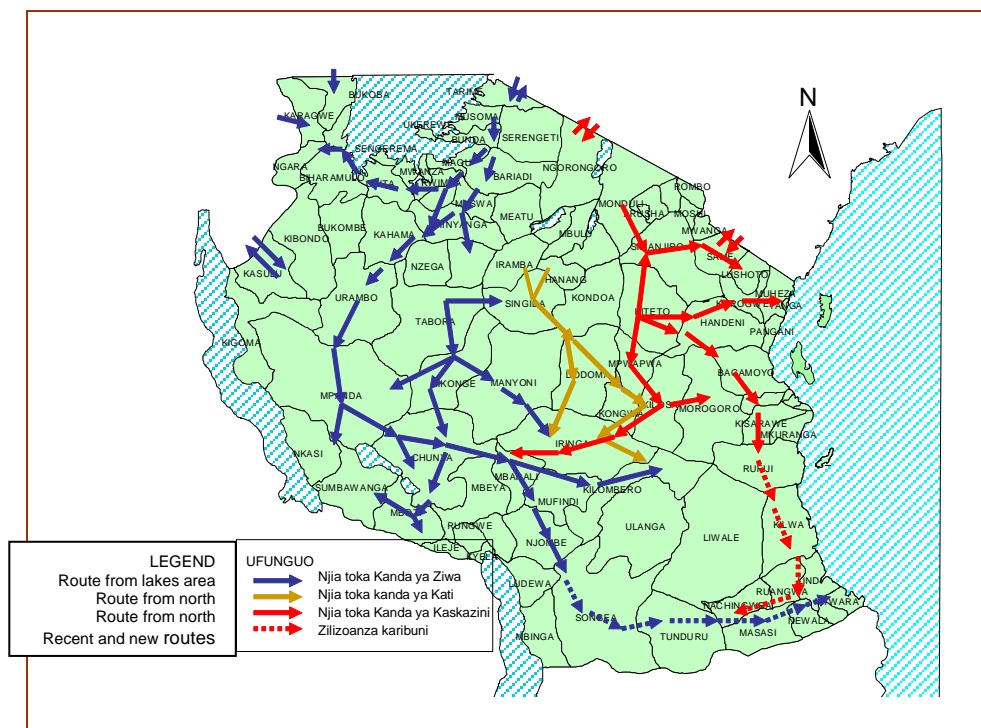
Around 90% of all domestic livestock are traditional indigenous species. While they may have limited potential for commercial meat and milk production, their characteristics represent adaptations to the environment. Historically cattle cultures have been located in the seasonally dry grasslands of northern Tanzania where indigenous pastoralist groups such as the Maasai, Barabaig, and to a lesser extent, the Sukuma and Gogo, moved their herds throughout the year to optimize the use of available grazing.

In recent decades a combination of active government relocation programmes and reduced availability of rangeland associated with a variety of government policies, development schemes, the commercialisation of agriculture and establishment of large protected areas has resulted in a movement of cattle-owning groups to the centre and south of Tanzania. This large scale movement (Figure 4.6) has been accompanied by significant resource degradation and pastoralist-farmer conflicts, for example in the Mkata Plains north of Mikumi National Park.

(1) WREM Int. 2012

(2) Presentation by Joseph P. Hella, Sokoine University Morogoro (undated)

Figure 4.6: Pastoralist Migrations



Source: Hella (undated)

The various pastoralist groups have different cultures with respect to natural resources, to sedentary life and to crop farming - the Barabaig and Maasai are pure pastoralists, the Wasukuma are agro-pastoralists who may settle in an area and take up cultivation as well as herding. As a cultural and economic group the Wasukuma are now a major feature of life in the Kilombero Valley.

4.2.7 Socio-economic Context

Population

The Corridor is home to an estimated 11.1 million people ⁽¹⁾, which will increase to an estimated 16 million by 2025 (adjusted projection based on the 2002 census) ⁽²⁾. The male:female ratio is 94:100. Iringa and Morogoro are the largest urban centres in the corridor, with a population of roughly 112,500 and 206,000 respectively (both are university towns). Most people live in rural areas and population density is low. Agriculture is the most important economic sector in the area and is the primary livelihood activity for most inhabitants.

Reports on the Rufiji Basin ⁽³⁾ provide useful indicative statistics for the corridor as a whole: the mean population density in the Basin (excluding Iringa) is 32.6 persons/km². This is not equally distributed - large areas are relatively uninhabited as a result of the topography, remoteness and poor infrastructure, protected areas, and the presence of tsetse fly⁴. Population density is higher in the Great Ruaha sub-basin than in the Kilombero, Luwegu and Lower Rufiji sub-basins. District populations are listed in *Figure 4.3*.

(1) URT, Tanzania Population Projections (1989-2025)

(2) Pwani, Morogoro, Iringa and Mbeya regions entirely, Dodoma and Rukwa regions counted only half the population projections, as only half of these regions is in the corridor

(3) WREM Int. 2012

⁴ WREM Int. 2012

Table 4.3: District Populations in the Rufiji Basin

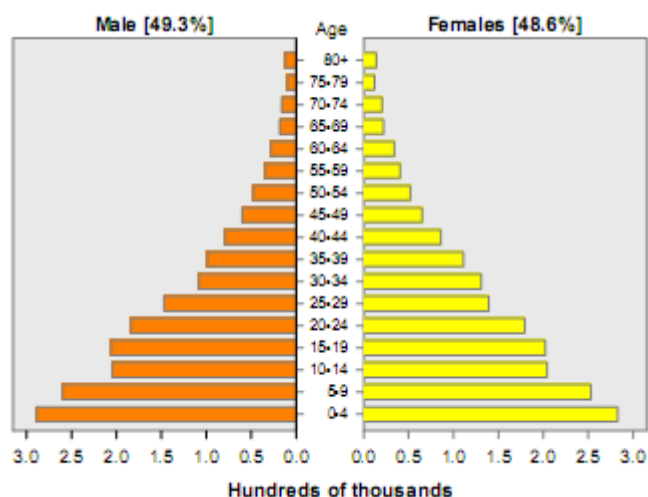
Region	District	Population			Population Density		Avg. annual Growth Rate (%)	Urban Popn (%)	Sex Ratio
		1988	2002	2012 (proj.)	2002	2012 (proj.)			
Iringa	Iringa Rural	362,137	245,033	277,937	12.0	14.0	1.3	2.9	0.95
	Mufindi	229,259	282,071	330,653	46.0	50.0	1.5	12.1	0.89
	Makete	102,614	105,775	122,105	33.0	34.0	0.2	6.9	0.84
	Njombe	313,991	419,115	508,657	42.0	48.0	2.1	18.4	0.87
	Iringa Urban	84,860	106,371	164,415	665.0	775.0	1.6	93.8	0.88
	Kilolo	156,987	204,372	233,727	30.0	34.0	1.9	8.3	0.95
Lindi	Liwale	52,240	75,128	92,680			2.6		0.95
	Kilwa	150,419	171,057	186,506	12.8	14.0	0.9		0.93
Mbeya	Chunya	164,493	205,915	280,774	7.0	9.6	1.6	9.0	1.01
	Mbeya Rural	179,900	254,069	344,175	13.3	18.0	2.5	14.0	0.88
	Mbarali	153,182	234,101	318,748	14.6	19.9	3.0	16.0	0.96
Morogoro	Kilosa	346,575	488,191	612,896	34.3	43.1	2.4	23.2	0.99
	Kilombero	187,608	321,611	407,755	23.7	30.0	3.9	28.2	1.02
	Ulanga	138,658	193,280	238,415	8.2	10.1	2.4	12.9	0.98
	Morogoro Rural	225,857	263,012	308,882	22.5	26.4	1.1	3.0	0.96
Pwani	Kisarawe	78,290	95,323	118,409	21.4	26.5	1.4		1.02
	Rufiji	152,316	202,001	247,414	15.1	18.5	1.9		0.94
	Mafia	33,054	40,557	49,818	78.3	96.2	1.5		1.03
Dodoma	Bahi	352,898	438,866	530,870			1.6		0.90
	Chamwino								
	Mpwapwa	176,051	253,602	323,947	33.9	43.3	2.6		0.94
Ruvuma	Tunduru	170,320	247,055	315,051			2.7		0.95
	Songea Rural	115,634	156,930	203,219			2.2		0.96
	Namtumbo	137,038	175,051	222,652			1.7		0.96
Singida	Manyoni	135,390	204,482	278,076			2.9		0.95
Tabora	Sikonge	78,633	132,733	186,459			3.7		99

Source: WREM Int., 2012

Analysis of the Rufiji Basin as a whole shows a high birth rate and low life expectancy (Figure 4.7) which corresponds to the national average for Tanzania. The median age in Tanzania in 2011 was estimated at 18.5 years (50% of the population are 18.5 years or younger) ⁽¹⁾, implying high youth dependency on a limited adult workforce.

(1) CIA World Fact Book

Figure 4.7: 2012 Population Pyramid for Rufiji Basin



Source: WREM Int. 2012

Ethnicity

The Tanzanian population consists of more than 120 different ethnic groups with many languages. The main ethnic groups in the six SAGCOT crop clusters are listed in *Table 4.4*, but many more are present within the corridor as a whole. The agro-pastoralist Sukuma tribe are the largest ethnic group. Originally from the Mwanza region, they can now be found all over the country. Certain parts of the SAGCOT corridor including the Kilombero Valley have experienced a large influx of Wasukuma and also Maasai (semi-nomadic pure pastoralists) in recent years. The Barabaig, a pure pastoralist ethnic group, recognised under World Bank OP 4.10 as an indigenous people, can be found in several parts of the SAGCOT corridor.

Table 4.4: Overview of Main Ethnic Groups in the SAGCOT Clusters

SAGCOT Clusters	Region	Ethnic groups
Kilombero	Morogoro	Ndamba, Bena, Mbunga Recent in-migration: Maasai, Sukuma, Barabaig
Sumbawanga	Rukwa	Fipa
Ihemi	Iringa	Hehe
Mbarali	Mbeya	Sangu, Hehe, Bena (main); also Sukuma, Barabaig, Maasai
Ludewa	Iringa	Pangwa, Kisi, Manda
Rufiji	Pwani	Ndengereko

Livelihoods

Livelihoods is a term used to describe the strategies people adopt to 'make ends meet' (the options available to them for producing food, cash crops and livestock; securing a cash income and making best use of the markets), what resources they might draw on should they wish to improve their well-being, and on which they may depend in the face of misfortune. People's livelihood strategies, and how they respond to difficulties, are closely linked to tradition, culture and the physical and institutional environment. In rural areas livelihoods are primarily based on the production of food and cash crops, but livestock are also important. Pastoralists and crop farmers have different measures of what constitute poor rains and what constitutes a drought, and they have different responses to these hazards. Consequently regional and local agro-ecology dominates livelihood patterns in the SAGCOT. Issues such as isolation from roads and markets, proximity to large cities, irrigated

plantations, or mining operations that offer substantial casual employment, local culture and government policy also influence livelihoods.

Livelihood Capital

The resources people draw on for their livelihoods are often described as 'assets'. In livelihood analysis, assets are divided into human capital, social capital, natural capital, physical capital and financial capital (**Box 2**). The diversity of and access to these assets describes a person's or household's level of vulnerability, i.e. their ability to adapt to change, and resilience to negative events. Analyzing the livelihoods of smallholder farmers in the corridor will be essential to understanding their ability to mobilize and manage their assets and entitlements in times of change. Particularly vulnerable populations in SAGCOT include women headed households, the elderly, the disabled and the landless.

Box 2: Forms of Livelihood Capital

- **Human capital:** skills, knowledge/education, health and ability to work
- **Social capital:** social resources, including informal networks, membership of formalised groups and relationships of trust that facilitate co-operation
- **Natural capital:** natural resources such as land, soil, water, forests and fisheries
- **Physical capital:** basic infrastructure, such as roads, water & sanitation, schools, ICT; and producer goods, including tools and equipment
- **Financial capital:** financial resources including savings, credit, and income from employment, trade and remittances

Source: www.Eldis.org

Human capital: human capital covers investments in education, health and the nutrition of individuals. Labour is a critical asset linked to investments in human capital; health status determines people's capacity to work, and skill and education determine the returns from their labour. Most economic activities in the Rufiji Basin are unskilled in terms of the modern economy, but many incorporate high levels of traditional ecological knowledge.

Agriculture is the leading economic activity in the Rufiji Basin, employing between 53% and 93% of the population ⁽¹⁾. Employment is also generated through miscellaneous businesses and occupations such as street vending, crafts, charcoal burning, mining, transportation, etc. Almost all occupations are directly or indirectly based on the use and exploitation of natural resources. Fishing and livestock husbandry are important in some districts including as Rufiji, Mafia and Liwale (fishing) and Chunya, Mbarali, Sikonge and Manyoni (livestock) ⁽²⁾.

According to the 2002 Agricultural Census, agricultural households ranked annual crop farming as their most important source of income, followed by off-farm income (e.g. permanent employment, working on other farmer's farm, temporary employment), tree/forest resources, livestock, permanent crops, remittances and fishing/ hunting.

Literacy levels are moderate in the Rufiji Basin: the 2002 Population and Housing Census reported rates ranging from 44% to 87% in the various districts, with a mean of 60%. Education levels are generally low: only 50%-70% of men and women aged 15-49 in the corridor had completed primary education, with men scoring only slightly higher than women. Completion of secondary education is also low but varies more by region: 4% of women and 16% of men in Rukwa region completed secondary school (lowest) compared with 18% of women and 28% of men in Iringa (highest). Primary education is obligatory and attendance is nearly equal for boys and girls, but for secondary education attendance is generally higher for boys. Morogoro is an exception with girls outnumbering boys 1.2:1.

(1) WREM Int. 2012

(2) WREM Int. 2012

Health services are provided by public dispensaries, health centres, clinics and hospitals operated by regional administrations, districts and municipalities, a system supplemented by mission hospitals and clinics. Over the years, there has been an increase in the number of health facilities in the Rufiji Basin. This change has been modest for districts in regions such as Morogoro and Pwani, but significant for districts in Iringa region. In many of the districts, the change has not been sufficient to cope with the increase in population, resulting in an increase in the population per bed ratio ⁽¹⁾. The number of doctors per head of population is very low; for example, from 2000 to 2006 in Morogoro region there was only one doctor per 45,185 persons.

Health and nutrition status in the corridor is poor, with 30% to 50% of children showing signs of stunting (height for age, the indicator for long term poor nutrition), depending on the region. The 2010 Tanzania Demographic and Health Study (TDHS) reported that nearly 50% of rural populations only eat two meals per day. The large majority of rural populations cannot afford to eat meat on a regular basis. A 2009/10 comprehensive food security and vulnerability analysis by the WFP indicated that between 80% and 90% of Tanzanian households had experienced income and/or food loss during droughts. Droughts are shock most often reported by households in rural Tanzania: between 85% and 100% of regions in the corridor had experienced a drought in the last year, and at least one drought in the last 5 years. Morogoro and Mbeya have experienced more droughts than other regions in the corridor, while Ruvuma is least vulnerable to droughts ⁽²⁾.

Malaria is the leading cause of morbidity and mortality in all districts in the Basin.

HIV prevalence in Tanzania is 5.7%, with the three worst-affected districts being in the corridor: Iringa (16%), and Dar es Salaam and Morogoro (9% each). HIV prevalence is higher among women than men in both urban and rural areas, and urban residents are almost twice as likely as rural residents to be HIV positive.

Less than 10% of rural households have an improved toilet or latrine, the large majority using a pit latrine without a slab or an open pit. More than 15% have no facility at all ⁽³⁾. There are no specific cultural sensitivities with regard to sanitation in the Rufiji Basin, with an exception of the Maasai. The main sources of drinking water in rural areas (shallow wells and springs) are vulnerable to faecal contamination if poorly constructed. The high prevalence of sanitation-related diseases also suggests poor hygiene in homes ⁽⁴⁾.

Social capital: community-level social relations are of great importance in Tanzania. Inclusion in community groups such as churches, mosques, the village burial society, women's groups or a political party are important measures of social inclusion. Generally the higher the level of inclusion in community social networks, the better a person's livelihood outcomes are ⁽⁵⁾. Research has shown that purely economic associations such as cooperatives and rotating credit groups are considered much less important. Communities' links to the outside, such as district or regional level, are often weaker, as are relations with private sector actors. There are relatively few farmer associations in Tanzania, and formal representation of farmers in wider fora is limited.

Social relations between newcomers and rural populations are often complicated, especially where the new populations are pastoralists. In-migration by livestock-herders into some areas (e.g. Kilosa and Kilombero, Morogoro Region) have had adverse impacts on social relations in these areas, and resulted in conflicts over resource use (land, water, grazing) between the newcomers and the local population.

Natural capital : water is one of the most important natural resources for rural populations. Less than 50% of rural households in the corridor have an improved source of drinking water. Roughly half of rural water supplies are unprotected wells, while the other half comes from surface water. For 50% of

(1) WREM Int. 2012

(2) WFP 2010

(3) URT - TDHS 2010

(4) WREM Int. 2012

(5) Narayan and Pritchett, World Bank.

the rural population in the corridor the time to obtain drinking water (round trip) is more than 30 minutes ⁽¹⁾.

Despite the low population density there is high pressure on some key natural resources, particularly forests (and associated wildlife) and wetlands. Unsustainable harvesting practices (whether for bushmeat, fish or rare timber), water diversion for dry season irrigation, expansion of cropland, the incursion of agro-pastoralists, urban demands for charcoal and the demands of increasing populations squeezed between protected areas and commodity crops for fuelwood are all affecting natural capital.

In districts with surplus food production in the Rufiji Basin, surplus produce is sold to neighbouring regions and constitutes an important income source for the rural communities. In 2004/2005 the Iringa region produced about 380,000 surplus tons of starch foods.

Physical capital: the majority of Tanzanian smallholder farmers use traditional, labour intensive farming techniques, and almost all farms are rainfed with little or no mechanisation. Smallholder farmers' access to and use of inputs such as improved seeds and fertilizer is low, and there are few agro-processing facilities in rural areas. As a result production is low and post-harvest losses are high. Practices such shifting cultivation and the use of seasonal fire are widely practiced.

Recent increases in crop production have come more from crop area expansion (involving deforestation) than from higher yields. Similarly, livestock numbers have increased, though there has been no broad-based increase in productivity.

Poor infrastructure, especially very limited feeder road networks, makes it difficult and expensive for smallholder farmers to access markets. At the same time, the low volumes of production and dispersed nature of farming make it economically difficult to install infrastructure. Fewer than 5% of rural households have electricity and only 2.7% of households in the Rufiji Basin (mainly in urban areas and trading centres) use electricity for lighting, the majority depending on wick lamps and hurricane lamps ⁽²⁾.

Communication infrastructure has greatly improved in the last decade, with high penetration of mobile phone service and phone ownership in rural areas. Internet access and use remains very limited, but shortwave and FM radio is a popular medium.

Financial capital: access to credit is very limited in the agriculture sector in Tanzania. Formal micro-credit institutions are often based in the larger towns and not easily accessible for smallholders. The requirement of a first time deposit to become a member, and/or the need for collateral make it difficult, especially for women, to access micro-credit in general.

In many communities village community banks (VICOBAs) or savings and credit cooperative (SACCOs) have been established. Members can take short-term loans at low interest rates, after paying a weekly or monthly contribution or by paying a membership fee up front. These kinds of savings structures are considered an invaluable safeguard against unexpected illness, accident or family death.

Livestock are generally considered as savings. The more cattle, the wealthier a pastoralist/livestock keeper is considered to be. Many farmers will invest in livestock if they have increased their income.

4.2.8 Gender

Approximately 98% of Tanzanian rural women classified as economically active are engaged in agriculture. Women farmers are also often casual labourers and unpaid family workers in both commercial and subsistence agriculture, including livestock and fishing.

(1) URT - TDHS 2010

(2) WREM Int. 2012

Division of labour

Cultural practices vary greatly between the many different tribes in Tanzania, but with some common traits: in general women have primary responsibility for (i) domestic work including food preparation, fetching water, finding and fetching fuelwood, and child care, (ii) subsistence agriculture, especially most of the weeding, harvesting, processing and storage activities relating to food crop production. Men and women participate fairly equally in site clearance, land preparation, sowing and planting, but overall women spend more hours per day than men in both productive and reproductive activities ⁽¹⁾.

Access to and control over resources and household level decision-making

Rural women in general have less access to and control over economic and productive resources such as inputs (improved seeds, fertilizer, pesticides), credit and extension services, as well as land and water, than men. Women's participation in decision-making processes that affect them is often low at all levels. Many laws and customary practices are discriminatory against women. Moreover, men have more access to and control over agricultural income (a consideration in relation to compensation for lost property such as farmland). Women tend to be dependent on their own non-farm activities for income. Women usually have less access to medical care than men and continue to be more likely than men to be poor and illiterate and to be subject to gender-based violence. Some cultural groups, especially pastoralists, maintain extreme forms of gender inequality.

Land tenure

Customary practices that restrict a woman's property rights are still widespread, but steps are being taken to improve the relevant legislation. The 1999 Land Act gives Tanzanian women the right to obtain access to land, including the right to own, use and sell it, and mandates joint titling of land. The Village Land Act requires women to be represented on land allocation committees and land administration councils ⁽²⁾. Nevertheless, the National Land Policy (1995) stipulates that inheritance of clan (tribal) land would continue to be governed by custom and tradition provided it is not contrary to the Constitution.

In most patrilineal communities (80% of ethnic groups) men control land and women are sometimes allocated small plots for subsistence farming. Men are generally considered to be the natural heads of household and rightful heirs to clan land, but inheritance customs vary for different groups. In general, in patrilineal communities, widows are entrusted with the land they cultivate or on which they live only until their children become adults or until they re-marry. In all tribes the role of the clan council or council of elders in handling inheritance issues is strong. Members of both customary and statutory institutions that adjudicate land disputes mainly tend to be men; women are under-represented ⁽³⁾.

Local decision-making and women's representation

The law ensures women's participation in local government bodies: one third of the members of each District Council and one quarter of the members of each Township Authority and Village Council have to be women. However, women's participation in traditional structures is limited.

The SAGCOT programme is unlikely to benefit men and women smallholder farmers equally without an effective plan to ensure gender analysis of local projects and situations, especially concerning access to and control over assets and resources and how changes in these would affect men and women differently. Gender equality must also be ensured in all consultation mechanisms and processes.

4.2.9 Sustainability

The SAGCOT Programme is a key component of Tanzania's *Kilimo Kwanza* (Agriculture First) initiative. As part of Tanzania's "Green Revolution" (TNBC 2009), SAGCOT activities should

(1) FAO: Women, agriculture and rural development

(2) OECD: Social Institutions and Gender Index

(3) FAO: Gender and Land Rights database

contribute to sustainability rather than undermining it. To this end, the SAGCOT Centre is preparing a Green Investment framework document. The document will be centred on the concept of "Agricultural Green Growth" (AGG), i.e. agricultural investments and practices that are economically, socially and environmental sustainable. As stated by the Green Growth consultants, EcoAgriculture Partners:

"Agriculture Green Growth (AGG) includes agricultural production, processing, distribution, and marketing that is productive and profitable while also protecting and restoring the environment. AGG uses energy, water and other inputs efficiently; manages local ecosystems to increase farm productivity; and helps farmers prepare for and respond to droughts and climate change. AGG in the SAGCOT region is a collaborative process that requires active participation from diverse stakeholders and sectors to make decisions about where and how agriculture should take place to maximize its benefits." (Buck & Milder 2012).

At this stage, key AGG activities are described as falling into four "domains" - crop and livestock systems, ecosystem management, markets and value chains, and democratic governance, planning and coordination (EcoAgriculture Partners 2012). Typical proposed innovations include the System of Rice Intensification (SRI), rainwater harvesting, participatory extension and adaptive research, "community-designed local natural areas", greener agricultural practices (e.g. integrated pest management), preservation of wildlife corridors, links to carbon markets through REDD, shortened value chains, product differentiation, and coordinated land use planning.

If these proposals can all be operationalised and mainstreamed into SAGCOT activities there will be major benefits to the programme's sustainability - economic, social and environmental. Without them there is a high risk of "business as usual" with significant increases in agricultural investment and economic activity coming at the price of significant lost opportunities for enhanced development and the many negative impacts on local communities and natural resources already documented elsewhere in Africa (see, e.g., Anseeuw *et al.* 2011).

5.1 INTRODUCTION

Stakeholder consultation to support the SRESA process specifically aims to achieve the following objectives:

- To provide information about SAGCOT and its potential impacts to those interested in or affected by the initiative, and solicit their opinion in this regard;
- To provide opportunities for stakeholders to discuss their opinions and concerns;
- To manage expectations and misconceptions regarding SAGCOT;
- To verify the significance of environmental, social and health impacts identified;
- To inform the process of developing appropriate recommendations for mitigating these impacts; and
- To analyze gaps in knowledge.

This chapter presents a stakeholder analysis and summarises the consultation process carried out during scoping, together with the main scoping findings.

5.2 STAKEHOLDER IDENTIFICATION AND ASSESSMENT**5.2.1 Identification of Stakeholders**

Stakeholder identification has been based on a combination of literature reviews and discussions with partners and relevant officials from GoT. The main considerations in identifying and selecting which stakeholders to engage with were:

- those involved in project preparation, especially for World Bank support to the SAGCOT programme;
- those whose responsibilities and activities are directly relevant to SAGCOT programme planning and implementation (mainly GoT ministries and agencies);
- those who may be directly affected by the project (regional councils, district, ward and village councils, traditional authorities and the local population in the project area); and
- others that may have a stake in the project (such as NGOs, media, private sector companies, government agencies, international donors).

5.2.2 Key Project Stakeholders

Key stakeholders and stakeholder categories are listed in *Table 5.1*. Note that the list is not exhaustive: there are many other organisations with an interest in the SAGCOT programme.

Table 5.1: Key Project Stakeholders and Stakeholder Categories

Category	Stakeholder
Communities	
	Indigenous groups
	Pastoralists and agro-pastoralists
	Small farmers
	Traders
	Vulnerable and marginalised groups
	Women
Government	
	Prime Minister's Office - RALG

Category	Stakeholder
	Vice President's Office - Division of Environment
	Ministry of Agriculture, Food Security and Cooperatives
	Ministry of Lands, Housing and Human Settlements Development
	Ministry of Livestock and Fisheries Development
	Ministry of Natural Resources and Tourism
	Ministry of Water
Specialised Government Agencies/Parastatals	
	NEMC
	NLUPC
	RBWO
	Rural Energy Authority
	RUBADA
	TANAPA
	TANESCO
	TANROADS
	Tanzania Port Authority
	TAZARA
	TIC
Regional/Local Authorities	
	Dar es Salaam
	Iringa Region
	Katavi Region
	Mbeya Region
	Morogoro Region
	Njombe Region
	Rukwa Region
	Bagamoyo District
	Kibaha District
	Kilolo District
	Kilombero District
	Kilosa District
	Ludewa District
	Mbarali District
	Mpanda District
	Mufundi District
	Rufiji District
	Sumbawanga District
	Ulanga District
Universities	
	Ardhi University
	Sokoine Agricultural University
	University of Dar es Salaam
Relevant NGOs & Labour Organisations	
	Action Aid
	ANSAF
	AWF
	Concern Tanzania
	Frontier

Category	Stakeholder
	Foundation for Civil Society
	Hakiardhi
	IUCN
	MVIWATA
	Oxfam
	PINGO
	Rainforest Alliance
	REPOA
	SNV
	TAGRODE
	TAWLAE
	TechnoServe
	TFCG
	TNRF
	Tanzania Plantation and Agricultural Workers Union
Politicians	
	Parliamentary Committee on Agriculture
	Members of Parliament in the SAGCOT Corridor
	Councillors
Private Sector Companies and Producer Organisations	
	ACT
	AgDevCo
	Bakhresa
	BEST-AC
	EcoEnergy
	Katani
	KPL
	KSC
	KVTC
	SAGCOT Centre
	Syngenta
	TAHA
	TAP
	TARIPA
	TPSF
	Unilever
	Wild Footprints
	Wild Things Safaris
	Yara
International Funding / Development Agencies	
	African Development Bank
	BTC
	DFID
	EU
	NORAD
	USAID
	World Bank
Local Financial Institutions	

Category	Stakeholder
	BoT
	National Microfinance Bank
	Stanbic Bank

5.3 SUMMARY OF CONSULTATION ACTIVITIES

5.3.1 Consultation during Scoping

During the Scoping Phase, the study team carried out a series of consultations at the central and local level.

Between March and April 2012 briefing meetings and discussions were held with the World Bank and the Bank of Tanzania. Links were established with two of SAGCOT's consultant teams (EcoAgriculture Partners and Africa Practice), and the SRESA was introduced to the SAGCOT Working Group at a meeting chaired by the Permanent Secretary, Prime Minister's Office.

From May to June 2012 more in-depth meetings were held with various central government ministries involved in the implementation of SAGCOT, including the Ministry of Agriculture and Food Security, the Ministry of Livestock and Fisheries Development, the Ministry of Natural Resources and Tourism and the Ministry of Infrastructure Development. Stakeholders were briefed about the study and were invited to provide comments on it, as well as to suggest contacts for further consultation activities.

To complement and follow up on issues raised at the central level meetings, bilateral meetings were held with key stakeholders who were identified (through stakeholder mapping) as having a high interest in the initiative and/or relevant information. These meetings comprised one-on-one meetings with individual stakeholders or telephone calls. Stakeholder groups identified for bilateral consultation meetings included:

- NGOs;
- International organisations such as DFID;
- Academic and research institutions such as Sokoine University of Agriculture;
- Parastatals such as RUBADA and TIC;
- Agriculture-related private sector companies such as Bakhresa;
- Key informants familiar with the SAGCOT system, such as the SAGCOT Centre chairperson; and
- Umbrella organisations such as ANSAF.

Local consultations were conducted with Government institutions, communities, local businesses (including agricultural companies that have made investments in the Kilombero Valley, one of the SAGCOT clusters) and NGOs that may be affected either positively or negatively by the SAGCOT programme. Each local level meeting included the following:

- A short leaflet describing the proposed SAGCOT initiative with emphasis on the Value Chain approach, sent out with an introductory letter in advance of the meeting;
- A neutral, accessible meeting location, allowing participants to meet and speak freely;
- A short presentation by the study team in the relevant language at the start of each meeting;
- Use of a map of the SAGCOT area illustrating the locations of the clusters and protected areas, to support the presentation;

The proceedings were recorded.

Scoping workshop: on 7th June 2012 a scoping workshop was held in Dar es Salaam at the Golden

Tulip Hotel. Participants were drawn from various stakeholder groups including:

- NGOs (eg Oxfam and Action Aid);
- Umbrella organisations (eg ANSAF);
- Academic and research institutions (eg ESRF)
- Donors (eg the European Union);
- Businesses (eg EcoEnergy);
- Central government (eg the Vice President’s Office - Division of Environment); and
- SAGCOT Centre.

Participants were briefed about the SAGCOT programme and the study and were asked for their comments and concerns. Prior to the workshop, stakeholders were sent invitation letters that introduced the SAGCOT concept and set out the objective of the SRESA. A link to the SAGCOT website was provided to allow stakeholders to access further information.

Notes on the scoping workshop are presented at *Annex C*.

A full list of meetings held to mid-June is given in *Annex A*.

5.3.2 Main Findings from Scoping Consultation

The main scoping consultation findings are summarised here in table form (*Table 5.2*).

Table 5.2: Summarised Scoping Findings

Issues covered	Stakeholder Concerns and Issues Discussed
Meetings with World Bank 26, 28 March, 02, 05 April, 03, 07 May	
Land & resettlement Indigenous Peoples Governance & institutional capacity Environment	<ul style="list-style-type: none"> • Land, access to land, compensation and resettlement are major issues of concern in relation to both programme effectiveness and reputational risk. Local perceptions are that foreigners will grab land. The land bank situation is confusing. Encroachers need to be included in compensation processes. • Indigenous people may be present and if so the Bank's OP will apply. • Governance is weak, institutional capacity is low and corruption is endemic: how to create and support effective and transparent mechanisms for the Catalytic Fund and SAGCOT? • SAGCOT may have impacts on biodiversity and will involve increased use of agrochemicals: how to implement Bank policies and best practice? • Economic growth and environmental and social issues may involve trade-offs - these need to be balanced. • Social baselines will be needed for monitoring. • HIV/AIDS and gender are key issues for inclusion in planning.
British Council - Policy Forum Breakfast Debate - Village Land Act, 30 March	
Land law	<ul style="list-style-type: none"> • The Land Act and Village Land Act are inconsistent, including in their English and Swahili versions. • Awareness is low and implementation is weak; there is no Land Registry. • Land use plans are needed but who will pay?
Meeting with SAGCOT Centre, 03 April	
Institutional capacity	<ul style="list-style-type: none"> • The Centre has extremely limited institutional capacity.
Meeting with Belgian Technical Cooperation, 04 April	
Wetlands	<ul style="list-style-type: none"> • Future Belgian assistance to Rufiji Basin - the Kilombero and Lower Rufiji Wetlands Ecosystem Management Project will come on stream soon.
Meeting at Ministry of Natural Resources & Tourism, 04 April, 08, 24 May	

Issues covered	Stakeholder Concerns and Issues Discussed
Wildlife Water Governance Corruption	<ul style="list-style-type: none"> The Kilombero Valley Ramsar site's 2002 boundaries are similar but not identical to the 1974 Game Controlled Area boundaries. An MNRT Task Force commissioned TAWIRI to propose new protected area boundaries in the area. The Valley is under high pressure with many unplanned activities ongoing, including land conversion for agriculture in the central wetlands. Powerful interests are involved - e.g. Wasukuma agropastoralists and influential politicians. Donors (EU, USAID) are planning major investments in the Kilombero Valle but these do not seem to take into account the ecological situation. There are many agencies involved in resource management, with overlapping or conflicting mandates. Wetlands are still with MNRT. Water is a major limiting resource in the Valley, with saline groundwater and increasingly low dry season flows. Abstraction here will affect the Rufiji delta proposals.
Meeting with Wild Things Safaris, 04 April	
Wildlife Hunting Fishing Livestock	<ul style="list-style-type: none"> The Valley is in the last stages of an ecological disaster - the lion population has been exterminated - it used to be the highest in Tanzania; the endangered <i>puku</i> (antelope) population has crashed - most have been eaten since their flood refuge habitats are now occupied by farmers; the wildlife corridors between the Selous and the Udzungwa Forest are now blocked; buffalo numbers are way down; hippo are being shot and left to rot to attract fish; fishing is way down due to the use of, e.g., mosquito nets for fishing. Of the four hunting blocks, only one is still operated - the others have been abandoned since their land has been invaded by agro-pastoralists, the habitat degraded and the wildlife killed.
Meeting with Concern Worldwide, 03 May	
Land Smallholders	<ul style="list-style-type: none"> Is there enough land? Impacts on smallholders
Meeting with BEST-AC, 03 May	
Local private engagement with SAGCOT	<ul style="list-style-type: none"> Non-state networks like BEST-AC, TPSF and TAHA are still quite weak in Tanzania. They would like to get closer to SAGCOT, but how? Government capacity and resources for SAGCOT appear very limited.
Meeting with ANSAF, 03 May	
Livestock Organisation Land Markets and value chains	<ul style="list-style-type: none"> SAGCOT needs to consider the livestock sector. SAGCOT institutional arrangements are unclear and little is happening. There is a need to coordinate/integrate with existing agriculture programmes, and to include local needs in planning. There is a need to research land availability and market linkages.
Meeting with Dfid, 04 May	
Land Awareness	<ul style="list-style-type: none"> Land titles remain problematic People's expectations are being raised, but what does SAGCOT aim to achieve? There is little SAGCOT communication.
Meeting with NEMC, 07 May	
Physical impacts Health Pesticides Governance & institutional capacity Monitoring	<ul style="list-style-type: none"> There may be water scarcity, soil degradation and erosion, lack of maintenance. There may be public health issues - agrochemicals, water-related diseases, HIV/AIDS. There is a capacity issue in concerned organisations. NEMC wants larger role in monitoring investment impacts.
Meeting with Ministry of Infrastructure Development, 07 May	
Feeder roads Land/compensation Health and safety	<ul style="list-style-type: none"> Feeder roads can have a variety of environmental impacts - especially erosion, dust and impacts of borrow pits. Road reserves may be occupied by squatters. Traffic safety needs to be improved.
Meeting with RUBADA, 08 May	

Issues covered	Stakeholder Concerns and Issues Discussed
Governance Land	<ul style="list-style-type: none"> • RUBADA considers that it represents the public interest in SAGCOT implementation and stands as a link between large and small scale farmers. • RUBADA wants to expand its remit to cover the whole corridor, not just the Rufiji Basin. • KPL is considered a best-practice PPP. • RUBADA signs MoU's with investors including Corporate Social Responsibility provisions. • In the Rufiji Cluster RUBADA carried out detailed consultation for land acquisition. • RUBADA has prepared land suitability maps of the entire basin. • Despite its title and mandate, RUBADA has "no staff" for water management.
Meeting with Bagamoyo District Administration, 09 May	
Land Data Policy and law Governance & institutional capacity	<ul style="list-style-type: none"> • There is some land grabbing and some land speculation. • There are no proper maps to identify suitable land. • Laws are no harmonised. • The EIA system is centralised, and once EIA reports go to the centre (NEMC) they do not return to the District and so are not followed up. • Civil works contracts have few environmental provisions and no enforcement.
Inspection of Bagamoyo Irrigation Development Project, 09 May	
Irrigation Markets	<ul style="list-style-type: none"> • This small (42 ha) JICA-sponsored project relies on diesel for pumping and so has high operational costs. • Salinity is a problem in the dry season. • There is no good link to post-harvest processing or markets.
Meeting with VPO - Division of Environment, 10 May	
Environmental and social impacts Land Agrochemicals Governance & institutional capacity	<ul style="list-style-type: none"> • There may be environmental and social impacts due to invasive species and pests, GMOs, in-migration of people with associated health issues and pressure on resources, land speculation, displacement, and use of agrochemicals. These issues need to be predicted and managed.
Meeting with SAGCOT Centre Chairman, 14 May	
Organisation Corporate Social Responsibility Land Gender	<ul style="list-style-type: none"> • Implementation requires coordination. • Investors need to be serious and responsible: they have to sign Principles. • Investors should ensure benefits flow to local farmers. • Land tenure is the number one issue. Investors should focus on unused land, but most villages do not have LUPs. Speculators are grabbing land for re-sale to investors. Local governments are key. • 65% of farmers are women and this needs to be recognised.
EcoAgriculture - Agriculture Green Growth Workshop, Dar es Salaam, 17, 18 May	
Land Climate change Water Smallholders Pastoralists Governance	<ul style="list-style-type: none"> • There is no systematic process for identifying land for SAGCOT investors. In any case, there is very little unused land and there is no 'land bank'. • Land negotiations with villagers are very one-sided. • Community benefits should be in kind, not cash, to reduce corruption. • The vast majority of Tanzania's farmers will remain as rain-fed with or without SAGCOT, and need attention and support. • Agriculture, forests and climate change are inextricably mixed. • Smallholders are the key to achieving sustainable land management. • SAGCOT should incorporate REDD into climate-smart agriculture, and focus on high biodiversity forests as a foundation for SLM. • Land, forest and carbon tenure and community-level governance must be strengthened to address deforestation. • The agricultural extension system has completely failed. • Priorities must be (i) land use (secure tenure), (ii) storage, processing and marketing, (iii) enhanced extension services, and (iv) better infrastructure. • Is there room for pastoralists in SACOT landscapes? • New techniques such as SRI will be important to reduce water demand. • The Rufiji Basin Water Office is key to water management. • Policies are inconsistent. Harmonised approaches are needed. • MAFSC is developing sectoral EIA guidelines. • How can land speculators be controlled? How can compliance be ensured? How can SAGCOT be monitored?

Issues covered	Stakeholder Concerns and Issues Discussed
Meeting of SAGCOT Green Reference Group, 21 May	
Institutional capacity Corporate social responsibility	<ul style="list-style-type: none"> World Bank support for the SAGCOT implementing institutions is crucial for programme roll-out. The Green Reference Group is advisory only. Its Terms of Reference cover 'environment' but not 'social' issues, and do not mention corporate social responsibility.
Meeting with DfID, 22 May	
Water	<ul style="list-style-type: none"> DfID wishes to support water management and poverty alleviation, but there is a need to coordinate this with other donors and agencies in the water sector.
Meeting with MAFSC, 23 May	
Environmental impacts, agrochemicals Social impacts Pastoralist-farmer conflicts Land	<ul style="list-style-type: none"> MAFSC has a SAGCOT desk. Major environmental concerns are (a) intensive agriculture by large scale farmers, and (b) the cumulative impacts of many small scale farmers. Social concerns are (a) that people may be displaced, and (b) the programme will not resolve conflicts between farmers and pastoralists. The Ministry has prepared an Agricultural Master Plan and a Land Use Plan, but was not consulted on the SAGCOT clusters. The land information is out of date and there are no land management guidelines. The land acquisition process for investors needs streamlining, but there is no 'land bank'. There is a need for an Agricultural Act to govern agriculture, like other sectors - forestry, wildlife. Village administrations have minimal capacity to implement safeguard measures. The government has not officially 'opened the doors' to GMOs.
Meeting with MLFD, 23 May	
Livestock Land Conflicts	<ul style="list-style-type: none"> SAGCOT is focused on crops, but livestock is a huge economic sector. In the Corridor, livestock (large herds of cattle) are a new phenomenon and local residents are not comfortable about this. Conflicts are significant in the Corridor and as climate change intensifies they must be considered; better land use planning and enforcement should reduce conflicts In the Kilombero Valley local residents want the herders to move out of the 'protected' wetlands - but only so they can convert it to crops! Land use policies require harmonisation to balance the priorities given to each sector.
Meeting with Wild Footprints, 23 May	
Wildlife Pastoralists Governance	<ul style="list-style-type: none"> It may no longer be feasible to restore some of the wildlife corridors due to population pressure. Elephant poaching has re-started. Electric fencing around the teak plantations has contributed to wildlife-human conflicts, with 4 recent elephant-related human deaths and 11 lion-related deaths. The Wasukuma agro-pastoralists are now taking over village administrations in the Kilombero Valley. Their cultural practices include a dislike of tress and carnivores such as lions; they hunt, keep cattle, and farm. They are wealthy. The Ramsar project VLUPs did not take into account existing successful plans involving hunting concessions and local residents. Corruption and destructive administrative decisions accelerate the decline of the Valley's wetland ecosystems, and associated tourism attractions.
Meeting with IUCN, 24 May	
Water Hydrology Irrigation	<ul style="list-style-type: none"> The Stiegler's Gorge dam may go ahead, with probable dramatic downstream effects as well as local ones. Irrigation development in the Kilombero Valley could repeat the disastrous experience of the Usangu Flats. SAGCOT must be built around a full understanding of upstream / downstream links.
Meeting with Bakhresa, 24 May	
Regulation	<ul style="list-style-type: none"> There are too many regulatory authorities and associated inspectors requiring fees: there should be a one-stop shop. The Tanzania Bureau of Standards should set standards, not implement them as well.
Meeting with Morogoro Regional Administration, 29 May	
Conflicts Land Awareness	<ul style="list-style-type: none"> Farmer-pastoralist conflicts are a major problem. Village LUPs need to be prepared, but need funding. The region has a 'land bank' but many investors are interested. There is little awareness of SAGCOT.
Meeting with Sokoine University of Agriculture graduate students, 29 May	

Issues covered	Stakeholder Concerns and Issues Discussed
Awareness Planning Conflicts	<ul style="list-style-type: none"> • There is little awareness of SAGCOT. • The cluster and PPP approaches are good, although top-down. • Investment might intensify the existing conflicts in the Kilombero Valley.
Meeting with Kilombero District Administration, 30 May	
Awareness Irrigation & hydrology Land Conflicts Wildlife Pesticides	<ul style="list-style-type: none"> • There is a need for more awareness about SAGCOT in this area. • Irrigation infrastructure needs improving. • Hydrological studies are needed. • Villages need LUPs to minimise conflicts. • Livestock-related infrastructure (e.g. watering points) might also reduce conflicts. • Wildlife numbers have greatly reduced in the valley but there is no reliable data. Hunting licences and quotas are not based on scientific knowledge. • SAGCOT should maintain the wildlife corridors in the valley. • A Wildlife Management Area is proposed in the valley. • Agrochemicals are being misused, despite the valley being a Ramsar site.
Meeting with TechnoServe, 30 May	
Marketing Transport infrastructure	<ul style="list-style-type: none"> • There is no proper market for local products such as cocoa and local prices are low compared to elsewhere in Tanzania. • Transport infrastructure is poor and cocoa has to take an extraordinary roundabout journey by rail.
Written submission from AWF, 30 May	
Wildlife Ecosystem services Land use planning Tourism	<ul style="list-style-type: none"> • Southern Tanzania is the location of three mega conservation complexes, Katavi, Ruaha and Selous. These are of global importance as well as essential for providing ecosystem services such as water essential for agriculture and giving multiple direct and indirect economic benefits to the nation. • It is important that Tanzania does not jeopardise these services or its reputation as a leader in landscape-scale conservation. • With good planning and zoning SAGCOT could become a globally significant example of the potential to increase agricultural productivity and incomes, while also conserving at scale.
Meeting with Kilombero Plantations Ltd., 31 May	
Smallholder benefits SRI Inputs Environmental impacts Agrochemicals Climate change Habitat conversion Land & compensation	<ul style="list-style-type: none"> • Large scale farmers must ensure the success of surrounding small scale farmers. Farmers want agricultural development, especially rice since it is both a cash and food crop. KPL has helped local farmers to form associations, with benefits such as access to loans. • KPL is implementing the System of Rice Intensification for surrounding farmers, mainly as public relations, but will buy the produce in future. This is not an outgrower scheme. • Challenges for smallholders include lack of input supplies such as seeds, lack of suppliers, limited mechanisation, low skills and knowledge, lack of scientific data on soils etc., and lack of basic infrastructure especially roads. • There are companies interested in providing inputs, e.g. Yara. • SAGCOT will result in massive increases in inputs, with environmental consequences. Agricultural waste will also need managing. • Small-scale farmers often use destructive practices such as ploughing to the edge of watercourses, removing trees, misusing pesticides. • Climate change is an issue considering that most farms are rain-fed; however KPL is planning irrigation using dry-season flows in the local river. • There is some potential for further investment (i.e. land development) in the area, but floods are an issue especially by the Kihansi River. • Residents should receive fair compensation if displaced by investors.
Meeting with NAFKA - small rice growers (SRI), Mkangawalo village, 31 May	
Inputs Infrastructure New agricultural technologies	<ul style="list-style-type: none"> • The small rice growers around KPL are assisted by NAFKA (a USAID-assisted programme), so KPL is subsidised. • The farmers need better roads, access to finance and knowledge. • Improved seeds may have impacts or be unacceptable locally.
Meeting with Pastoralists, Mkangawalo village, 31 May	
Pastoralism Land	<ul style="list-style-type: none"> • Little attention is given to pastoralists' needs when preparing LUPs. In some villages there is no land for herding. • Pastoralists need infrastructure, such as watering points.
Meeting with Mbingu Ward Office, 31 May	

Issues covered	Stakeholder Concerns and Issues Discussed
Land Conflicts Wildlife Farmer skills & knowledge Roads	<ul style="list-style-type: none"> • There is unused land in the ward, but this is owned by Government or by private institutions. • No land designated for pastoralists in the ward, but they are invading anyway and there are conflicts. • Wildlife is decreasing, even in the wildlife corridor in the ward. • Farmers want to develop agriculture but have low capacity. • The roads are very poor.
Meeting with Kilombero Valley Teak Company, 01 June	
Forestry Wildlife Community relations Pastoralists Governance Transport infrastructure	<ul style="list-style-type: none"> • KVTC combines business with conservation. Wildlife such as elephants now prefer KVTC land (electric fencing around new plantations is removed after 6 years). • Surrounding habitats have been heavily degraded due to high pressure on land and lack of management and enforcement. • KVTC wants to expand but not on its existing land base since unplanted land is unsuitable for teak or environmentally sensitive - water sources, natural forest. The District says KVTC is not fully exploiting its existing land. • An outgrower programme was stopped when it was found the village land to be used was already forested. • LUPs at village level cannot consider ecological needs either at landscape level or in sufficient detail. • SAGCOT must adopt a holistic approach, i.e. development with conservation. Investors should be required to conserve certain areas as a condition of their permits. • There is a desperate need for development in the Kilombero Valley, but it is a complex area with poor communities, no entrepreneurial culture and little rule of law. KVTC supplies 75% of the local formal employment. • Fire - for clearing farms and for hunting - is a big problem. • Elephant poaching has re-started as the networks have been re-established, and is now a problem throughout the area including within KVTC plantations. • Some pastoralists are a problem, but must be included in planning as part of the community. KVTC want to commission an NGO (Frontier) to investigate how to communicate with the Wasukuma but there is a funding problem. • Wood waste (50 t/day) is burnt, but by 2015 there may be enough for a 2.5 MW plant. • The TAZARA (railway) is the key to unlocking the potential of three SAGCOT clusters; this is a huge missing link for SAGCOT. Transport costs are very high: \$0.16/t/km to Dar es Salaam.
Meeting with Udzungwa Ecological Monitoring Centre, 01 June	
Wildlife Forests	<ul style="list-style-type: none"> • Clearance for agriculture, plantations has hugely increased pressure on remaining forests: impending fuelwood shortage? Water shortage? • The new Wildlife Act (2009) recognises wildlife corridors. • The Centre is monitoring transects in the forest and has an environmental education programme in local schools and communities, including tree-planting. • The Hehe tribe likes monkey meat and is / has eaten all the red and black Colobus in the Udzungwa Scarp Forest Reserve. • In-migration to the area is very high. • Sugar outgrowers clear land, increasing pressure on remaining forests. • Since forests inc. UNP produce water, they'd like cost sharing with the sugar company.
Meeting with Udzungwa National Park, Ecology Dept., 01 June	
Wildlife	<ul style="list-style-type: none"> • Elephants are still moving along the Ichonge River as well as the Nyangange corridor. • There may be more than 2000 elephants in the Udzungwas: too many? Are they trying old corridors? • There are some habitual crop raiding elephants; they like rice; why not grow something else? This will get worse unless managed. • TANAPA pays crop compensation, and is experimenting with chilli oil and beehive fencing to guide elephants. • Much bigger problems for farmers are bushpigs and baboons.

Issues covered	Stakeholder Concerns and Issues Discussed
Meeting with Pennsylvania State University, 01 June	
Wildlife Population Fuelwood Water Planning	<ul style="list-style-type: none"> The strip of land between the KSC sugar plantations and the Udzungwa scarp forests is already at its fuel and subsistence agriculture limits. More agri-business, and therefore in-migration, will create a bigger crisis, even with major efficiency improvements. The ecologically and hydrologically critical Udzungwa forests are squeezed between the Kilombero and Ihemi Clusters. There is a potential for agriculture and biodiversity to coexist, but major planning and management inputs will be needed, including changes in lifestyles (to reduce direct use of natural resources for daily living).
Meeting at Sokoine University of Agriculture, Agricultural Extension & Education, 02 June	
Agricultural extension Pastoralists Conflicts	<ul style="list-style-type: none"> The agricultural extension system is weak. There is no solution to the pastoralist-farmer issue in sight. There was a shooting incident in Ulanga District recently involving herders and the army.
Meeting with USAID, 04 June	
Land use planning Donor support Wetlands	<ul style="list-style-type: none"> The draft national land use plan intends to transfer 18% of land from village land to general land, to allow its leasing to investors. USAID has a large budget for investment in irrigation infrastructure and roads in the Kilombero Valley, inc. 31,000 ha at Mpanga. This is within the Ramsar site. An EIA will be carried out soon.
Meeting with MAFSC Gender Focal Point, 05 June	
Gender	<ul style="list-style-type: none"> Despite contributing 60-80% of agricultural labour and working longer hours than men, women are disadvantaged in many ways. Equal treatment of men and women is inadequate; gender programmes must be proactive and must be monitored.
Meeting with Hakiardhi, 06 June	
Gender	<ul style="list-style-type: none"> The 1999 Land Act and 2008 Mortgage Special Provision Act establish clear equal treatment of women and men, but many women are unaware of their provisions and they may lose land. For example, to keep their land widows must follow the directions of patriarchal families and marry their brother-in-law.
SRESA Scoping Workshop, Dar es Salaam, 07 June	
Many issues, but with a focus on: Land Water Smallholders Gender Biodiversity Governance	See <i>Annex C</i> of this report.
Meeting with EcoEnergy, 07 June	
Land Water Compensation Community benefits Wildlife Carbon Monitoring	<ul style="list-style-type: none"> The Tanzanian population will increase from 45M in 2011 to 77 M by 2030, the SAGCOT time horizon. There is huge potential for production. EcoEnergy's business plan is highly green but still economic - in fact, in future this will be necessary to be economic. Investors need to ensure benefits to local communities by, e.g., equity shares.
Meeting with Ministry of Community Development, Gender and Children, 08 June	
Gender	<ul style="list-style-type: none"> Policy is established by the Gender Policy 2000 and the Gender Strategy 2006. SAGCOT programme design should consider differential impacts on men and women and develop appropriate targeted responses to everyone benefits. Lessons should be learned from the Sasakawa Africa Association project (KSG 2000) run by MAFSC.
Meeting with TAWLAE, 11 June	
Gender Education Finance	<ul style="list-style-type: none"> Women require special attention in programme design and implementation. They have major problems in relation to land use. Women are at special disadvantage due to lower levels of education than men. Microfinance is not even focused adequately on men, let alone women.

5.3.3 *Further Consultation*

Plans for consultation during the remainder of the study are described in Section 7.6 with additional detail in the Consultation and Disclosure Plan at Annex B.

6.1 CONCERNS RAISED BY INFORMANTS

The following twelve points summarise key issues of concern, as raised by informants during scoping (Table 6.1).

Table 6.1: Key Issues of Concern raised by Informants

	Topic	Comment
1	Awareness	Most stakeholders have low levels of awareness of the SAGCOT programme and are interested in learning more about the proposals, and especially about the following issues.
2	Benefits to small scale farmers	Both local communities and NGOs want to know how the programme will benefit smallholders, especially their capacity and skills.
3	Land for investment	The main concern was land availability without affecting smallholders. Another major issue is how will the programme deal with existing land use conflicts, especially those between farmers and herders?
4	Water	Concerns included water availability, especially in the Kilombero Valley; impacts on downstream users; impacts on fisheries; and pollution by agrochemicals.
5	Wildlife	Concerns focused on further impacts on wildlife corridors for large mammals; impacts on other wildlife and on fisheries; and ineffective mitigation due to the weakness of institutions likely to be involved.
6	Infrastructure development	Farmers, both large and small, want to know if the programme will include infrastructure development especially roads, the railway and storage facilities, since these are major constraints to agricultural development.
7	Finance	Informants want to know who will fund the initiative and how will the funds be managed, given that it is a cross-sectoral programme. Also, if the programme does not succeed, who will pay back the loan?
8	Alternatives	Some stakeholders wanted to know if they have a chance to influence the programme's design, e.g. by limiting investors to value addition whilst retaining all crop and livestock production in the hands of smallholders?
9	Institutional arrangements	Given that the SAGCOT programme is cross-sectoral, which central ministry of local government department will have authority to oversee implementation?
10	In-migration	There is concern that the programme will encourage in-migration, which is already a problem in areas such as Mangula.
11	Tourism	There is concern about the programme's effects on tourism on the Southern Circuit as a result of further impacts on key remaining wildlife corridors, especially those between the Selous Game Reserve, Mikumi National Park and Udzungwa National Park.
12	Cumulative effects	This concern related to (i) occupational health issues as a result of use of and exposure to pesticides, and (ii) the sustainability of farming if methods are inappropriate.

6.2 IMPACTS AND ISSUES FOR FOLLOW-UP

6.2.1 Overview

Building on Table 6.1, the following table (*Table 6.2*) highlights major issues of concern in relation to the SAGCOT programme as a whole, under the four headings physical, biological, social, and policy and administration, as a guide to study completion. The list is a summary derived from numerous sources including the existing published and grey literature, key informant interviews with SAGCOT stakeholders and cluster officials and communities, and scoping carried out by the SRESA study team in May and June 2012.

The key issues relate to (i) water, (ii) land, (iii) biodiversity and (iv) social acceptability, together with all the associated governance issues such as land use planning and institutional capacity, and in the context of climate change. At this stage of the study the proposed solutions are in draft and are generic, but it is already clear that most involve significant changes to policies, institutional reform and change, and political leadership. Further details of the proposed mitigation and enhancement measures will be provided in the final SRESA report.

Table 6.2: SAGCOT: Key Environmental and Social Issues and Risks

Topic	Issue or Risk	Possible Solution (Draft)
<i>Physical</i>		
Water availability / timing	• Absolute water availability for dry season irrigation	Irrigation investments must be science-based; in the absence of adequate data this requires high standards of professional hydrological judgment
	• Effects of upstream abstraction and consumptive use on downstream needs and users	Integrated water resources management (IWRM) including application of environmental flow procedures and strict water allocation mechanisms; needs time, skills and resources, as well as political leadership
Climate change	• Effects of climate change on absolute water availability and timing	IWRM integrated with regional climate change modelling to predict and manage hydrological changes using precautionary principles
	• Effects of climate change on rainfed agriculture, especially (a) increased temperatures and evapotranspiration, and (b) increased rainfall variability	Greatly strengthen agricultural research and extension systems
	• Effects of climate change on pests and diseases	As above
Soil	• Management of difficult soils, especially black cotton soils, (a) to avoid erosion, (b) to avoid waterlogging and salinisation, and (c) to maintain pH and organic matter in acceptable range	(a) ensure investors are fully aware of soil conditions and constraints and/or target investors away from sensitive soils, (b) establish and enforce a system of "Environmental Farm Plans" or similar
	• Erosion from poorly designed / constructed / maintained infrastructure, especially roads / road drainage	(a) design roads using best practice, (b) supervise construction, (c) change maintenance methods and enhance maintenance capacity
<i>Biological</i>		

Topic	Issue or Risk	Possible Solution (Draft)
Habitats (also affects protected areas)	<ul style="list-style-type: none"> Irreversible habitat loss and fragmentation due to conversion to other land uses, especially agriculture 	Regional, district and village land-use planning to ensure sensitive and high value habitat areas are not targeted for investment
	<ul style="list-style-type: none"> Accelerated habitat degradation due to SAGCOT-related population in-migration and expansion 	Change in lifestyle of new populations away from natural resource-based subsistence, especially provision of affordable alternatives to wood for cooking - or mandatory growth of fuel wood on proportion of investor's land
Biodiversity	<ul style="list-style-type: none"> Loss of biodiversity including local extinctions of rare, protected and charismatic wildlife due to (a) habitat degradation, fragmentation and loss (above), and (b) increased hunting and fishing pressure due to population in-migration and expansion 	(a) regional, district and village land-use planning to ensure sensitive and high value habitat areas are not targeted for investment, (b) target investors away from sensitive and valuable ecosystems, (c) improved participatory natural resource management, (d) improved protection and enforcement
	<ul style="list-style-type: none"> Blocking of wildlife corridors with (a) long-term effects on species survival due to genetic isolation, and (b) increased human-wildlife conflicts in short and medium term 	(a) plan investments in full knowledge of importance of corridors, (b) make corridor restoration a condition of investment
Agrobiodiversity	<ul style="list-style-type: none"> Loss of crop agrobiodiversity due to displacement of land races by improved varieties 	(a) strengthen agricultural research system, (b) create capacity and systems for <i>in situ</i> and <i>ex situ</i> agrobiodiversity conservation
	<ul style="list-style-type: none"> Possible impacts of GMOs, both ecological and economic (e.g. loss of organic certification) 	Maintain precautionary ban on GMOs unless/until the evidence for their long-term social and economic benefits and lack of ecological risks becomes overwhelming
Pollution	<ul style="list-style-type: none"> Ecological impacts of agrochemicals, especially persistent pesticides, on ecosystems and food webs; major concerns are (a) the use of toxic formulations by unskilled workers (including occupational health hazards), (b) bio-magnification up food chains, (c) impacts on water quality and aquatic ecosystems, especially of chemicals used in monoculture rice, and (d) increased availability of pesticides for illegal uses in hunting and fishing 	Follow the IPM programme developed for the ASDP
	<ul style="list-style-type: none"> Pollution from agro-industrial facilities, especially to the water environment 	Ensure all proposed agro-industrial facilities are subject to appropriate planning controls including EIA, and enforce any environmental conditionality attached to development and operation permits
Social		
Land	<ul style="list-style-type: none"> Availability of land: there is limited knowledge at any level of the actual availability of land (precise location, suitability) due to land of land use planning and/or surveys 	(a) soil and land suitability surveys, taking into account current and predicted physical conditions; (b) coordinated land use planning and zoning, taking into account issues transcending village and district boundaries (e.g. herders, wildlife)

Topic	Issue or Risk	Possible Solution (Draft)
	<ul style="list-style-type: none"> Real or perceived "land grabbing" by Tanzanian and/or foreign investors, i.e. take-over of large tracts of land (and/or water rights) for little or no real or perceived short or long-term benefits to local communities 	Development through consultation with investors, implementing agencies, local communities and civil society of standard operating procedures (SOPs) for land investors, including transparent decision-making mechanisms and standardized forms of agreement and benefit sharing
	<ul style="list-style-type: none"> Displacement of legal or informal land users with inadequate compensation and/or practical resettlement planning and implementation 	As part of individual project planning, ensure that all compensation and resettlement issues are thoroughly investigated and solutions planned and implemented according to the agreed SOPs (see above)
Local communities	<ul style="list-style-type: none"> Real or perceived inadequate compensation and/or benefits to local residents as a result of lopsided / inequitable negotiation processes 	(a) see above, (b) as part of the SOPs, ensure technical and administrative support for villages and communities when they are negotiating
	<ul style="list-style-type: none"> Corruption of local administrations / councils by inducements offered by investors or their agents 	Agree and implement transparent SOPs for all negotiations and decision-making
Smallholders	<ul style="list-style-type: none"> Limited security of tenure and limited rights and negotiating power concerning land use planning and land transfer 	Simplify law and enhance property rights for individuals; improve land use planning processes at village level; ensure small farmers' rights are respected in land use decisions
	<ul style="list-style-type: none"> Lack of inclusion of smallholders in value chains due to lack of agreed mechanisms tied to specific investments / investors 	Agree and implement SOPs (see above)
Gender	<ul style="list-style-type: none"> Lack of inclusion in negotiation and decision-making processes resulting in little or no consideration of gender issues 	Ensure the SOPs mandate inclusion of women in the negotiation and decision-making mechanisms
Pastoralism	<ul style="list-style-type: none"> Marginalisation of livestock herders in most policy and decision-making fora 	Recognition of livestock as a major economic and cultural sector, including respect for the rights of pastoralists and their inclusion in decision-making mechanisms
	<ul style="list-style-type: none"> Increased pastoralist/crop farmer conflicts if pastoralists are displaced or removed from land to facilitate agricultural investments 	Include pastoralists and agro-pastoralists in the land use planning processes which must precede accelerated agricultural investment
Food security	<ul style="list-style-type: none"> Decreased local or regional food security if non-food commercial crops displace food crops 	(a) improve infrastructure and remove constraints (e.g. roadblocks) to facilitate inter-regional transfer of food, (b) strategic monitoring of food security changes
Health and safety	<ul style="list-style-type: none"> Increased hazards to rural workforce and communities from (a) pesticides, (b) mechanization (if untrained), and (c) work in agro-industries (if unregulated) 	(a) Follow the IPM programme developed for the ASDP (b) provide skills training to farmers and agricultural workers, (c) regulate agro-industry conditions

Topic	Issue or Risk	Possible Solution (Draft)
<i>Policy and administration</i>		
Institutional	<ul style="list-style-type: none"> Failure to achieve SAGCOT goals due to lack of agreed standard operating practices (SOPs), e.g. standardised agreements with local communities 	Develop and implement SOPs
	<ul style="list-style-type: none"> Failure to achieve SAGCOT goals due to lack of mechanisms and/or institutional capacity to implement the SOPs 	Design and implement a major institutional capacity development programme to implement the SAGCOT SOPs
	<ul style="list-style-type: none"> Failure to achieve SAGCOT goals due to lack of effective monitoring and enforcement mechanisms 	Include a significant M&E component in the institutional development programme
	<ul style="list-style-type: none"> Investor fatigue due to, e.g., (a) lack of a land bank, (b) over-complex and time-consuming administrative procedures (it may take 6-10 years to acquire land and resolve compensation issues), (c) real or perceived government inability to resolve value chain constraints such as port and railway capacity 	(a) revisit the land bank issue and design and implement a workable land bank system, (b) remove redundant and conflicting regulations and administrative procedures, clarify policies and develop a "one-stop" shop approach for investors, (c) reassure investors by taking serious, tangible steps towards removal of constraints
	<ul style="list-style-type: none"> Distortion of decision-making and capture of benefits by elites due to non-transparent structural features of the SAGCOT programme such as automatic allocation of equity in investments to government organizations at various levels 	Revision of the SAGCOT implementing procedures and mechanisms to ensure transparency and avoid conflicts of interest
	<ul style="list-style-type: none"> Potential conflict of interest in implementation mechanisms, such as RUBADA 	See above
	<ul style="list-style-type: none"> Reputational risks to GoT and donors in relation to (a) perceived land grabbing, and (b) accelerated degradation and destruction of natural resources such as wetlands 	(a) participatory development of transparent SOPs for SAGCOT implementation, (b) implementation of the SOPs under independent scrutiny

6.2.2 Land

Land is singled out here as the topic of most importance to almost all stakeholders, and the area of highest risk with respect to both the developmental success of the SAGCOT programme and the reputations of SAGCOT partners and supporters.

Land issues have been analysed in depth in four recent reports:

- The Land Governance Assessment Framework: Identifying and Monitoring Good Practice in the Land Sector* (Deininger *et al.* 2012). This World Bank report includes a detailed review of land governance in Tanzania, and concludes that the National Land Policy of 1996 "has not lived up to expectations" (p87). Areas where improved performance would be highly desirable include surveys, mapping, and registration; affirmative action to address gender issues; the redefinition of institutional mandates; the strengthening of decentralization; more participatory land use planning; changes in expropriation practices; and ways to improve conflict resolution mechanisms.

- *Making Land Investment Work for Tanzania - Scoping Assessment for Multi-stakeholder Dialogue Initiative* (Makwarimba & Ngosi 2012). This report for REPOA, TNRF and IIED identifies numerous problems in the land governance system including increasing conflict between existing land users and investors, contradictions between the two fundamental laws (Land Act and Village Land Act) and also with other laws such as the Wildlife Conservation Act, 2009), cumbersome procedures, lack of security of tenure at village level, non-transparent implementation of land acquisition and compensation processes, weak administration especially at local level, lack of accountability, corruption, and lack of strategies to mitigate risks to smallholders and herders from commercialisation of agriculture. Stakeholders consulted for the study were very interested in a multi-stakeholder dialogue on land issues especially those relating to land-based investments.
- *An Assessment of Concerns Related to Land Tenure in the SAGCOT Region* (Boudreaux 2012). This report for USAID directly addresses the critical issue of land availability for investors in the Corridor, pointing out that all land already has users and that land for agri-business investors will have to be taken from villagers. The report asks the question: "As they are currently configured, do the property rights to land that exist in Tanzania create strong enough incentives for investors all along the agricultural continuum – from smallholders to large-scale foreign investors – to invest, trade, conserve, and protect against harms and fraud?" It concludes that there are three broad categories of concern - institutional, legal and political - which contribute to a weak enabling environment for the SAGCOT programme and if not addressed could result in a lose-lose situation rather than win-win. Three key risks are identified: the role, powers and capacity of RUBADA; the GoT's publicly stated policy, captured in the National Land Use Planning Framework, to transfer 17.9% of lands from villages into the General Land category which may lead to displacement of villagers, loss of grazing rights, migratory corridors and water sources for pastoralists, and risks igniting land-based conflict, and the proposed "Land for Equity" policy requiring foreign investors to provide GoT (or their agents) with a 25% equity stake in exchange for land leases - to the exclusion of villagers.
- *Study of Policy, Legal and Institutional Issues related to Land in the Project Area (draft)* (Tenga & Kironde 2012). This report (still in draft) was commissioned directly by the World Bank to identify the land-related challenges in the Corridor, learn from past lessons and provide inputs to project design. Amongst the study's many findings are (i) the non-existence of the "land bank" generally believed to be held by either the TIC or the Ministry of Lands, or possibly the Regional Authorities, (ii) the importance of resolution of "the pastoralist issue" to the success of the SAGCOT programme, (iii) the need for transparency in all land acquisition procedures, and (iv) the need to expedite land use planning at village level.

The findings of these studies and others will be pulled together in the final SRESA report to give a road map for the way forward on this fundamental issue.

7 NEXT STEPS

7.1 INTRODUCTION

This Chapter describes the steps we will take to complete the study.

7.2 SCENARIO DEVELOPMENT

Scenario development is described in *Section 1.4.5*, with further details of the proposed approach in Annex C. Note that once Scenarios I and II are complete, a third scenario will be added which assumes integrated planning, green growth etc. The draft scenarios will be shared with key SAGCOT partners for comment and improvement. The intention is that, if practicable, the scenario development approach could be applied to other clusters.

7.3 IMPACT ASSESSMENT

Impact analysis is described in *Section 1.4.6*.

7.4 DEVELOPMENT OF MITIGATION MEASURES AND OTHER RECOMMENDATIONS

Development of mitigation and enhancement measures and other recommendations including the "preferred alternative" is described in *Section 1.4.7*.

7.5 SPATIAL DATA MANAGEMENT

As part of the study ERM has established a geographic information system (GIS) using industry-standard ArcGIS software, currently housed in a workstation at the eMjee office in Dar es Salaam. The GIS has a database populated with a large number of data layers, some provided courtesy of EcoAgriculture Partners and others acquired by the study team from various sources.

Currently the primary use of the GIS is thematic mapping. We are attempting to develop a comprehensive spatial dataset for the Kilombero Valley, although this is proving to be a challenge due to very scattered sources of mapped information and difficulties in identifying, obtaining and quality-controlling the digital spatial data when obtained. As the study progresses it is hoped that the database will become sufficiently extensive to allow impact analysis through overlay mapping.

As a study output we also hope to develop recommendations on spatial data management for the SAGCOT programme, focusing on use of GIS as a planning and monitoring tool. The depth and value of the recommendations will depend on how far it is possible to bring together interested stakeholders for discussions on this highly technical topic in the remaining weeks of the study. This is not a task within the TOR but is seen as a potential useful contribution to SAGCOT planning and implementation.

7.6 FURTHER CONSULTATION

Completion of the study will involve further consultation and stakeholder engagement, both to obtain stakeholders' inputs to the analysis and development of practical strategic mitigation measures, and to disseminate information about the study and its findings. Details of the consultation programme are given in Annex B, and include:

- Further meetings by team specialists with key informants in Dar es Salaam concerning agriculture, livestock, water, forests, land, hydropower, transport, protected areas and wildlife, tourism, gender and governance.
- Fieldwork in the Kilombero Valley by the team's agricultural economics, ecology, water, social, gender and communication specialists.

- Establishment of an informal working group on GIS for SAGCOT.
- Consultation on draft recommendations with individual and sectoral stakeholders (especially relating to land and wildlife).

One or more public workshops in Dar es Salaam to discuss the study's findings and draft recommendations ⁽¹⁾.

- Briefing of the SAGCOT partners and (National Technical Committee and/or Green Reference Group).

Details of the consultation planned in relation to completion of the Resettlement Policy Framework are given in *Section 8.2.3*.

7.7 WORK PLAN AND SCHEDULE

7.7.1 Updated Schedule of Deliverables

A list of major tasks and associated deliverables is given in Table 7.1. The timing of the deliverables has been updated to reflect the current status of the study and plans for its completion. In particular, the delivery of the Interim Report and associated outputs (scoping study, stakeholder analysis and consultation plan) will be delayed by approximately one month. This is mainly because we needed to redeploy more of our resources than expected to finalise the ESMF ahead of schedule in July. However, as shown in the table, we do not anticipate that these interim delays will affect the overall schedule for project completion in September.

(1) A scoping workshop was held by the project at the Golden Tulip Hotel in Dar es Salaam in June 2012. The cost of this workshop was fairly significant and was met in full by the project, although as stated in our financial proposal we only made a budget allowance for minor incidental costs relating to meetings and assumed that formal meeting venues would be provided free of charge by SAGCOT or the Beneficiary. We would therefore request that this assistance is provided for any future meetings.

Table 7.1 Proposed Updated List and Timing of Tasks and Deliverables

Task and Deliverable	Month					
	A	M	J	J	A	S
Start-up mission: Inception Report	★					
Task 1: Scoping Study: Interim Report			★	★		
Task 2a: Stakeholder Analysis			★	★		
Task 2b: Design Participation and Consultation Plan			★	★		
Task 3 Strategic Environmental Regional Assessment						
• Draft Executive Summary				★	★	
• Draft report					★★	
• Final report						★
Task 4: Environmental and Social Management Framework						
• Draft ESMF report			★		★	
• Final ESMF report (for disclosure)				★		★
Task 5: Resettlement Policy Framework						
• Scoping and Identification of RPF Methodology			★	★		
• Draft RPF					★	
• Final RPF						★

★ Contractual schedule
 ★ Accelerated schedule
 ★ Delayed schedule

7.7.2 Updated Work Plan and Team Arrangements

We have revised the study work plan in line with the above schedule of deliverables, and present a condensed version of the plan in *Table 7.2*.

There have also been some small changes to our planned team composition following Phase 1 activities. These are illustrated in *Figure 7.1*. In summary, senior client liaison, head office support, quality assurance and high-level management continues to be provided by the Project Director (Eamonn Barrett) although he will now be supported by a new Project Manager (Tim Smith). Hereafter, Catherine Allen will focus on the technical aspects of her role as Senior Social Scientist. In addition, Tim Smith will be replaced as Water Expert by Willie Mwaruvanda. The team configuration otherwise remains unchanged.

Figure 7.1: Updated Team Composition

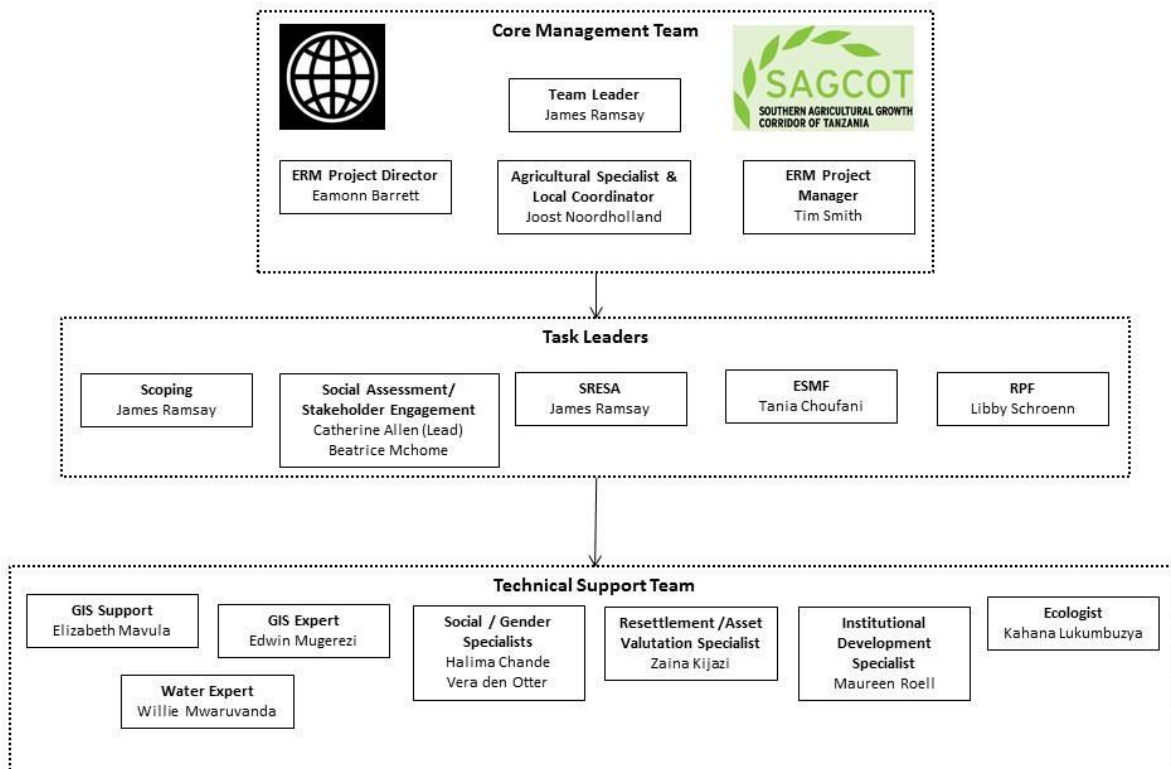


Table 7.2: Indicative Workplan

TASK	Activity	Calendar Month:																							
		Wk	April				May				June				July				August				September		
		1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24
	Project inception (including start up mission)																								
	Detailed work planning																								
	Assumed receipt of signed main contract		★																						
	Confirm availability of key experts			★																					
	Assumed contract effectiveness			★																					
	Inception Report (draft and final)			★				★																	
	Determine availability of other specialists																								
	Sub-contract local partner																								
	Contract staff																								
Task 1	Scoping																								
	Preliminary document & information review																								
	Assess legal and institutional framework																								
	Implement scoping consultation plan																								
	Review findings of scoping																								
	Prepare Interim (Scoping) Report											★													
Task 2	Stakeholder Consultation																								
	Stakeholder analysis																								
	Prepare consultation plan for Scoping																								
	Prepare Participation and Consultation Plan for SRESA																								
	Write-up findings of SRESA PCP																								
Task 3	SRESA																								
	Document baseline conditions inc. sector / topic background papers																								
	Create GIS database for SAGCOT + cluster																								
	GIS analysis and thematic mapping																								
	Develop scenarios																								
	Implement PCP for SRESA (inc. ESMF, RPF)																								
	Impact assessment																								
	Institutional analysis																								
	Development of mitigation and other measures																								
	Develop monitoring approach and indicators																								
	Prepare draft Executive Summary																								
	Prepare draft SRESA report																								
	Finalise SRESA report																								
	Translate non-technical summary into Kiswahili																								
Task 4	ESMF																								
	Review existing documentation																								
	Compile findings into ESMF format																								
	In-country consultations																								
	Prepare draft ESMF report + tools																								
	Finalise ESMF																								
Task 5	RPF																								
	Scoping and prep. of RPF methodology																								
	Review legal and institutional framework (resettlement)																								
	Asset valuation methodology																								
	Resettlement approaches and procedures																								
	Grievance mechanisms																								
	Implementation and monitoring arrangements																								
	Cost estimates																								
	Draft RPF																								
	Finalise RPF																								

8.1 INTRODUCTION

This document presents an approach for the development of a Resettlement Policy Framework (RPF) for the Southern Agricultural Growth Corridor of Tanzania (SAGCOT), to be prepared under ERM's current assignment for the Government of Tanzania (GoT). The RPF is being developed in tandem with the Strategic Regional Environmental and Social Assessment (SRESA) and an Environmental and Social Management Framework (ESMF) as one of a set of due diligence instruments required to address and manage environmental and social impacts associated with the World Bank's financial and technical support for the GoT's SAGCOT programme.

8.1.1 Background

The Southern Agricultural Growth Corridor of Tanzania (SAGCOT) is an international public-private partnership aiming to mobilise US\$2.1 billion in private sector agribusiness investment to achieve rapid and sustainable agricultural growth in the southern corridor of Tanzania over the next 20 years. The initiative aims to bring 350,000 ha of farmland into commercial production for regional and international markets, increase annual farming revenues by US\$1.2 billion, and lift more than 2 million people (roughly 450,000 farm households) out of poverty. The World Bank is considering funding support for the SAGCOT Programme.

According to the SAGCOT Investment Blueprint, one of the programme's main objectives is to provide opportunities for smallholder producers to engage in profitable agriculture. It aims to do this by incentivising stronger linkages between smallholders and commercial agribusinesses, including 'hub and outgrower' schemes that allow smallholders in the vicinity of large-scale farms to access inputs, extension services, value adding facilities and markets.

8.1.2 World Bank Support for SAGCOT Programme

The Government of Tanzania (GoT) has requested support from the International Development Agency (IDA, part of the World Bank) to assist in implementation of the SAGCOT concept. The proposed World Bank support ("the Project") will be in the form of a Specific Investment Loan (SIL).

As stated in the ESMF Executive Summary (see 9.2.1), the Project has three components:

Component 1. SAGCOT Catalytic Fund (approximately US\$ 45 million): the main objective of the Catalytic Fund (CF) is to catalyze agribusiness investment in the Southern Corridor in ways that reduce poverty, improve food security and benefit smallholder farmers. The Catalytic Fund is expected to have two windows: (a) the Matching Grants Facility (MGF) will finance the efforts of established commercial agribusinesses to expand their commercial linkages with smallholder farmers by building or extending competitive supply chains, and (b) a Social Venture Capital Fund (SVCF) is expected to promote the development and expansion of smaller and younger agribusinesses with supply chain links with smallholders to become commercially and financially viable businesses. The financing will be provided as low-cost or interest-free loans, repayable as soon as the business attracts private finance or equity depending on the specific situation. IDA will not contribute to this fund.

Component 2. Strengthening Agribusiness Support Institutions (approximately US\$ 13 million): the Project will support several institutions connected to the SAGCOT Programme. The SAGCOT Centre will facilitate the sustained pursuit of the overall mission of expanding agribusiness development in the corridor. Technical support will also be provided to complementary institutions such as the Tanzania Investment Centre (TIC), the Rufiji Basin Development Authority (RUBADA) and the Ministry of Lands, Housing and Human Settlement Development (MLHSD).

Component 3. Project Implementation Support (~ US\$2 million): a Project Coordination Unit (PCU) will be created in the Prime Minister's Office to manage the overall implementation of the financing agreement and to monitor the budget and implementation of the Project Implementation Manual. This

Unit will facilitate communications between key SAGCOT stakeholders including the SAGCOT Centre, SAGCOT Catalytic Fund, RUBADA, and the Tanzania Investment Centre.

8.1.3 *RPF Objectives*

The SAGCOT programme envisages the acquisition and conversion of a large amount of land for agriculture and supporting infrastructure development. As a result, there will inevitably be impacts in relation to land use and acquisition, affecting peoples' access to and ownership of land as well as their livelihoods. The Bank's support will facilitate the activities of institutions directly involved in ensuring the availability of land for investors.

The Resettlement Policy Framework will establish resettlement objectives and principles, organisational arrangements, and funding mechanisms for any resettlement operation associated with direct World Bank financing of SAGCOT programme activities. The objectives of the RPF, and hence the resettlement activities it will cover, will therefore be to:

- 1) Avoid, where feasible, or minimise involuntary resettlement and land acquisition by exploring all viable alternatives.
- 2) Conceive and execute resettlement and compensation activities as sustainable development programmes where involuntary resettlement and land acquisition is unavoidable. Sufficient investment resources will be provided to give the persons displaced by the project the opportunity to share project benefits. Displaced and compensated persons will be meaningfully consulted and will have opportunities to participate in planning and implementing resettlement and compensation programmes.
- 3) Assist displaced and compensated persons in their efforts to improve their livelihoods and standards of living or at least to restore them, in real terms, to pre-displacement levels or levels prevailing prior to the beginning of the project implementation, whichever are higher.

The Framework will be prepared since the extent and location of resettlement are not known at this time and can only be determined when sub-projects are assessed. When resettlement is identified for any project component, a Resettlement Action plan will be prepared as one of the requirements of this RPF. The Framework will ensure that any Resettlement Action Plan protects affected parties and physical structures, and livelihoods are restored to their previous standard and preferably exceed their current status. The RPF will include the process for valuation of all associated impacts on people's property and livelihoods and address mitigation of the impacts of resettlement based on international standards.

8.1.4 *The Legal and Land Context*

There is no direct law or legal provision for resettlement in Tanzania. Resettlement is generally guided by a variety of national policies and supported by legislation in relation to land acquisition, tenure and compensation. This includes the:

- Constitution of the United Republic of Tanzania (1977 - as amended)
- National Land Policy of 1996
- National Environmental Policy of 1997
- National Resettlement Policy Framework of 2003 (as yet not adopted as Government Policy)

The Constitution of the United Republic of Tanzania

The Constitution provides for the protection of the rights and interest of citizens in matters concerning their property and acquisition. Under article 24 (1), every person is entitled to own property, and has a right to the protection of property held in accordance with the law. Subarticle (2) prescribes that it is unlawful for any person to be deprived of property for any purposes without the authority of law, which makes provision for fair and adequate compensation.

National Land Policy of 1996

The overall aim of the National Land Policy among other things is to promote and ensure a secure land tenure system in Tanzania that protects the rights in land for all its citizens. The policy provides that a dual system of tenure, which recognizes both customary and statutory rights of occupancy as being equal in law be established. The Land Policy directs that land be graded as a Constitutional category and that the following basic land policy tenets be entrenched in the Constitution to ensure continuity:

- All land in Tanzania is public land vested in the President as trustee on behalf of all citizens;
- Land has value;
- The rights and interest of citizens in land shall not be taken without due process of law; and
- Full, fair and prompt compensation shall be paid when land is acquired.

Compensation should be paid to any person whose right of occupancy or recognized longstanding occupation or customary use of land is revoked or otherwise interfered with to their detriment by the state or is acquired under the Land Acquisition Act Cap 118.

National Legislation

The principal laws that provide the legal basis for compensation in Tanzania are listed below. These do not cover resettlement requirements, but do provide requirements related to tenure and compensation:

- Land Act No. 4, 1999, Cap. 113 R.E. 2002;
- Village Land Act No. 5, 1999, Cap. 114 R.E. 2002;
- Land Acquisition Act, Cap. 118 R.E 2002;
- Land Disputes Act No. 2 of 2002;
- Roads Act, 2007;
- Urban Planning Act, 2007;
- Land Use Planning Act, 2007;
- Graves (Removal) Act, Ca. 73;
- Local Government (District Authorities) Act, Cap.287; and
- Local Government (Urban Authorities) Act, Cap. 288

Other Acts of relevance include the Valuation Act; the Wildlife Act; the Tanzania Investment Act and the Rufiji Basin Development Authority (RUBADA) Act; and also acts related to farmers' cooperatives, contract farming, and access to credit.

Land Acts and Land Regulations

The Land Act, 1999 and the Village Land Act, 1999, facilitate the implementation of the National Land Policy. They confirm the National Land Policy directive that all land in Tanzania is public land vested in the President as trustee on behalf of all citizens.

The major function of the Land Act, (No. 6), 1999 is to promote the fundamentals of the National Land Policy, through giving clear classification and tenure of land, land administration procedures, rights and incidents of land occupation, granted rights of occupancy, conversion of interests in land, dispositions affecting land, land leases, mortgaging of land, easements and analogous rights, co-occupation and partitioning and settlement of land disputes.

According to the Act, Tanzanian land falls into three categories, namely;

- Reserved Land, which is set aside for wildlife, forests, marine parks, etc., and the way these areas are managed is explained in the laws that protect each sector (e.g. Wildlife Conservation Act, National Parks Ordinance, Marine Parks and Reserves Act, etc.). Specific legal regimes govern these lands under the laws which established them.

- Village Land, including all land inside the boundaries of registered villages, which the Village Councils and Village Assemblies are given power to manage. The Village Land Act governs the land and gives details of how this is to be done.
- General Land, which is neither reserved land nor village land and is therefore managed by the Commissioner. It includes urban areas as well as land occupied by parastatals and by government agencies such as the prisons and the National Service.

In general terms, the Land Act (LA) covers General and Reserved Lands, while the Village Land Act (VLA) creates rules and processes to allocate land use rights to most rural lands.

8.1.5 *Types of Land Allocation*

Village Land, which covers about 70% of mainland Tanzania and accommodates 28 million to 30 million people, is under the jurisdiction and management of registered villages. Reserved Land, which covers 28% of the mainland, comprises forestland, conservation areas, national parks, and game reserves. Reserved Land is not supposed to be occupied, although it is estimated that about 300,000 to 1 million people informally occupy Reserved Land. General Land, about 2% of the mainland area, consists of all land that is neither Village Land nor Reserved Land.

Because Tanzania is essentially entirely rural with only a few urban areas, most land in the country is Village Land, that is, land under the jurisdiction and management of a registered village according to the 1999 Village Land Act.

Registered villages are required to define three land use categories within their borders: (a) communal village land, (b) individual and family land, and (c) reserved land. Reserved land in this context is land set aside for future individual or communal use and is separate and different from the national category of Reserved Land.

8.2 *APPROACH AND METHODOLOGY*

8.2.1 *Approach*

The RPF for the SAGCOT project will be developed in three phases:

- Phase 1: Scoping
- Phase 2: Research and Consultation
- Phase 3: Reporting

The outcome of this approach will be a RPF that meets the requirements of World Bank Safeguard Policy OP 4.12 and that takes the current land context of Tanzania into account.

8.2.2 *Phase 1: Scoping*

The scoping phase of the RPF was undertaken in June 2012 in order to gain an understanding of the resettlement, compensation and land tenure context for the SAGCOT project. The RPF Task Leader, Libby Schroenn, undertook a visit to Tanzania, at which time she met with various stakeholders in the public, private and donor sectors, along with Zaina Kijazi, a District Land, Natural Resources & Environmental Officer and District Valuation Officer appointed as part of the SAGCOT RPF team. The consultations undertaken as part of this process are listed in *Table 8.1* below.

Table 8.1 RPF Scoping Consultations, 4 - 8 June 2012

Name	Position	Organisation
James Davey	Country Director	Concern Worldwide
Lena Oscarsson	Communities and Resettlement Lead	EcoEnergy
Per Renman	Head of Environment	EcoEnergy
Adam Y. A.	Head of Statutory Valuation	Ministry of Lands, Housing and Human Settlement Development
Evelyne Baruti Mugasha	Principal Valuer	
Paulo S. M. Tarimo	Director of Land Use Planning & Management Division	Ministry of Agriculture, Food Security and Cooperatives
Samuel Leshongo	Range Officer	Ministry of Livestock and Fisheries Development
Tabu S. Ndatulu	Director of Planning & Investment	Rufiji Basin Development Authority
Dr. Mary Hobbs	Office Director - Agriculture and Natural Resources	USAID

In addition to individual consultations, a workshop took place as part of the overall SAGCOT SRESA process. Break-out sessions were undertaken in the afternoon, one of which addressed the topic of land and agriculture. The RPF Task Leader attended this breakout session in which representatives of public, private and the NGO sector were present, as listed in *Table 8.2*. Participants' concerns and issues around land and agriculture were discussed and noted.

Table 8.2 SRESA Scoping Workshop, Lands Break-out Group, 7 June 2012

Name	Position	Organisation
Bettie Luwuge	Project Manager	Tanzania Forest Conservation Group (TFCG)
Mathias Ndubi	Director of Planning	TSHIDA
Zubery Mwachulle	Executive Director	Tanzania Grass Roots Oriented Development (TAGRODE)
Flaviana Charles	Programme Officer	Legal and Human Rights Centre (LHRC)
Zaina Kijazi	Valuation Officer	ERM/ Ministry of Lands
Jaryan Kani	Director	National Land Use Planning Commission (NLUPC)
Vera den Otter	Social Specialist	ERM/ eMJee
Sospeter W. Mteni	Assistant Director	Ministry of Agriculture, Food Security and Cooperatives (MAFSC)
James Davey	Country Director	Concern Worldwide

The scoping exercise was supplemented with research through documentation provided as part of the SAGCOT process, and as provided by consulted parties. The RPF Task Leader also consulted local members of the SRESA study team with knowledge of the lands, compensation and resettlement processes in Tanzania, including:

- Godfrey Kamukala, ESMF Specialist
- Beatrice Mchome, Stakeholder Engagement and Resettlement Specialist
- Maureen Roell, Institutional Specialist
- James Ramsay, SRESA Team Leader

Outcomes of Scoping

The scoping process provided information and insight into the current legislative, institutional and implementation context in relation to land tenure, compensation and resettlement in Tanzania. It also

provided stakeholders concerns and issues around land tenure in relation to the SAGCOT project. These have been taken into account in developing this approach to the RPF.

8.2.3 *Phase 2: Research and Consultation*

The research and consultations undertaken for the RPF will build on those undertaken as part of the scoping study, as well as those undertaken for the project's ESMF.

Literature Review

A literature review will be undertaken of a wide range of sources, including:

- Project documents;
- Tanzanian land policies, guidelines, regulatory and administrative frameworks;
- World Bank Safeguards Policies; and
- Other studies and research documents relating to the current land and resettlement situation in Tanzania

In particular, the literature review will be complemented by the 'Study of Policy, Legal and Institutional Issues related to Land in the Project Area' as contracted by the World Bank, as well as the findings of the SRESA to date.

Consultations

Consultations will be undertaken at National, Regional, District and Village level.

National Level Consultations

The National level consultations will be conducted with the objective of understanding the legislative and policy context for land acquisition, expropriation, resettlement and compensation in Tanzania. It will also seek to gain an understanding of the institutional framework within which this happens and the responsibilities of each institution in the resettlement, valuation and compensation process. This consultation, in association with research documents and land tenure documents, will also provide a set of lessons from past experiences in Tanzania, as well as current concerns around land, such that these can be taken into account in the SAGCOT resettlement process.

In addition to those already undertaken as part of scoping (as listed in Table 8.1), the National level consultations will include the:

- Ministry of Lands, Housing and Human Settlements Development
- National Land Use Planning Commission
- Tanzania Investment Corporation
- Ministry of Infrastructure Development
- Ministry of Agriculture, Food Security and Cooperatives

These will be complemented with consultations with government agencies, and further representatives from the private and donor sector. A particular stakeholder for consultation will be EcoEnergy, a private sector investor in agribusiness in Tanzania, working in close collaboration with the SAGCOT team. EcoEnergy are in the process of developing a World Bank level RAP for their Bagamoyo project and have expressed a willingness to share lessons about this process with the SAGCOT RPF team.

Regional, District and Village Level Consultations

Consultations will be undertaken at the regional, district and village level. As per the approach for the SRESA, the RPF will use the Kilombero Cluster as a case study cluster for detailed research and consultation at the regional, district and village level. The aim of these consultations will be to understand:

- the process and institutional framework for resettlement and compensation at the regional, district and village level and how this will be harnessed in the SAGCOT programme;
- previous experiences in the Kilombero Cluster and the types of resettlement impacts that have occurred to date;
- the extent to which Land Use Planning and issuance of Customary Certificates of Ownership has taken place and has been respected;
- the types of infrastructure, land and land use in the area, types of crops etc, and the extent to which this is unused and available for commercial agricultural development;
- the number and different types and categories of project affected parties (PAPs) and the ways in which they will be affected;
- issues of conflict between different types of land users (eg pastoralists vs crop farmers) and how these can be avoided/ dealt with through the resettlement process;
- the extent of resettlement that would be required within the Kilombero Cluster and the potential extent and types of compensation required;
- the potential issues arising from the land acquisition and compensation process for the SAGCOT programme and how these might be overcome.

In order to achieve these objectives, fieldwork will be undertaken in the area in July 2012, and stakeholders consulted as follows:

- Morogoro Regional Authority;
- Kilombero District Authorities, including the:
 - District Executive Director;
 - District Lands Office;
 - District Agriculture and Livestock Office;
 - District Natural Resources Office;
 - District Engineer; and
 - District Planning Office
- Village Leaders, Authorities and Councils;
- Agricultural and pastoralist representatives;
- Commercial farmers and investors in the area; and
- Women's groups representatives

The information gained from these consultations will be used to gain an estimate of potential displacement in the cluster, both physical and economic, and the applicable eligibility categories.

Aggregating Findings from the Kilombero Cluster

The findings from research and consultation in the Kilombero Cluster will be used as a case study to be aggregated across other clusters in SAGCOT.

In addition to this, findings from consultation with EcoEnergy, and their experience in the Bagamoyo District, will also be used. EcoEnergy, a sugar and ethanol company, has prepared a Work-Bank standard Resettlement Action Plan (RAP) for their proposed sugar development in Bagamoyo. The RAP includes estimates of PAPs per hectare of land acquired. These findings, in conjunction with those findings from the Kilombero Valley cluster, will be used to provide estimates of the potential scale of displacement and resettlement across the entire corridor.

8.2.4 Phase 3: Report

A Resettlement Policy Framework will be prepared to ensure that the resettlement objectives and principals, organisational arrangements, and funding mechanisms for any resettlement operation as part of direct World Bank financing of SAGCOT programme activities are adhered to. It will also provide estimates of the potential scale of displacement, as described above. This will be delivered alongside the SRESA report and will include the following contents:

- **Legal Framework:** this will:

- (i) provide a review of relevant laws, policies, legal and administrative procedures of the Government of Tanzania, relevant customary and traditional laws and laws and regulations relating to the agencies responsible for implementing resettlement activities;
 - (ii) identify gaps between Tanzania's legislative requirements and World Bank OP 4.12, and
 - (iii) suggest mechanisms to bridge such gaps to ensure the effective implementation of resettlement activities.
- **Institutional Framework:** this will provide an assessment of the institutional capacity of local institutions and relevant agencies and suggest an organisational structure for resettlement activities, together with a mechanism to enhance its institutional capacity. This will take into account current concerns around land tenure and distribution.
 - **RAP Procedures:** these will provide details of the preparation, review and approval processes for the individual Resettlement Action Plans (Raps) that may be needed, including consultation and participation requirements, subproject screening procedures, requirements for socio-economic surveys and asset inventories
 - **Methods for Valuation of Assets:** these will identify a methodology to be used in valuing losses to determine their replacement cost, and also a description of the proposed types and levels of compensation under Tanzanian law and such supplementary measures as are necessary to achieve replacement cost for lost assets. This will also cover:
 - (i) eligibility for compensation;
 - (ii) types and levels of compensation under relevant law;
 - (iii) such supplementary measures as are necessary to achieve replacement cost for lost assets.
 - **Resettlement measures:** this will describe the technically and economically feasible packages of compensation and other resettlement measures. The resettlement packages should be compatible with the cultural preferences of the displaced persons, and prepared in consultation with them.
 - **Site selection, site preparation, and relocation:** this will identify:
 - (i) the institutional and technical arrangements for identifying and preparing relocation sites,
 - (ii) any measures necessary to prevent land speculation or influx of ineligible persons at the selected sites;
 - (iii) procedures for physical relocation under the project,
 - (iv) legal arrangements for regularizing tenure and transferring titles to resettlers.
 - **Implementation Arrangements:** these will provide:
 - (i) an implementation schedule covering resettlement activities;
 - (ii) a grievance redress mechanism that provides local communities with a means of raising concerns relating to the project's operations, and dealing with these in ways that are considered to be fair, by both the community and project management.
 - **Monitoring and Evaluation Arrangements:** these will develop principles, a strategy and plans for monitoring of resettlement activities, and set out the framework for project evaluation and impact assessment.
 - **Costs, Budget and Possible Sources of Funding:** this will include:
 - (i) a budget estimation to cover expropriation and compensation costs for loss of properties, operational arrangements as well as for necessary studies, and
 - (ii) institutional mechanisms for the payment of compensation.

The proposed Table of Contents of the Report is set out in *Table 8.3*.

Table 8.3 Proposed Table of Contents for the SAGCOT RPF

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	Methodology
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	Anticipated Subproject Types
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3	OBJECTIVES AND BASIC PRINCIPLES OF RESETTLEMENT
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	Procedures for Resettlement According to the World Bank OP 4.12
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5	LAND TENURE BACKGROUND
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7	ESTIMATED POPULATION DISPLACEMENT AND ELIGIBILITY CATEGORIES
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9	RAP PREPARATION, REVIEW AND APPROVAL
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10	RAP IMPLEMENTATION PROCEDURES AND SCHEDULE
	Site Selection, Site Preparation and Relocation
	Implementation Schedule
11	MECHANISMS FOR CONSULTATION AND PUBLIC PARTICIPATION
12	GRIEVANCE REDRESS MECHANISM
13	MONITORING AND EVALUATION
14	ESTIMATED BUDGET
A	ANNEXES (Supporting forms etc)

9.1 INTRODUCTION

One of the study's deliverables is an Environmental and Social Management Framework (ESMF) to guide implementation of the World Bank's support to the SAGCOT programme. The ESMF was prepared to an accelerated schedule (see Table 7.1) to meet the Bank's requirements for disclosure at least 120 days in advance of loan appraisal by the Board in Washington. As a result, the ESMF has not been able to take advantage of the full findings of the strategic assessment. To overcome this constraint the Bank has proposed that if necessary the ESMF could be modified later to be consistent with the Operational Manual for the Catalytic Fund.

9.2 ESMF EXECUTIVE SUMMARY

The following text is the Executive Summary from the draft ESMF as submitted on 12 July 2012.

Full details of the procedures and ESMF Operational Tools and Guidelines developed for the Fund Manager(s) to use in the screening, appraisal, monitoring and reporting process are given in the full ESMF.

9.2.1 Project Background and Description

The SAGCOT Programme is broadly identified as a public-private partnership explicitly designed to achieve higher rates of income growth and job creation through the development of competitive agribusiness value chains across the Southern Corridor. The Programme intends to concentrate investments within the rail and road corridor stretching from Dar es Salaam in the east through Morogoro, Iringa, and Mbeya, and west to Sumbawanga. Over the next 20 years, the programme aims to bring 350,000 ha of farmland into commercial production for regional and international markets, to increase annual farming revenues by US\$1.2 billion, and to lift more than 2 million people (roughly 450,000 farm households) out of poverty.

The Government of Tanzania (GoT) has requested support from the International Development Agency (IDA, part of the World Bank) to assist in implementation of the SAGCOT concept. The proposed World Bank support ("the Project") will be in the form of a Specific Investment Loan (SIL).

The Project comprises three components:

Component 1. SAGCOT Catalytic Fund (approximately US\$ 45 million): the main objective of the Catalytic Fund is to catalyze agribusiness investment in the Southern Corridor in ways that reduce poverty, improve food security and benefit smallholder farmers. The Catalytic Fund is expected to have two windows: (a) the Matching Grants Facility (MGF) will finance the efforts of established commercial agribusinesses to expand their commercial linkages with smallholder farmers by building or extending competitive supply chains, and (b) a Social Venture Capital Fund (SVCF) is expected to promote the development and expansion of smaller and younger agribusinesses with supply chain links with smallholders to become commercially and financially viable businesses. The financing will be provided as low-cost or interest-free loans, repayable as soon as the business attracts private finance or equity depending on the specific situation. IDA will not contribute to this fund.

Component 2. Strengthening Agribusiness Support Institutions (approximately US\$ 13 million): the Project will support several institutions connected to the SAGCOT Programme. The SAGCOT Centre will facilitate the sustained pursuit of the overall mission of expanding agribusiness development in the corridor. Technical support will also be provided to complementary institutions such as the Tanzania Investment Centre (TIC), the Rufiji Basin Development Authority (RUBADA) and the Ministry of Lands, Housing and Human Settlement Development (MLHSD).

Component 3. Project Implementation Support (~ US\$2 million): a Project Coordination Unit (PCU) will be created in the Prime Minister's Office to manage the overall implementation of the financing

agreement and to monitor the budget and implementation of the Project Implementation Manual. This Unit will facilitate communications between key SAGCOT stakeholders including the SAGCOT Centre, SAGCOT Catalytic Fund, RUBADA, and the Tanzania Investment Centre.

9.2.2 *World Bank Safeguard Requirements and ESMF Objectives*

The Project has triggered World Bank OP 4.01: Environmental Assessment, OP 4.04: Natural Habitats, OP 4.36: Forests, OP 4.09: Pest Management, OP 4.10: Indigenous Peoples, and OP 4.12: Involuntary Resettlement. In order to satisfy the requirements of the World Bank's OP 4.01 (Environmental Assessment) for Category A projects, a Strategic Regional Environmental and Social Assessment (SRESA) of the SAGCOT Program is being prepared with supporting safeguard products and tools. The SRESA includes preparation of (i) a Scoping Report; (ii) Stakeholder Analysis, Participation and Consultation Plan; (iii) Environmental and Social Management Framework; and (iv) a Resettlement Policy Framework (RPF).

The overarching objective of the SAGCOT SRESA is to improve the investment decisions of all the different stakeholders by identifying environmental and social issues (both opportunities and constraints) and mainstreaming them into the development planning process. The SRESA will include a scenario analysis of more detailed environmental and social issues in one prominent cluster (the Kilombero Cluster) in order to: i) identify potential project impacts; ii) define a monitoring strategy methodology and iii) develop an initial associated database for monitoring project-related agribusiness investment impacts in the Corridor. The scenario assessment and monitoring approaches may be applied to a broader range of investment clusters by the SAGCOT Centre and related government authorities.

The objective of the ESMF is to provide a framework for effective management of environmental and social issues in the proposed SAGCOT Project. It seeks to both enhance environmental and social development benefits of the project and mitigate any adverse impacts, in line with GOT and World Bank policies and guidelines on management of environmental and social development projects. Since the precise locations and potential impacts of future subprojects cannot be identified prior to appraisal, the ESMF provides the basis for the environmental and social preparation needed for the subproject investments.

The ESMF comprises a main body with supporting information assembled into several annexes and Operational Tools and Guidelines. The main body of the ESMF (a) establishes clear procedures and methodologies for the environmental and social assessment, review, approval and implementation of investments to be financed under the SAGCOT Catalytic Fund; (b) specifies appropriate roles and responsibilities and outlines the necessary reporting procedures for managing and monitoring environmental and social concerns related to Project investments; (c) determines the training, capacity building and technical assistance needed to successfully implement the provisions of the ESMF; and (d) proposes a budget to implement the recommendations outlined in this document.

The annexes contain relevant material referenced throughout the document. The Operational Tools and Guidelines provide the resources needed for implementing the Catalytic Fund Subproject Environmental and Social Review, Appraisal, Monitoring and Reporting Process.

The ESMF will apply to all SAGCOT supported investments under the Catalytic Fund. Since the extent and location of resettlement is not known at this time and will only be identified when sub-projects are being assessed, the RPF will establish the resettlement objectives and principles, organisational arrangements and funding mechanisms for any resettlement operation as part of direct World Bank financing of SAGCOT programme activities.

9.2.3 *Environmental and Social Context*

The corridor covers approximately one third of mainland Tanzania and is aligned east-west along a backbone of transport and energy infrastructure - the TANZAM highway, the TAZARA railway and transmission lines from various hydropower plants. Within the corridor it is intended that investment should be focused in "clusters" to achieve synergies and economies of scale.

The corridor covers a wide variety of landscapes, agro-ecozones and soils, from the highlands suitable for tea to the coastal lowlands suitable for rice and sugarcane. Rainfall patterns and amounts vary but are generally bimodal, and there are marked dry seasons. Increasing variability is expected with climate change. Year-round cropping therefore requires irrigation.

A major feature of the corridor is the forest mountain massifs of the Eastern Arc. These are internationally significant due to their unique biodiversity and locally significant as water sources for the region's rivers. A second major feature of the corridor is the many wetlands, seasonally-flooded areas along the rivers which are also highly biodiverse (including freshwater species) and extremely important for their other ecosystem and economic services - flow regulation, fisheries, dry-season grazing, tourism and hunting. The third major biome in the area is dry woodland. The region's exceptional ecological values have been recognized by the establishment of many protected areas in different categories - National Parks, Forest Reserves, Game Reserves, Wildlife Management Areas, Ramsar sites, World Heritage sites - and these cover a large proportion of the corridor area.

The region's population density is low but increasing in line with Tanzania's high growth rates. Livelihoods are largely agricultural, with few urban job opportunities. There is a high dependency on natural resources, especially firewood for cooking. In certain areas such as the Kilombero Valley in-migration by job-seekers is creating population pressure hot-spots. These are compounded by the arrival of agro-pastoralists from other areas, resulting in accelerated environmental degradation and farmer-herder conflicts.

Land is a key issue. Perceptions of unused land waiting for investors and large areas of land suitable for irrigation ignore the realities of subsistence use of land, the needs of pastoralists, the values of wetlands, and the importance of maintaining dry season river flows. Biodiversity is also a key issue: despite the many protected areas there is extreme pressure on some habitats due to degradation, fragmentation and conversion, (especially wetlands but also woodlands and forests) and on some forms of wildlife due to hunting. In addition critical wildlife corridors are being blocked, resulting in increased human-wildlife conflict.

9.2.4 *Environmental and Social Management Process and Requirements*

In the conceptual design of the SAGCOT programme, numerous stakeholders recognized that implementation activities needed to be planned in an integrated fashion to maintain the Corridor's ecosystem functions and rich natural resource base. A number of protected areas and critical ecosystems are located within the Program area, including Selous Game Reserve, Ruaha and Mikumi National Parks, Udzungwa National Park, Kitulo National Park forest reserves and wetlands, the Ramsar site at Kilombero and various Wildlife Management Areas.

Consequently, the SAGCOT Programme is committed to integrating sustainability across its planning and implementation focusing on six pillars (i) balancing agricultural production and expansion with wise water use, (ii) developing land use and land capability across the Corridor with attention to continued ecosystem services, (iii) maintaining and enhancing the important protected areas in the region, (iv) improving soil and water management, (v) incorporating low-greenhouse-gas emission investments and other climate mitigation and adaptation management options whenever possible, and (vi) ensuring investments are undertaken in a manner that minimizes environmental impacts through the application of several environmental assessment tools.

In addition, various land agencies plan to shift large tracts of land from Village lands into long term leased General lands for expanding agriculture. Numerous stakeholders including many NGOs have drawn attention to potential "land grabbing" issues associated with the SAGCOT programme. Oversight of the programme's activities in relation to land occupancy and traditional land use rights will require several accountability mechanisms that both respect national laws and follow World Bank policies and international good practice.

This integrated sustainable planning approach for the SAGCOT Program will assess proposed development schemes with a view to understanding how these proposals might impact sensitive

wetlands, biodiversity, ecosystem services and land rights. Well-designed development can avoid these impacts, for example, by minimizing clearing of natural vegetation, restoring wildlife corridors and balancing water extraction with maintaining environmental flows. In parallel is the recognition that SAGCOT partners are expected to comply with appropriate Tanzanian laws and regulations, World Bank safeguard policies and international good practice concerning land tenure, agriculture and food security.

9.2.5 Institutional Roles and Responsibilities under SAGCOT

The Project is supporting several agencies. The majority of the support is directed at the Catalytic Fund with smaller amounts to the other institutions - Tanzania Investment Centre, SAGCOT Centre, RUBADA, and MLHHSD. There are several other coordinating and oversight agencies: the Prime Minister's Office, the Vice President's Office and NEMC, all of which will play a role in the implementation of the Project. It is important to note that during drafting of this ESMF the Catalytic Fund was only in its conceptual stage and there were still a number of administrative structures that required confirmation and approval. Likewise, the exact nature of the technical assistance that will be provided by the World Bank to the institutions mentioned had not been defined.

9.2.6 Impact Analysis and Proposed Mitigation Measures

The objectives of the SAGCOT Programme are to have long-term positive socio-economic impacts throughout the Corridor, focused on priority clusters. Through the Catalytic Fund, the Project aims to provide opportunities for smallholder producers to engage in profitable agriculture, support agribusiness investment and development along the value chain, and build supply chains which include smallholder and emergent farmers and benefit rural communities. However, the SAGCOT programme is also likely to have significant environmental and social impacts associated with the numerous development challenges in the region and the Corridor's important biodiversity and ecosystem services. Such concerns must raise the level of scrutiny for all development schemes in the Corridor.

The key impacts and issues relate to (i) water, (ii) land, (iii) biodiversity and (iv) social acceptability, together with all the associated governance issues. The proposed solutions in the ESMF are generic and will mostly require significant changes to policies, institutional reform and change, and political leadership. Detailed impact analysis and mitigation measures are described in the SRESA.

9.2.7 Catalytic Fund Subproject Screening, Appraisal, Monitoring and Reporting

Since the Catalytic Fund is the mechanism by which subprojects will be appraised and implemented, a set of procedures combined with ESMF Operational Tools and Guidelines have been developed for the Fund Manager(s) to use in the screening, appraisal, monitoring and reporting process. The design of this assessment system complies with both the World Bank's safeguard policies and Tanzanian EIA regulations and related guidelines. The World Bank will not be providing any funds to directly acquire or purchase land, remove occupants from their current land settlements nor restrict use of or access to traditional resource use in the SAGCOT. Nonetheless, the perceived reputational risks to the World Bank associated with potential land deals and leases to interested investors raise concern across many stakeholders in and outside Tanzania. The World Bank will work closely with these counterpart organizations to define the project's risks and impacts and to provide advice on good practices and strategic approaches to minimize and avoid these.

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Annex A

Record of Consultation

List of Meetings to mid-June, 2012

Date	Organization	Contacts
<i>March</i>		
26	World Bank	David Rohrbach
28	World Bank	David Rohrbach Ann Jeannette Glauber Tobias von Platen-Hallermund Ken Green
29	Bank of Tanzania	Andrew Kapilima
30	British Council - Policy Forum Breakfast Debate - Village Land Act Bank of Tanzania SAGCOT Working Group	- Andrew Kapilima Peniel Lyimo Barney Laseko Sophia Kaduma Dr. Mary Shetto Dan Mrutu Jennifer Baarn Tom Hopgood David Rohrbach
<i>April</i>		
02	World Bank	David Rohrbach Helen Shahriari Agnieszka Lyniewska Ken Green
03	Vice President's Office SAGCOT Centre	Dr. Julius Ningu Dan Mrutu Jennifer Baarn
04	Belgian Technical Cooperation Ministry of Natural Resources & Tourism Wild Things Safaris	Vincent Vercruyssen Piet Oosterom Roy Hinde
05	World Bank	David Rohrbach Ken Green
<i>May</i>		
03	World Bank Concern Worldwide BEST-AC ANSAF	David Rohrbach James Davey Hans Determeyer Regina Mongi Audax Rukonge George Mboje
04	DfID	Adrian Stone
07	World Bank	Helen Shahriari David Rohrbach Dr. Robert Ntakamalenga
08	NEMC Ministry of Infrastructure Development RUBADA MNRT	Melania Sangeu Aloyce Masanja Piet Oosterom
09	Bagamoyo District Administration	Samweli Sarianga M.S.E. Mlyambongo Fidelica Myovella
10	Bagamoyo Irrigation Development Project VPO - Division of Environment	Dr. Constantine Shayo
14	SAGCOT Centre, ACT	Salum Shamte
17, 18	EcoAgriculture - Green Growth Workshop, Dar es Salaam	54 participants
21	SAGCOT Green Reference Group	Ngosi Mwiha 11 other participants
22	DfID	Georgina Cashmore

Date	Organization	Contacts
23	MAFSC MLFD Wild Footprints	D. Mary Shetto Sospeter Mtemi Samuel Leshongo Grace Mwaigomole Ryan Shallom
24	IUCN Bakhresa MNRT	Abdalla Shah Said Muhammad Said Abeid Piet Oosterom
29	Morogoro Regional Administration Sokoine University of Agriculture	E.F. Lauwo L.G. Noah Evince Gambishi Eulalia Minya Zainabu Godi Godi Dr. Damian Gabagambi
30	Kilombero District Administration	16 MSc students Fredeni Malambeko Elia Shemtoi 9 District Technical Officers
31	TechnoServe Kilombero Plantations Ltd. NAFAKA - small rice growers (SRI), Mkangawalo village Pastoralists, Mkangawalo village Mbingu Ward Office	Heaven Masha Murray Dempsey David Lukindo 36 farmers 6 pastoralists (Maasai) Aidan Mbingi
<i>June</i>		
01	Kilombero Valley Teak Company Udzungwa Ecological Monitoring Centre Udzungwa National Park Pennsylvania State University Rufiji Basin Water Office Sokoine University of Agriculture	Hans Lemm Arafat Mtui Emanuel Martin Joram Ponjoli Prof. Brian Orland Dr. Larry Orenflo Willie Mwaruvanda Prof. A.Z. Mattee
04	USAID	Dr. Mary Hobbs
05	MAFSC, Gender Focal Point	
06	Hakiardhi	Joseph Chiombola
07	SRESA Scoping Workshop, Dar es Salaam EcoEnergy	34 participants Per Carstedt Per Renman William Burstrom Anders Bergfors
08	Ministry of Community Development, Gender & Children	Judy Kizenga Constansia Gabu
09	ALAT	Karin Fogelberg
11	SAGCOT National Technical Committee TAWLAE	Mary Liwa

Annex B

Draft Consultation and Disclosure Plan

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B1 INTRODUCTION

B1.1 PREAMBLE

This document is a draft Consultation and Disclosure Plan (CDP) prepared during the Strategic Regional Social and Environmental Assessment (SRESA) of the SAGCOT initiative.

The CDP will (a) guide the SRESA study team and beneficiary parties in undertaking a robust public consultation programme that supports and informs the environmental and social analyses that are being carried out as part of the SRESA, and (b) outline the consultation and participation measures that will be necessary to improve the chances of success during SACOT programme implementation.

The CDP is a working document that will be updated and adjusted as the SRESA progresses. It provides a framework to manage effective and meaningful engagement with key stakeholders.

B1.2 PROJECT BACKGROUND

The SAGCOT initiative is a public-private partnership (PPP) aiming to mobilize US\$2.1 billion in private sector investment over the next 20 years to achieve rapid and sustainable growth in Tanzania's Southern Corridor, a very large area stretching west from Dar es Salaam through Morogoro, Iringa and Mbeya to Sumbawanga. The initiative aims to facilitate the development of profitable agricultural businesses in 'clusters' along this corridor to achieve economies of scale, synergies and increased efficiency. The partnership is the centrepiece of Tanzania's high-level Kilimo Kwanza strategy for enhancing food security, poverty reduction and reducing vulnerability to climate change.

The SAGCOT programme is at an early stage of its organizational development, and the Government of Tanzania (GoT) has requested funding from the International Development Association (IDA) to support establishment of the necessary institutions, institutional reorganization and capacity building, and initial operation of promotional funding mechanisms (the SAGCOT Catalytic Fund). The lending instrument will be a Specific Investment Loan. The Bank has prepared a Project Concept Note (PCN) and is preparing a Project Appraisal Document (PAD) for the proposed Southern Agricultural Growth Corridor (SAGCOT) Investment Project (P125728-IDA). The proposed Project Development Objective (PDO) is to expand investment in agribusiness leading to income growth among smallholders and employment generation across agribusiness value chains in the Southern Corridor.

As an arm of the World Bank ("the Bank"), the IDA must comply with the Bank's environmental and social safeguard policies, in particular Operational Policy 4.01 Environmental Assessment. Screening of the proposed loan placed it into environmental Category A, which necessitates a comprehensive environmental and social assessment. Since the proposed funding is programmatic rather than project-oriented, the appropriate form of assessment is 'strategic', and since the programme covers a large but specific geographic area, the assessment is also 'regional'.

There is urgency to implementation of some aspects of the SRESA study since Bank rules require the submission of specific safeguard documents 120 days before loan appraisal board meetings, in this case an Environmental and Social Management Framework (ESMF).

Separately from the Bank's requirements for safeguard-related assessment prior to loan appraisal, SAGCOT is a candidate for strategic environmental assessment under Part VII of Tanzania's Environmental Management Act (2004), as described in the Strategic Environmental Assessment Regulations (2008).

B1.3 WHAT IS STAKEHOLDER CONSULTATION?

Stakeholder consultation is an inclusive and culturally appropriate process for sharing information and knowledge about a proposal and its context. It seeks to understand the concerns of stakeholders, and to provide them with an opportunity to express their views. These views are then considered, responded to and incorporated into the decision-making process.

Effective consultation requires the prior disclosure of relevant and adequate information to enable stakeholders to understand the risks, impacts and opportunities of the proposal. It also needs to be a two way communication process, both imparting information to stakeholders and also obtaining additional information from them that would not be obtained through (for example) specialist studies. Consultation is most important at critical stages of proposal development, when there is important information to be shared with stakeholders and when it is necessary to obtain key information that may inform programme design.

B1.4 PURPOSE OF THE CDP

The goal of the CDP is to ensure a consistent, comprehensive and coordinated approach to stakeholder consultation and disclosure both throughout the SRESA study programme and during SAGCOT programme implementation. This approach is intended to result in transparent and effective two-way communication with affected communities and stakeholders in an inclusive and culturally appropriate manner.

The CDP needs to demonstrate that the study team is fully committed to a 'best practice' approach to stakeholder engagement, and that the consultation process will be carried out in keeping with the policies and regulations of the Tanzanian beneficiary parties as well as the environmental and social safeguard requirements of the World Bank.

In summary, the objectives of the CDP are:

- to generate understanding amongst stakeholders including affected communities of the proposed SAGCOT initiative;
- to gain insight into potential significant impacts;
- to develop effective mitigation measures and management plans;
- to enable affected communities and stakeholders to be involved in the environmental and social design process;
- to manage expectations and misconceptions;
- to optimise any local benefits that can be delivered through the proposed scheme.

Stakeholder engagement activities need to be early, ongoing and iterative, throughout the study programme. The CDP is therefore a working document that will be updated and adjusted as the study programme evolves. At this stage the document has three purposes:

- (a) To report on consultation carried out during the SRESA study's Phase 1, Scoping.
- (b) To present the plans for consultation during the SRESA study's Phase 2, impact assessment and the development of mitigation and enhancement measures.
- (c) To outline the consultation and disclosure requirements needed as part of SRESA report finalisation.

B1.5 STRUCTURE OF THE CDP

The structure of this CDP is as follows.

- Section 1: Introduction
- Section 2: Tanzanian and World Bank Requirements for Consultation and Disclosure
- Section 3: Stakeholder Identification and Analysis
- Section 4: Stakeholder Engagement Strategy and Management Plan
- Section 5: Outline Grievance Mechanism
- Section 6: Consultation Outcomes to Date
- Section 7: Recording and Monitoring Stakeholder Engagement

- Annex B1: Stakeholder Lists
- Annex B2: Summary of Consultation Meetings

B2 BENEFICIARY PARTY AND WORLD BANK REQUIREMENTS FOR CONSULTATION AND DISCLOSURE

B2.1 INTRODUCTION

This chapter outlines international good practice requirements for the consultation and disclosure that should be undertaken as part of the SRESA study.

B2.2 TANZANIAN REQUIREMENTS FOR CONSULTATION

Part XIV of the Environmental Management Act No. 20 of 2004 provides directives on public participation in the environmental decision-making processes. Section 178 (1) of the act provides further directives on the right of the public to information and participation in decision making. It states that the public shall have the right to be informed in a timely manner of the intention of the public authorities to make executive or legislative decisions affecting the environment and of opportunities to participate in such decisions.

In relation to assessment of specific projects (EIA), the Environmental Impact Assessment and Audit Regulations, 2005 Part IV Section 17 state the following:

- 1) During the process of conducting an environmental impact assessment study, the developer or proponent shall in consultation with the Council, seek the views of any person who is or is likely to be affected by the project.
- (2) In seeking the views of the public following the approval of the project brief, the developer or proponent shall-
 - (a) publicize the project and its anticipated effects and benefits by -
 - (i) posting posters in strategic public places in the vicinity of the site of the proposed project informing the affected parties and communities of the proposed project;
 - (ii) publishing a notice on the proposed project for two successive weeks in a newspaper that has a nationwide circulation; and
 - (iii) making an announcement of the notice in both Kiswahili and English languages in a radio with a nationwide coverage for at least once a week for two consecutive weeks;
 - (b) hold, where appropriate, public meetings with the affected parties and communities to explain the project and its effects, and to receive their oral or written comments;
 - (c) ensure that appropriate notices are sent out at least one week prior to the meetings and that the venue and times of the meetings are convenient for the affected communities and the other concerned parties; and
 - (d) ensure, in consultation with the Council, that a suitably qualified co-ordinator is appointed to receive and record both oral and written comments and any translations of it as received during the public meetings for onward transmission to the Council.

The Council referred to is the National Environment Management Council (NEMC).

In relation to strategic environmental assessment (SEA) of policies, programmes etc. "consultation and participation" are a required step under Tanzania's Strategic Environmental Assessment Regulations, 2008. Specifically, the regulations state that the Director of Environment in the Vice President's Office (VPO) shall be responsible for coordination of consultation in relation to strategic environmental assessment, and that:

12. The Sector Ministry shall, as soon as reasonably practicable -
 - (a) send a copy of the draft report and the Bill, regulations, policy, strategy, plan or programme to which it relates with the relevant documents to the Director of Environment and other relevant Ministries; and
 - (b) invite the Director of Environment, relevant Ministries and other key stakeholders to express opinion on the relevant documents within such period as the Sector Ministry may specify.
 - (c) invite where appropriate comments from authorities in neighbouring countries on transboundary environmental concerns.

Appropriately, the SEA Regulations are much less specific about the process and details of required consultation procedures than the EIA Regulations.

B2.3 WORLD BANK REQUIREMENTS FOR CONSULTATION AND DISCLOSURE

Consultation: the International Development Association (IDA) is governed by World Bank Operational Policies (OPs). Three are directly relevant to the consultation process:

- OP 4.01 Environmental Assessment
- OP 4.10 Indigenous People
- OP 4.12 Involuntary Resettlement

These policies mandate public consultation and participation to ensure that the projects in which the Bank invests are designed and implemented in an environmental and socially responsible manner. Affected persons, host communities and non-governmental organizations (NGOs) must be meaningfully consulted on relevant issues, especially those relating to land acquisition and livelihoods as well as environmental issues, cultural impacts etc. Consultation helps to ensure that local views are considered in the development of the project structure and the environmental and social management plans.

OP 4.01 Environmental Assessment requires that project-affected groups and local NGOs should be consulted about a project's potential environmental and social impacts during the environmental assessment process. Similarly, OP 4.12 Involuntary Resettlement stresses that project affected persons should be provided the opportunity to participate in the planning, implementation, and monitoring of the resettlement process, especially in determining eligibility for compensation and in the development of grievance mechanisms. Special consideration should be paid to the needs of vulnerable groups, such as women, children, the elderly, the landless and those who live below the poverty line, as well as others who may not be protected through national land compensation legislation. Draft resettlement plans should be disclosed to affected persons in a timely manner in order to facilitate their input. Such documentation should be easily accessible and be in a form and language that are understandable to key stakeholders.

OP 4.10 Indigenous People is intended to ensure that the development process fully respects the dignity, human rights, economies and cultures of Indigenous Peoples. Through OP 4.10 the Bank recognizes that the identities and cultures of Indigenous Peoples are inextricably linked to the lands on which they live and the natural resources on which they depend. These distinct circumstances expose Indigenous Peoples to different types of risks and levels of impacts from development projects, including loss of identity, culture, and customary livelihoods, as well as exposure to disease. Gender and intergenerational issues among Indigenous Peoples also are complex. As social groups with identities that are often distinct from dominant groups in their national societies, Indigenous Peoples are frequently among the most marginalized and vulnerable segments of the population. As a result, their economic, social, and legal status often limits their capacity to defend their interests in and rights to lands, territories, and other productive resources, and/or restricts their ability to participate in and benefit from development.

For purposes of OP 4.10, the term "Indigenous Peoples" is used in a generic sense to refer to distinct vulnerable social and cultural groups possessing the following characteristics in varying degrees:

- (a) self-identification as members of a distinct indigenous cultural group and recognition of this identity by others;
- (b) collective attachment to geographically distinct habitats or ancestral territories in the project area and to the natural resources in these habitats and territories
- (c) customary cultural, economic, social, or political institutions that are separate from those of the dominant society and culture; and
- (d) an indigenous language, often different from the official language of the country or region.

A group that has lost "collective attachment to geographically distinct habitats or ancestral territories in the project area" because of forced severance remains eligible for coverage under this policy.

Ascertaining whether a particular group is considered as “Indigenous Peoples” for the purpose of this policy may require a technical judgment: at present the Bank agrees with GoT that the Hadzabe and Barabaig cultural groups in Tanzania are covered by the Policy.

In summary, the World Bank requirements focus on:

- early consultation with affected people and NGOs;
- early information disclosure; and
- providing information in a way that allows informed consultation with stakeholders.

Disclosure: disclosure of information is governed by the new World Bank Policy on Access to Information (July 2010). This supersedes the previous policy on Disclosure of Information. Under the new policy the Bank allows access to any information in its possession that is not on a list of exceptions. The exceptions include, e.g., personal information and information supplied by member countries under conditions of confidentiality.

Under the policy, some documents prepared or commissioned by a member country/borrower must be made available to the public as a condition for doing business with the Bank. These include "safeguards assessments and plans related to environment, resettlement, and indigenous peoples".

B3 STAKEHOLDER IDENTIFICATION AND ANALYSIS

B3.1 INTRODUCTION

This chapter provides an overview of the stakeholders affected directly or indirectly by the Bank's support for the SAGCOT programme.

For the purposes of the CDP, a stakeholder is defined as “any individual or group who is potentially affected by the proposed initiative or can themselves affect the proposed initiative”. Since the resulting set of stakeholders is extremely large (e.g. including the entire corridor population) and it is neither practical nor effective to engage with such a large group, the stakeholders have been divided into two broad sub-groups: primary stakeholders and secondary stakeholders, as follows:

- Primary stakeholders are those persons, communities or organisations directly affected by World Bank support to the SAGCOT programme, either positively or negatively. Examples include local residents in the clusters that may be displaced due to the construction of last-mile infrastructure, small and large-scale investors benefiting from the Catalytic Fund, and SAGCOT implementing institutions receiving assistance such as the SAGCOT Centre, TIC, RUBADA and MLHSD.
- Secondary stakeholders are those persons or groups who have an interest in the SAGCOT initiative but will not be directly affected by Bank-supported activities, including e.g. executing agencies such as the Rural Energy Authority (REA), central agencies and line ministries such as the Prime Minister’s Office, MAFSC, MLFD and MNRT, the respective regional and district authorities, financing institutions, farmers' organisations, private sector companies in enhanced value chains such as KSC and KPL, supply and service providers such as Yara, and the very wide range of institutions, organisations and groups concerned with natural resource conservation and use - pastoralists, fishers, tourism and hunting companies, river basin organisations, protected area and forest managers such as TANAPA, conservation and development NGOs, etc.

Note that the second group - secondary stakeholders - are not directly affected by the Bank's specific support to the SAGCOT programme, but may well be primary stakeholders in relation to other SAGCOT-related activities and processes such as land conversion and water abstraction.

B3.2 STAKEHOLDER IDENTIFICATION AND CONNECTIONS

In order to develop an effective CDP it was necessary to determine who the stakeholders are and understand their priorities and objectives in relation to the SAGCOT initiative. By classifying stakeholders it has been possible to develop a plan that is tailored to the needs of different stakeholder groups.

Recognizing the strategic importance of the initiative, a diverse range of stakeholders were identified that could be involved in the CDP process. Different issues are likely to concern different stakeholders and so different types of stakeholder have been grouped based on their connections to the initiative (Table 3.1). Having an understanding of the connections of a stakeholder group helps identify the key objectives of engagement.

Stakeholder identification is an ongoing process requiring regular review and updates.

As the study progresses, further details of stakeholder groups and their interests will be compiled. These lists are ‘living documents’ that will be updated as engagement progresses.

Table 3.1 Stakeholder Groups and their Connection to the Project

No	Stakeholder Group	Organisation	Connection to the SAGCOT programme
1	Ministries	Prime Minister's Office - RALG	Oversees the SAGCOT process
		Vice Presidents Office - Division of Environment	Mandate for SEA in Tanzania that includes the SAGCOT SRESA
		Ministry of Natural Resources & Tourism Ministry of Water	The programme will be implemented adjacent to and in protected areas therefore issues of wildlife corridors, forests and water use require consideration.
		Ministry of Lands, Housing & Human Settlement Development National Land Use Planning Commission	The project will involve land use planning, land acquisition and resettlement.
		Ministry of Agriculture, Food Security & Cooperatives Ministry of Trade and Industries Ministry of Livestock & Fisheries Development	The initiative will develop agriculture, livestock, irrigation and post-harvest processing in the clusters.
2	Regional Authorities	Dar es Salaam, Coast, Morogoro, Iringa, Mbeya, Rukwa, Njombe, Katavi	Administrative regions within the SAGCOT corridor. Involved in land and land use planning, agricultural development planning, infrastructure planning, monitoring, conflict resolution, etc.
3	District Authorities	Kibaha, Bagamoyo, Kilosa, Kilombero, Mbarali, Mufindi, Ludewa, Sumbawanga, Rufiji, Ulanga, Mpanda, Kilolo	District authorities will be responsible for many aspects of SAGCOT programme implementation, ranging from land use planning through creating awareness amongst local communities, providing technical support, overseeing land acquisition processes and monitoring.
4	Private Sector	Investors, Traders	Direct beneficiaries of the SAGCOT initiative.
5	Parastatals and PPPs	Tanzania Agricultural Partnership	Public-private partnership promoting private sector growth in the agricultural sector in Tanzania.
		TANROADS, TANESCO, REA, Tanzania Port Authority, TAZARA	Responsible for infrastructure development: electricity, roads, ports.
		RUBADA	As a government-owned develop authority, potential player in the SAGCOT programme, but with an uncertain and evolving role.
		RBWO, other basin organisations	Manage water resources.
		TIC	Oversees investment processes, signs MoUs with investors.
		TANAPA	Some of the clusters are adjacent to or upstream of National Parks, and contain wildlife corridors.
6	Umbrella Organizations – representing groups of key stakeholders	ANSAF	An agricultural forum with a range of members.
		TNRF	Natural Resource Forum
		Foundation for Civil Society (FCS)	FCS provides grants and facilitates linkages for civil society organizations in Tanzania to reduce poverty. Has adopted best practices.
		PINGO	Independent forum for pastoralists.
		TPAWU	Union representing plantation and agricultural workers.
7	Local and International NGOs	TPSF	Private sector forum that promotes the interest of private sector companies
		Action Aid, AWF, Concern, IUCN, MVIWATA, Oxfam, TAWLAE, TechnoServe, TFCG	Some of the many NGOs with a direct interest in the initiative and who might influence it directly or by mobilising public opinion. Such organisations often have useful data and insight and may become partners in areas of common interest. The NGOs listed have particular interests in land, agriculture, environment and gender.

No	Stakeholder Group	Organisation	Connection to the SAGCOT programme
8	Development agencies	BTC, DFID, EU, Norad, USAID	Potential development partners and funders with requirements for international best practice.
9	International Financial Institutions	World Bank, African Development Bank	Multilateral Financial institutions that may provide financial support to investors.
10	Local Financial Institutions	NMB, Stanbic Bank	Local financial institutions that service small, medium and large scale farmers
11	Large Agriculture Sector Companies (local and international)	AgDevCo, Bakhresa, Katani, Monsanto, Syngenta, Unilever, Yara	Individuals or organisations with direct economic interest in the initiative. They may also be potential business partners and financiers. .
12	Local Resident & Communities	Small farmers, Traders, Pastoralists, Agro-pastoralists Indigenous groups Vulnerable and marginalized groups: <ul style="list-style-type: none"> • Female headed households • Elderly • Disabled 	Individuals and communities who will be directly affected by SAGCOT (both positively and negatively).
13	Academic and Research Institutions	Ardhi University Sokoine University of Agriculture University of Dar es Salaam Agriculture Research Institutions	Provide technical inputs to farmers/investors. Such organisations often have useful data and insight.
14	Politicians	Parliamentary Committees on Agriculture, Livestock, Natural Resources and Environment	Ability to influence government policies and decision-making processes.
		Members of Parliament in the SAGCOT Corridor Councillors	Represent the interests of local communities.

B4 STAKEHOLDER ENGAGEMENT STRATEGY AND MANAGEMENT PLAN

B4.1 PUBLIC PARTICIPATION METHODOLOGY

Given the scope of the SRESA study, it is important to coordinate all consultation activities being undertaken by the study team's various specialists. This will ensure consistency in the engagement process and avoid stakeholders being contacted multiple times. The team includes:

- Social specialist
- Stakeholder engagement specialist
- Gender specialist
- Environmental specialist
- Ecologist
- Water specialist
- Agricultural specialist
- Agricultural economist
- Institutional specialist
- GIS specialist

During the study it is necessary to work closely with Government, NGOs and Community-Based Organizations (CBOs) when engaging at the local level. For example, local authorities have long-established relationships with local communities and can help to facilitate discussions with key representatives. NGOs and CBOs generally have in-depth knowledge of local areas and can be used as sounding boards for project design and mitigation measures. They often have expertise in public consultation and can be a vehicle through which vulnerable groups are engaged.

Different methods are required to engage different stakeholder groups. The principal methods to be used will be:

- meetings with key informants and stakeholder representatives;
- focus group discussions, especially with local residents, farmers associations, district officials, and NGOs;
- workshops, seminars and public meetings;
- regular briefing of SAGCOT partners and supporting working groups (National Technical Committee, donor's Green Reference Group);
- a dedicated email address for the study, which provides a mechanism for the public to send their comments about the proposed initiative (sagcotsresa@gmail.com).

B4.2 OVERVIEW AND SCHEDULE

Consultation activities have been planned and are being undertaken in three consecutive phases:

- Phase 1: Scoping (April 2012 - June 2012)
- Phase 2: Detailed Studies (July 2012 - August 2012)
- Phase 3: SRESA Disclosure and Finalisation (September 2012)

A brief overview of each of these phases is provided in the following sections. The outcomes of the CDP activities to date are discussed in Chapter 5.

B4.3 PHASE 1 ACTIVITIES (MAY 2012 – JUNE 2012)

B4.3.1 Objectives

Objectives of Phase 1 Consultation:

- Introduce study and inform stakeholders about the SAGCOT initiative, the SRESA study and planned consultation activities;

- Obtain stakeholders' concerns and local knowledge to assist in focusing the study (scoping);
- Manage expectations and any misconceptions; and
- Develop formal working relationships with relevant authorities.

During Phase 1 (Scoping), the study team carried out a series of consultations at the central and local level. The various meetings that were undertaken are outlined in the following sections and listed in *Table 4.1*. A summary of the main discussion points of the individual meetings themselves is given in *Annex B1*.

Table 4.1 Consultation Meetings to mid-June, 2012

Date	Organization	Contacts/Participants
<i>March</i>		
26	World Bank	David Rohrbach
28	World Bank	David Rohrbach Ann Jeannette Glauber Tobias von Platen-Hallermund Ken Green
29	Bank of Tanzania	Andrew Kapilima
30	British Council - Policy Forum Breakfast Debate - Village Land Act Bank of Tanzania SAGCOT Working Group	- Andrew Kapilima Peniel Lyimo Barney Laseko Sophia Kaduma Dr. Mary Shetto Dan Mrutu Jennifer Baarn Tom Hopgood David Rohrbach
<i>April</i>		
02	World Bank	David Rohrbach Helen Shahriari Agnieszka Lyniewska Ken Green
03	Vice President's Office SAGCOT Centre	Dr. Julius Ningu Dan Mrutu Jennifer Baarn
04	Belgian Technical Cooperation Ministry of Natural Resources & Tourism Wild Things Safaris	Vincent Vercruyssen Piet Oosterom Roy Hinde
05	World Bank	David Rohrbach Ken Green
<i>May</i>		
03	World Bank Concern Worldwide BEST-AC ANSAF	David Rohrbach James Davey Hans Determeyer Regina Mongi Audax Rukonge George Mboje
04	DfID	Adrian Stone
07	World Bank	Helen Shahriari David Rohrbach
08	NEMC Ministry of Infrastructure Development RUBADA MNRT	Dr. Robert Ntakamalenga Melania Sangeu Aloyce Masanja Piet Oosterom
09	Bagamoyo District Administration	Samweli Sarianga M.S.E. Mlyambongo Fidelica Myovella

Date	Organization	Contacts/Participants
10	Bagamoyo Irrigation Development Project	
14	VPO - Division of Environment	Dr. Constantine Shayo
17, 18	SAGCOT Centre, ACT	Salum Shamte
	EcoAgriculture - Green Growth Workshop, Dar es Salaam	54 participants
21	SAGCOT Green Reference Group	Ngosi Mwihava 11 other participants
22	DfID	Georgina Cashmore
23	MAFSC	D. Mary Shetto Sospeter Mtemi Samuel Leshongo Grace Mwaigomole
	MLFD	Ryan Shallom
24	Wild Footprints	Abdalla Shah
	IUCN	Said Muhammad Said Abeid
	Bakhresa	Piet Oosterom
29	MNRT	E.F. Lauwo L.G. Noah Evince Gambishi Eulalia Minya Zainabu Godi Godi
	Morogoro Regional Administration	Dr. Damian Gabagambi
	Sokoine University of Agriculture	16 MSc students
30	Kilombero District Administration	Fredeni Malambeko Elia Shemtoi 9 District Technical Officers
	TechnoServe	Heaven Moshia
31	Kilombero Plantations Ltd.	Murray Dempsey David Lukindo
	NAFAKA - small rice growers (SRI), Mkangawalo village	36 farmers
	Pastoralists, Mkangawalo village	6 pastoralists (Maasai)
	Mbingu Ward Office	Aidan Mbingi
<i>June</i>		
01	Kilombero Valley Teak Company	Hans Lemm
	Udzungwa Ecological Monitoring Centre	Arafat Mtui Emanuel Martin
	Udzungwa National Park	Joram Ponjoli
	Pennsylvania State University	Prof. Brian Orland
	Rufiji Basin Water Office	Dr. Larry Orenflo Willie Mwaruvanda
	Sokoine University of Agriculture	Prof. A.Z. Mattee
04	USAID	Dr. Mary Hobbs
05	MAFSC, Gender Focal Point	
06	Hakiardhi	Joseph Chiombola
07	SRESA Scoping Workshop, Dar es Salaam	34 participants
	EcoEnergy	Per Carstedt Per Renman William Burstrom Anders Bergfors
08	Ministry of Community Development, Gender & Children	Judy Kizenga
09	ALAT	Constansia Gabu
11	SAGCOT National Technical Committee	Karin Fogelberg
	TAWLAE	Mary Liwa

B4.4 *CENTRAL LEVEL CONSULTATION MEETINGS*

Two rounds of consultation meetings were held at the central level. The first round was carried out in March and April 2012. Briefing meetings and discussions were held with the World Bank and the Bank of Tanzania, links were established with two of SAGCOT's consultant teams (EcoAgriculture Partners and Africa Practice) and the SRESA was introduced to the SAGCOT Working Group at a meeting chaired by the Permanent Secretary, Prime Minister's Office.

The second round of consultation meetings was held in May and June 2012 with various key central government ministries involved in the implementation of SAGCOT, including the Ministry of Agriculture, Food Security and Cooperatives, the Ministry of Livestock and Fisheries Development and the Ministry of Natural Resources and Tourism. Stakeholders were briefed about the SAGCOT programme and the SRESA study and were invited to provide comments, as well as to suggest contacts for further consultation activities.

B4.5 *BILATERAL CONSULTATION MEETINGS*

To complement and follow up on issues raised at the central level consultation meetings, bilateral meetings were held with key stakeholders who were identified (through stakeholder analysis) as having a high interest in the initiative and/or relevant information.

These meetings comprised one-on-one meetings with individual stakeholders or telephone conversations. Stakeholder groups identified for bilateral consultation meetings included:

- NGOs;
- International development agencies such as BTC and DFID;
- Academic and research institutions such as Sokoine University of Agriculture;
- Parastatals including RUBADA and TIC;
- Agriculture-related companies such as Bakhresa;
- Individuals within SAGCOT such as the SAGCOT Centre's Chairman; and
- Umbrella organizations such as ANSAF.

B4.6 *LOCAL LEVEL CONSULTATION MEETINGS*

Local level consultations were conducted with government institutions, communities, local businesses (including agricultural companies that have made investments in the Kilombero Valley; one of the SAGCOT clusters) and NGOs that may be affected either positively or negatively by the SAGCOT initiative.

Each local level meeting included the following:

- a short leaflet describing the proposed SAGCOT initiative with emphasis on the Value Chain approach that was sent out with an introductory letter in advance of the meeting;
- a neutral, accessible location was chosen for each meeting, allowing participants to meet and speak freely;
- a short presentation was made in the relevant language at the start of each meeting by the study team; and
- a map of the SAGCOT area with indication of the clusters and protected areas were produced to support the presentation;

B4.6.1 *Scoping Workshop*

A scoping workshop was conducted in Dar es Salaam on the 7th June 2012 at the Golden Tulip Hotel. Participants included:

- NGOs (e.g. Oxfam and Action Aid)
- Umbrella organizations (e.g. ANSAF)
- Academic and research institutions (e.g. ESRF)
- Donors (e.g. the European Union)
- The private sector (e.g. EcoEnergy)
- Central government (e.g. the Vice President's Office-Division of Environment)
- SAGCOT Centre

Participants were briefed about the SAGCOT programme and were asked for their comments and concerns as an input to focusing the SRESA study. Prior to the workshop, stakeholders were sent invitation letters that introduced the SAGCOT concept and set out the objective of the SRESA. A link to the SAGCOT website was provided to allow stakeholders to access further information.

Notes on the workshop are presented at *Annex C* of the SRESA Interim Report.

B4.7 PHASE 2 ACTIVITIES (JULY 2012 - AUGUST 2012)

B4.7.1 Objectives

Objectives of Phase 2 Consultation:

- To provide key stakeholders with information on the study findings to date.
- To undertake consultation with parastatals not consulted in Phase 1, such as TAZARA , TANROADS and TANAPA.
- To update stakeholder lists and identify any groups that may be differentially or disproportionately affected by the scheme because of their disadvantaged or vulnerable status.
- To obtain feedback from stakeholders as an input to the design of the mitigation and enhancement measures, especially in relation to governance and institutional mechanisms.

During Phase 2 the study team will carry out a series of consultations at the central, regional and local level. This phase of consultation will be undertaken during the detailed studies and therefore will have the purpose of informing and being informed by various stakeholders about issues of concern for the SAGCOT programme.

Phase 2 is the main phase of consultation for the SRESA study. It provides an opportunity to incorporate stakeholder views into the assessment, to provide updated information on the study, and to manage any misconceptions that exist. It will include targeted consultation, especially with those stakeholders most likely to be affected by the programme, whether because of loss of land or vulnerability to change, and with a focus on the Kilombero Valley as a case study cluster.

The consultations will look to identify any benefits that could be delivered through the initiative and ensure that potential measures are incorporated in the study's recommendations.

B4.7.2 Central Level Public Meetings

A round of consultation meetings will be held at the central level during the period July to August 2012. The purpose of these meetings will be to update stakeholders on key issues of concern, to obtain the latest information on SAGCOT programme design (which continues to evolve), to discuss impacts and proposed mitigation/enhancement measures, and to invite comments and input.

B4.7.3 Cluster Consultation

Consultation will extend to at least three of the SAGCOT clusters: Rufiji, Kilombero, and Dakawa (which has a livestock focus). To the extent possible a similar range of meetings will be held in the remaining clusters, starting with Ihemi (*Table 4.1*). The focus of the consultation will be on Kilombero since this is the case study cluster subject to more detailed assessment.

B4.7.4 Local Level Public Meetings

Local level consultations will be conducted with regional officials, district officials, local communities, businesses in the Kilombero cluster, and NGOs and CBOs who have an interest in the SAGCOT programme or may be affected by its implementation. Phase 2 local level consultation will have a specific focus in the two districts where the Kilombero cluster is located (Kilombero and Ulanga) and will entail the engagement of a greater number of stakeholders than during Phase 1 (*Table 4.2*).

As with Phase 1, as far as practicable the following will be undertaken for each meeting at local level:

- a short leaflet describing the SAGCOT programme will be sent out with an introductory letter in advance of the meetings;
- a neutral, accessible location will be chosen for each meeting, allowing participants to meet and speak freely;
- a short presentation will be made in the relevant language at the start of each meeting by the study team; and
- a map of the SAGCOT area showing the cluster location and other information such as protected areas and wildlife corridors may be produced to support the discussion.

The proceedings will be recorded and appended to the final SRESA report.

Table 4.2 Indicative Consultation Plan for Sample of Clusters in Corridor

No.	Cluster	Region	District	Activity	Consultee	Issues to Discuss
1.	Rufiji Ihemi Kilombero Dakawa	Coast Iringa Morogoro	-	Meeting	Regional Secretariat	Introduce/update on the SRESA Obtain/update information on land, environment, social issues Obtain/update concerns Obtain input on mitigation/enhancement ideas
2	Rufiji Ihemi Kilombero	Coast Iringa Morogoro	Rufiji Kilolo Kilombero Ulanga	Meetings Group discussions	District technical officials (DED, Land, Agriculture, Livestock, Community Development, Planning, Natural Resources, Wildlife) NGOs in the district Ward officials Village - local communities and leaders Affected groups - small farmers, herders, fishers, women	Introduce/update on the SRESA Obtain/update information on land, environment, social issues Obtain/update concerns Obtain input on mitigation/enhancement ideas

Table 4.3 Indicative Consultation for Kilombero Case Study Cluster

No.	Cluster	Region	District	Activity	Consultee	Issues to Discuss
1.	Kilombero	Morogoro	Kilombero Ulanga	Individual one to one meeting	Ward officials Villages in two different wards (meet with local communities and leaders) District technical officials (DED, Land, Agriculture, Livestock, Community Development, Planning, Natural Resources, Wildlife) NGOs in the district	Introduce/update info. on the SRESA Continue with follow up discussions with stakeholders met previously Obtain/update information about land, environment, gender, water Obtain input on mitigation and enhancement measures

B4.8 PHASE 3 ACTIVITIES (SEPTEMBER 2012 ONWARDS)

B4.8.1 Objectives

Objectives of Phase 3 Consultation:

- To publicly disclose the Draft Final SRESA report.
- To obtain feedback on issues raised and the mitigation and management measures proposed in order to finalise the report.

The primary purpose of this phase of consultation is disclosure of the draft SRESA report, its non-technical Executive Summary, and the draft Resettlement Policy Framework. Mitigation and enhancement measures will have been developed and refined during the previous study phase, but any substantive feedback and comments received during this phase can still be used to adjust and update the SRESA report.

The SAGCOT partners in-country will have primary responsibility for consultation during and after Phase 3.

The Initiative Owner (SAGCOT and GoT) will have responsibility for ongoing consultation activities after completion of the SRESA. The study will recommend a number of measures to mitigate or enhance potential social and socio-economic impacts, including stakeholder engagement activities. Stakeholder participation will be fundamental to the success of initiative implementation, and stakeholder feedback will be a key component of monitoring. Therefore it is important that stakeholder engagement planning continues throughout the life of the SAGCOT programme.

Note: the SAGCOT Centre has developed and intends to implement a short-term communication plan and longer-term communication strategy. Currently this is focused on communicating the SAGCOT message rather than being a platform for information exchange with affected people or any sort of grievance redress system.

B4.9 OUTLINE GRIEVANCE MECHANISM

B4.9.1 Overview

A Grievance Management process will be needed for the Bank-supported SAGCOT activities, and international experience indicates that the programme would benefit if this is extended to cover the whole programme. The process would provide a formal and ongoing mechanism for stakeholders, who consider their rights or interests to have been adversely affected, to formally lodge their complaint with a responsible authority and to initiate redress procedures.

A grievance is considered to be any complaint about the way the programme has been designed or is being implemented. It may take the form of a specific complaint about impacts, damages or harm caused by the programme, or concerns about access to the stakeholder engagement process or about how comments have been addressed, or perceived incidents or impacts.

Best practice requires that a grievance management process should both receive and facilitate resolution of concerns and grievances. Mechanisms should be appropriate to the scale of impacts and risks presented by the programme. The process should address concerns promptly and effectively, using an understandable and transparent process that is culturally appropriate and readily accessible to all stakeholders and communities, at no cost and without retribution. The process must not impede access to other judicial or administrative remedies. Those affected must be informed about the grievance process in the course of engagement activities, and there must be regular reports on its implementation whilst protecting the privacy of individuals.

The management of grievances is a vital component of stakeholder engagement and an important aspect of risk management for a project. Grievances can be an indication of growing stakeholder concerns (real and perceived) and can escalate if not identified and resolved. Identifying and responding to grievances supports the development of positive relationships between projects,

communities and other stakeholders. Monitoring of grievances will signal any recurrent issues, or escalating conflicts and disputes.

B4.10 GRIEVANCE MECHANISM DEVELOPMENT

Putting in place an effective Grievance Mechanism specific to the SAGCOT programme requires (a) a clarification of institutional roles and responsibilities, and (b) significant development of institutional capacity. Wherever it is housed, it will be important that a dedicated team is put in place to manage the process and that a 'Grievance Manager' is appointed with overall responsibility for the mechanism.

Given the scale and complexity of the programme and the potential for thousands of complaints, it is likely that a variety of mechanisms and pathways will be needed, maximising use of existing institutions and procedures.

Design of the system is a major task. As a guide, the following outline illustrates the key processes that are inherent within an effective grievance process:

- 1) Identification of grievance through personal communication with the grievance mechanism's access points by phone, letter, grievance form, during a meeting, or any other route. The grievance is recorded and classified in the 'Grievance Log'.
- 2) The grievance is formally acknowledged through a personal meeting, phone call, or letter as appropriate, within 10 working days of submission. If the grievance is not well understood or if additional information is required, clarification will be sought from the complainant during this step.
- 3) The appropriate people within the organisation are notified. The team who are responsible for grievance management will decide who should deal with the grievance, and determine whether additional support is necessary. It is delegated in writing to the relevant department(s)/ personnel / contractor for development of an appropriate response.
- 4) A response is developed by the dedicated team. Should the need arise, the programme should consider the establishment of a conflict resolution "committee" for the management of complex grievance issues.
- 5) Required actions are implemented to deal with the issue, and completion of these is recorded in the grievance log.
- 6) The response is signed-off by the appropriate manager. The sign-off may be a signature in the grievance log or in correspondence which should be filed with the grievance to indicate agreement, and referenced in the grievance log.
- 7) The response is communicated to the affected party.
- 8) The reaction of the complainant to the response is recorded to help assess whether the grievance is closed or whether further action is needed. Appropriate communication channels are used to confirm whether the complainant has understood and is satisfied with the response. The complainant's reaction will be recorded in the grievance log.
- 9) The grievance is closed with sign-off from the appropriate Manager, who determines whether the grievance can be closed or whether further attention and action is required. If further attention is required the team will return to Step 3 to re-assess the grievance and then take appropriate action.

The Grievance Mechanism will need to be free, open and accessible to all. Comments and grievances will need to be addressed in a fair and transparent manner. Information about the procedures, who to contact and how, will be made available to stakeholders. In particular all staff associated with the

SAGCOT programme will need to be briefed about the Grievance Mechanism. New employees will be briefed when they are recruited.

The Grievance Manager will have overall responsibility for the Grievance Mechanism, and will ensure that external stakeholders and workers are aware of the procedures and that all contacts are handled promptly and responded to in an appropriate and timely manner. A report will be produced each month reporting all grievances and how they have been addressed. A summary of the operation of the Grievance Mechanism will be reported to the public annually. This will maintain the confidentiality of individual persons/organisations involved.

B4.11 CONSULTATION OUTCOMES TO DATE

Table 6.1 provides a brief synthesis of the outcomes of the stakeholder consultation activities carried out to end June. The results presented relate to consultations that were undertaken during Phase 1 in Dar es Salaam, Morogoro and Kilombero District.

Table 4.4 Key Issues Raised by Informants

Topic	Comment
1 Awareness	Most stakeholders have low levels of awareness of the SAGCOT programme and are interested in learning more about the proposals, and especially about the following issues.
2 Benefits to small scale farmers	Both local communities and NGOs want to know how the programme will benefit smallholders, especially their capacity and skills.
3 Land for investment	The main concern was land availability without affecting smallholders. Another major issue is how will the programme deal with existing land use conflicts, especially those between farmers and herders?
4 Water	Concerns included water availability, especially in the Kilombero Valley; impacts on downstream users; impacts on fisheries; and pollution by agrochemicals.
5 Wildlife	Concerns focused on further impacts on wildlife corridors for large mammals; impacts on other wildlife and on fisheries; and ineffective mitigation due to the weakness of institutions likely to be involved.
6 Infrastructure development	Farmers, both large and small, want to know if the programme will include infrastructure development especially roads, the railway and storage facilities, since these are major constraints to agricultural development.
7 Finance	Informants want to know who will fund the initiative and how will the funds be managed, given that it is a cross-sectoral programme. Also, if the programme does not succeed, who will pay back the loan?
8 Alternatives	Some stakeholders wanted to know if they have a chance to influence the programme's design, e.g. by limiting investors to value addition whilst retaining all crop and livestock production in the hands of smallholders?
9 Institutional arrangements	Given that the SAGCOT programme is cross-sectoral, which central ministry of local government department will have authority to oversee implementation?
10 In-migration	There is concern that the programme will encourage in-migration, which is already a problem in areas such as Mangua.
11 Tourism	There is concern about the programme's effects on tourism on the Southern Circuit as a result of further impacts on key remaining wildlife corridors, especially those between the Selous Game Reserve, Mikumi National Park and Udzungwa National Park.
12 Cumulative effects	This concern related to (i) occupational health issues as a result of use of and exposure to pesticides, and (ii) the sustainability of farming if methods are inappropriate.

B5 RECORDING AND MONITORING STAKEHOLDER ENGAGEMENT

B5.1 INTRODUCTION

This section presents an overview of how CDP activities will be monitored and reported.

B5.2 STAKEHOLDER REGISTER

Issues raised during consultation will be recorded in a logical and systematic way so that they can be tracked through to appropriate resolution and closure. Where many stakeholders raise similar concerns these will be grouped as “issues” and responses to them can be tracked together.

B5.3 REPORTING

The original stakeholder meeting records will not be made public in order to maintain the confidentiality of stakeholders and individuals, but a summary of comments received will be made available as an attachment to the SRESA report.

B5.4 EVALUATION OF EFFECTIVENESS

The effectiveness of engagement activities can be evaluated against the goals and objectives set out in the CDP. Evaluation should examine the extent to which activities were implemented in accordance with the Plan and the extent to which they achieved the objectives. The results and any lessons learned can then be incorporated into further updates of the CDP as the programme evolves and is implemented.

ANNEX B1 - SUMMARY OF CONSULTATION MEETINGS

The following list is a summary of consultation meetings to mid-June.

Issues covered	Stakeholder Concerns and Issues Discussed
Meetings with World Bank 26, 28 March, 02, 05 April, 03, 07 May	
Land & resettlement Indigenous Peoples Governance & institutional capacity Environment	<ul style="list-style-type: none"> Land, access to land, compensation and resettlement are major issues of concern in relation to both programme effectiveness and reputational risk. Local perceptions are that foreigners will grab land. The land bank situation is confusing. Encroachers need to be included in compensation processes. Indigenous people may be present and if so the Bank's OP will apply. Governance is weak, institutional capacity is low and corruption is endemic: how to create and support effective and transparent mechanisms for the Catalytic Fund and SAGCOT? SAGCOT may have impacts on biodiversity and will involve increased use of agrochemicals: how to implement Bank policies and best practice? Economic growth and environmental and social issues may involve trade-offs - these need to be balanced. Social baselines will be needed for monitoring. HIV/AIDS and gender are key issues for inclusion in planning.
British Council - Policy Forum Breakfast Debate - Village Land Act, 30 March	
Land law	<ul style="list-style-type: none"> The Land Act and Village Land Act are inconsistent, including in their English and Swahili versions. Awareness is low and implementation is weak; there is no Land Registry. Land use plans are needed but who will pay?
Meeting with SAGCOT Centre, 03 April	
Institutional capacity	<ul style="list-style-type: none"> The Centre has extremely limited institutional capacity.
Meeting with Belgian Technical Cooperation, 04 April	
Wetlands	<ul style="list-style-type: none"> Future Belgian assistance to Rufiji Basin - the Kilombero and Lower Rufiji Wetlands Ecosystem Management Project will come on stream soon.
Meeting at Ministry of Natural Resources & Tourism, 04 April, 08, 24 May	
Wildlife Water Governance Corruption	<ul style="list-style-type: none"> The Kilombero Valley Ramsar site's 2002 boundaries are similar but not identical to the 1974 Game Controlled Area boundaries. An MNRT Task Force commissioned TAWIRI to propose new protected area boundaries in the area. The Valley is under high pressure with many unplanned activities ongoing, including land conversion for agriculture in the central wetlands. Powerful interests are involved - e.g. Wasukuma agropastoralists and influential politicians. Donors (EU, USAID) are planning major investments in the Kilombero Valle but these do not seem to take into account the ecological situation. There are many agencies involved in resource management, with overlapping or conflicting mandates. Wetlands are still with MNRT. Water is a major limiting resource in the Valley, with saline groundwater and increasingly low dry season flows. Abstraction here will affect the Rufiji delta proposals.
Meeting with Wild Things Safaris, 04 April	
Wildlife Hunting Fishing Livestock	<ul style="list-style-type: none"> The Valley is in the last stages of an ecological disaster - the lion population has been exterminated - it used to be the highest in Tanzania; the endangered <i>puku</i> (antelope) population has crashed - most have been eaten since their flood refuge habitats are now occupied by farmers; the wildlife corridors between the Selous and the Udzungwa Forest are now blocked; buffalo numbers are way down; hippo are being shot and left to rot to attract fish; fishing is way down due to the use of, e.g., mosquito nets for fishing. Of the four hunting blocks, only one is still operated - the others have been abandoned since their land has been invaded by agro-pastoralists, the habitat degraded and the wildlife killed.
Meeting with Concern Worldwide, 03 May	
Land Smallholders	<ul style="list-style-type: none"> Is there enough land? Impacts on smallholders
Meeting with BEST-AC, 03 May	

Issues covered	Stakeholder Concerns and Issues Discussed
Local private engagement with SAGCOT	<ul style="list-style-type: none"> • Non-state networks like BEST-AC, TPSF and TAHA are still quite weak in Tanzania. They would like to get closer to SAGCOT, but how? Government capacity and resources for SAGCOT appear very limited.
Meeting with ANSAF, 03 May	
Livestock Organisation Land Markets and value chains	<ul style="list-style-type: none"> • SAGCOT needs to consider the livestock sector. • SAGCOT institutional arrangements are unclear and little is happening. • There is a need to coordinate/integrate with existing agriculture programmes, and to include local needs in planning. • There is a need to research land availability and market linkages.
Meeting with Dfid, 04 May	
Land Awareness	<ul style="list-style-type: none"> • Land titles remain problematic • People's expectations are being raised, but what does SAGCOT aim to achieve? There is little SAGCOT communication.
Meeting with NEMC, 07 May	
Physical impacts Health Pesticides Governance & institutional capacity Monitoring	<ul style="list-style-type: none"> • There may be water scarcity, soil degradation and erosion, lack of maintenance. • There may be public health issues - agrochemicals, water-related diseases, HIV/AIDS. • There is a capacity issue in concerned organisations. • NEMC wants larger role in monitoring investment impacts.
Meeting with Ministry of Infrastructure Development, 07 May	
Feeder roads Land/compensation Health and safety	<ul style="list-style-type: none"> • Feeder roads can have a variety of environmental impacts - especially erosion, dust and impacts of borrow pits. • Road reserves may be occupied by squatters. • Traffic safety needs to be improved.
Meeting with RUBADA, 08 May	
Governance Land	<ul style="list-style-type: none"> • RUBADA considers that it represents the public interest in SAGCOT implementation and stands as a link between large and small scale farmers. • RUBADA wants to expand its remit to cover the whole corridor, not just the Rufiji Basin. • KPL is considered a best-practice PPP. • RUBADA signs MoU's with investors including Corporate Social Responsibility provisions. • In the Rufiji Cluster RUBADA carried out detailed consultation for land acquisition. • RUBADA has prepared land suitability maps of the entire basin. • Despite its title and mandate, RUBADA has "no staff" for water management.
Meeting with Bagamoyo District Administration, 09 May	
Land Data Policy and law Governance & institutional capacity	<ul style="list-style-type: none"> • There is some land grabbing and some land speculation. • There are no proper maps to identify suitable land. • Laws are not harmonised. • The EIA system is centralised, and once EIA reports go to the centre (NEMC) they do not return to the District and so are not followed up. • Civil works contracts have few environmental provisions and no enforcement.
Inspection of Bagamoyo Irrigation Development Project, 09 May	
Irrigation Markets	<ul style="list-style-type: none"> • This small (42 ha) JICA-sponsored project relies on diesel for pumping and so has high operational costs. • Salinity is a problem in the dry season. • There is no good link to post-harvest processing or markets.
Meeting with VPO - Division of Environment, 10 May	
Environmental and social impacts Land Agrochemicals Governance & institutional capacity	<ul style="list-style-type: none"> • There may be environmental and social impacts due to invasive species and pests, GMOs, in-migration of people with associated health issues and pressure on resources, land speculation, displacement, and use of agrochemicals. These issues need to be predicted and managed.
Meeting with SAGCOT Centre Chairman, 14 May	

Issues covered	Stakeholder Concerns and Issues Discussed
Organisation Corporate Social Responsibility Land Gender	<ul style="list-style-type: none"> • Implementation requires coordination. • Investors need to be serious and responsible: they have to sign Principles. • Investors should ensure benefits flow to local farmers. • Land tenure is the number one issue. Investors should focus on unused land, but most villages do not have LUPs. Speculators are grabbing land for re-sale to investors. Local governments are key. • 65% of farmers are women and this needs to be recognised.
EcoAgriculture - Agriculture Green Growth Workshop, Dar es Salaam, 17, 18 May	
Land Climate change Water Smallholders Pastoralists Governance	<ul style="list-style-type: none"> • There is no systematic process for identifying land for SAGCOT investors. In any case, there is very little unused land and there is no 'land bank'. • Land negotiations with villagers are very one-sided. • Community benefits should be in kind, not cash, to reduce corruption. • The vast majority of Tanzania's farmers will remain as rain-fed with or without SAGCOT, and need attention and support. • Agriculture, forests and climate change are inextricably mixed. • Smallholders are the key to achieving sustainable land management. • SAGCOT should incorporate REDD into climate-smart agriculture, and focus on high biodiversity forests as a foundation for SLM. • Land, forest and carbon tenure and community-level governance must be strengthened to address deforestation. • The agricultural extension system has completely failed. • Priorities must be (i) land use (secure tenure), (ii) storage, processing and marketing, (iii) enhanced extension services, and (iv) better infrastructure. • Is there room for pastoralists in SACOT landscapes? • New techniques such as SRI will be important to reduce water demand. • The Rufiji Basin Water Office is key to water management. • Policies are inconsistent. Harmonised approaches are needed. • MAFSC is developing sectoral EIA guidelines. • How can land speculators be controlled? How can compliance be ensured? How can SAGCOT be monitored?
Meeting of SAGCOT Green Reference Group, 21 May	
Institutional capacity Corporate social responsibility	<ul style="list-style-type: none"> • World Bank support for the SAGCOT implementing institutions is crucial for programme roll-out. • The Green Reference Group is advisory only. Its Terms of Reference cover 'environment' but not 'social' issues, and do not mention corporate social responsibility.
Meeting with DfID, 22 May	
Water	<ul style="list-style-type: none"> • DfID wishes to support water management and poverty alleviation, but there is a need to coordinate this with other donors and agencies in the water sector.
Meeting with MAFSC, 23 May	
Environmental impacts, agrochemicals Social impacts Pastoralist-farmer conflicts Land	<ul style="list-style-type: none"> • MAFSC has a SAGCOT desk. • Major environmental concerns are (a) intensive agriculture by large scale farmers, and (b) the cumulative impacts of many small scale farmers. • Social concerns are (a) that people may be displaced, and (b) the programme will not resolve conflicts between farmers and pastoralists. • The Ministry has prepared an Agricultural Master Plan and a Land Use Plan, but was not consulted on the SAGCOT clusters. • The land information is out of date and there are no land management guidelines. • The land acquisition process for investors needs streamlining, but there is no 'land bank'. • There is a need for an Agricultural Act to govern agriculture, like other sectors - forestry, wildlife. • Village administrations have minimal capacity to implement safeguard measures. • The government has not officially 'opened the doors' to GMOs.
Meeting with MLFD, 23 May	

Issues covered	Stakeholder Concerns and Issues Discussed
Livestock Land Conflicts	<ul style="list-style-type: none"> • SAGCOT is focused on crops, but livestock is a huge economic sector. • In the Corridor, livestock (large herds of cattle) are a new phenomenon and local residents are not comfortable about this. • Conflicts are significant in the Corridor and as climate change intensifies they must be considered; better land use planning and enforcement should reduce conflicts • In the Kilombero Valley local residents want the herders to move out of the 'protected' wetlands - but only so they can convert it to crops! • Land use policies require harmonisation to balance the priorities given to each sector.
Meeting with Wild Footprints, 23 May	
Wildlife Pastoralists Governance	<ul style="list-style-type: none"> • It may no longer be feasible to restore some of the wildlife corridors due to population pressure. • Elephant poaching has re-started. • Electric fencing around the teak plantations has contributed to wildlife-human conflicts, with 4 recent elephant-related human deaths and 11 lion-related deaths. • The Wasukuma agro-pastoralists are now taking over village administrations in the Kilombero Valley. Their cultural practices include a dislike of tress and carnivores such as lions; they hunt, keep cattle, and farm. They are wealthy. • The Ramsar project VLUPs did not take into account existing successful plans involving hunting concessions and local residents. • Corruption and destructive administrative decisions accelerate the decline of the Valley's wetland ecosystems, and associated tourism attractions.
Meeting with IUCN, 24 May	
Water Hydrology Irrigation	<ul style="list-style-type: none"> • The Stiegler's Gorge dam may go ahead, with probable dramatic downstream effects as well as local ones. • Irrigation development in the Kilombero Valley could repeat the disastrous experience of the Usangu Flats. • SAGCOT must be built around a full understanding of upstream / downstream links.
Meeting with Bakhresa, 24 May	
Regulation	<ul style="list-style-type: none"> • There are too many regulatory authorities and associated inspectors requiring fees: there should be a one-stop shop. • The Tanzania Bureau of Standards should set standards, not implement them as well.
Meeting with Morogoro Regional Administration, 29 May	
Conflicts Land Awareness	<ul style="list-style-type: none"> • Farmer-pastoralist conflicts are a major problem. • Village LUPs need to be prepared, but need funding. • The region has a 'land bank' but many investors are interested. • There is little awareness of SAGCOT.
Meeting with Sokoine University of Agriculture graduate students, 29 May	
Awareness Planning Conflicts	<ul style="list-style-type: none"> • There is little awareness of SAGCOT. • The cluster and PPP approaches are good, although top-down. • Investment might intensify the existing conflicts in the Kilombero Valley.
Meeting with Kilombero District Administration, 30 May	
Awareness Irrigation & hydrology Land Conflicts Wildlife Pesticides	<ul style="list-style-type: none"> • There is a need for more awareness about SAGCOT in this area. • Irrigation infrastructure needs improving. • Hydrological studies are needed. • Villages need LUPs to minimise conflicts. • Livestock-related infrastructure (e.g. watering points) might also reduce conflicts. • Wildlife numbers have greatly reduced in the valley but there is no reliable data. Hunting licences and quotas are not based on scientific knowledge. • SAGCOT should maintain the wildlife corridors in the valley. • A Wildlife Management Area is proposed in the valley. • Agrochemicals are being misused, despite the valley being a Ramsar site.
Meeting with TechnoServe, 30 May	
Marketing Transport infrastructure	<ul style="list-style-type: none"> • There is no proper market for local products such as cocoa and local prices are low compared to elsewhere in Tanzania. • Transport infrastructure is poor and cocoa has to take an extraordinary roundabout journey by rail.

Issues covered	Stakeholder Concerns and Issues Discussed
Written submission from AWF, 30 May	
Wildlife Ecosystem services Land use planning Tourism	<ul style="list-style-type: none"> • Southern Tanzania is the location of three mega conservation complexes, Katavi, Ruaha and Selous. These are of global importance as well as essential for providing ecosystem services such as water essential for agriculture and giving multiple direct and indirect economic benefits to the nation. • It is important that Tanzania does not jeopardise these services or its reputation as a leader in landscape-scale conservation. • With good planning and zoning SAGCOT could become a globally significant example of the potential to increase agricultural productivity and incomes, while also conserving at scale.
Meeting with Kilombero Plantations Ltd., 31 May	
Smallholder benefits SRI Inputs Environmental impacts Agrochemicals Climate change Habitat conversion Land & compensation	<ul style="list-style-type: none"> • Large scale farmers must ensure the success of surrounding small scale farmers. Farmers want agricultural development, especially rice since it is both a cash and food crop. KPL has helped local farmers to form associations, with benefits such as access to loans. • KPL is implementing the System of Rice Intensification for surrounding farmers, mainly as public relations, but will buy the produce in future. This is not an outgrower scheme. • Challenges for smallholders include lack of input supplies such as seeds, lack of suppliers, limited mechanisation, low skills and knowledge, lack of scientific data on soils etc., and lack of basic infrastructure especially roads. • There are companies interested in providing inputs, e.g. Yara. • SAGCOT will result in massive increases in inputs, with environmental consequences. Agricultural waste will also need managing. • Small-scale farmers often use destructive practices such as ploughing to the edge of watercourses, removing trees, misusing pesticides. • Climate change is an issue considering that most farms are rain-fed; however KPL is planning irrigation using dry-season flows in the local river. • There is some potential for further investment (i.e. land development) in the area, but floods are an issue especially by the Kihansi River. • Residents should receive fair compensation is displaced by investors.
Meeting with NAFKA - small rice growers (SRI), Mkwangawalo village, 31 May	
Inputs Infrastructure New agricultural technologies	<ul style="list-style-type: none"> • The small rice growers around KPL are assisted by NAFKA (a USAID-assisted programme), so KPL is subsidised. • The farmers need better roads, access to finance and knowledge. • Improved seeds may have impacts or be unacceptable locally.
Meeting with Pastoralists, Mkwangawalo village, 31 May	
Pastoralism Land	<ul style="list-style-type: none"> • Little attention is given to pastoralists' needs when preparing LUPs. In some villages there is no land for herding. • Pastoralists need infrastructure, such as watering points.
Meeting with Mbingu Ward Office, 31 May	
Land Conflicts Wildlife Farmer skills & knowledge Roads	<ul style="list-style-type: none"> • There is unused land in the ward, but this is owned by Government or by private institutions. • No land designated for pastoralists in the ward, but they are invading anyway and there are conflicts. • Wildlife is decreasing, even in the wildlife corridor in the ward. • Farmers want to develop agriculture but have low capacity. • The roads are very poor.

Issues covered	Stakeholder Concerns and Issues Discussed
Meeting with Kilombero Valley Teak Company, 01 June	
Forestry Wildlife Community relations Pastoralists Governance Transport infrastructure	<ul style="list-style-type: none"> • KVTC combines business with conservation. Wildlife such as elephants now prefer KVTC land (electric fencing around new plantations is removed after 6 years). • Surrounding habitats have been heavily degraded due to high pressure on land and lack of management and enforcement. • KVTC wants to expand but not on its existing land base since unplanted land is unsuitable for teak or environmentally sensitive - water sources, natural forest. The District says KVTC is not fully exploiting its existing land. • An outgrower programme was stopped when it was found the village land to be used was already forested. • LUPs at village level cannot consider ecological needs either at landscape level or in sufficient detail. • SAGCOT must adopt a holistic approach, i.e. development with conservation. Investors should be required to conserve certain areas as a condition of their permits. • There is a desperate need for development in the Kilombero Valley, but it is a complex area with poor communities, no entrepreneurial culture and little rule of law. KVTC supplies 75% of the local formal employment. • Fire - for clearing farms and for hunting - is a big problem. • Elephant poaching has re-started as the networks have been re-established, and is now a problem throughout the area including within KVTC plantations. • Some pastoralists are a problem, but must be included in planning as part of the community. KVTC want to commission an NGO (Frontier) to investigate how to communicate with the Wasukuma but there is a funding problem. • Wood waste (50 t/day) is burnt, but by 2015 there may be enough for a 2.5 MW plant. • The TAZARA (railway) is the key to unlocking the potential of three SAGCOT clusters; this is a huge missing link for SAGCOT. Transport costs are very high: \$0.16/t/km to Dar es Salaam.
Meeting with Udzungwa Ecological Monitoring Centre, 01 June	
Wildlife Forests	<ul style="list-style-type: none"> • Clearance for agriculture, plantations has hugely increased pressure on remaining forests: impending fuelwood shortage? Water shortage? • The new Wildlife Act (2009) recognises wildlife corridors. • The Centre is monitoring transects in the forest and has an environmental education programme in local schools and communities, including tree-planting. • The Hehe tribe likes monkey meat and is / has eaten all the red and black Colobus in the Udzungwa Scarp Forest Reserve. • In-migration to the area is very high. • Sugar outgrowers clear land, increasing pressure on remaining forests. • Since forests inc. UNP produce water, they'd like cost sharing with the sugar company.
Meeting with Udzungwa National Park, Ecology Dept., 01 June	
Wildlife	<ul style="list-style-type: none"> • Elephants are still moving along the Ichonge River as well as the Nyangange corridor. • There may be more than 2000 elephants in the Udzungwas: too many? Are they trying old corridors? • There are some habitual crop raiding elephants; they like rice; why not grow something else? This will get worse unless managed. • TANAPA pays crop compensation, and is experimenting with chilli oil and beehive fencing to guide elephants. • Much bigger problems for farmers are bushpigs and baboons.
Meeting with Pennsylvania State University, 01 June	
Wildlife Population Fuelwood Water Planning	<ul style="list-style-type: none"> • The strip of land between the KSC sugar plantations and the Udzungwa scarp forests is already at its fuel and subsistence agriculture limits. • More agri-business, and therefore in-migration, will create a bigger crisis, even with major efficiency improvements. • The ecologically and hydrologically critical Udzungwa forests are squeezed between the Kilombero and Ihemi Clusters. • There is a potential for agriculture and biodiversity to coexist, but major planning and management inputs will be needed, including changes in lifestyles (to reduce direct use of natural resources for daily living).
Meeting at Sokoine University of Agriculture, Agricultural Extension & Education, 02 June	

Issues covered	Stakeholder Concerns and Issues Discussed
Agricultural extension Pastoralists Conflicts	<ul style="list-style-type: none"> The agricultural extension system is weak. There is no solution to the pastoralist-farmer issue in sight. There was a shooting incident in Ulanga District recently involving herders and the army.
Meeting with USAID, 04 June	
Land use planning Donor support Wetlands	<ul style="list-style-type: none"> The draft national land use plan intends to transfer 18% of land from village land to general land, to allow its leasing to investors. USAID has a large budget for investment in irrigation infrastructure and roads in the Kilombero Valley, inc. 31,000 ha at Mpanga. This is within the Ramsar site. An EIA will be carried out soon.
Meeting with MAFSC Gender Focal Point, 05 June	
Gender	<ul style="list-style-type: none"> Despite contributing 60-80% of agricultural labour and working longer hours than men, women are disadvantaged in many ways. Equal treatment of men and women is inadequate; gender programmes must be pro-active and must be monitored.
Meeting with Hakiardhi, 06 June	
Gender	<ul style="list-style-type: none"> The 1999 Land Act and 2008 Mortgage Special Provision Act establish clear equal treatment of women and men, but many women are unaware of their provisions and they may lose land. For example, to keep their land widows must follow the directions of patriarchal families and marry their brother-in-law.
SRESA Scoping Workshop, Dar es Salaam, 07 June	
Many issues, but with a focus on: Land Water Smallholders Gender Biodiversity Governance	See <i>Annex C</i> of this report.
Meeting with EcoEnergy, 07 June	
Land Water Compensation Community benefits Wildlife Carbon Monitoring	<ul style="list-style-type: none"> The Tanzanian population will increase from 45M in 2011 to 77 M by 2030, the SAGCOT time horizon. There is huge potential for production. EcoEnergy's business plan is highly green but still economic - in fact, in future this will be necessary to be economic. Investors need to ensure benefits to local communities by, e.g., equity shares.
Meeting with Ministry of Community Development, Gender and Children, 08 June	
Gender	<ul style="list-style-type: none"> Policy is established by the Gender Policy 2000 and the Gender Strategy 2006. SAGCOT programme design should consider differential impacts on men and women and develop appropriate targeted responses to everyone benefits. Lessons should be learned from the Sasakawa Africa Association project (KSG 2000) run by MAFSC.
Meeting with TAWLAE, 11 June	
Gender Education Finance	<ul style="list-style-type: none"> Women require special attention in programme design and implementation. They have major problems in relation to land use. Women are at special disadvantage due to lower levels of education than men. Microfinance is not even focused adequately on men, let alone women.

Annex C

Notes from Scoping Workshop

SAGCOT - SRESA SCOPING WORKSHOP

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C1. INTRODUCTION

A one-day scoping workshop was held at the Golden Tulip Hotel, Dar es Salaam, on 7th June 2012. The purpose of the workshop was (i) to inform participants about the SAGCOT programme and the Strategic Regional Environmental and Social Assessment (SRESA) and (ii) to obtain feedback on issues of concern to be followed up in the SRESA.

The workshop was facilitated by Joost Noordholland.

As warm-up, the facilitator requested the participants to stand up and introduce themselves. Participants were from Government, the private sector and civil society and included a small-scale farmers' organisation, international NGOs, academia and SAGCOT as well as the SRESA study team. A list of participants is given at the end of this report.

C2. PRESENTATIONS

Two presentations were made to provide an overview of the SAGCOT programme and the SRESA. Daniel Sagata from the Division of Environment, VPO presented the former and James Ramsay, ERM Team Leader, presented the latter.

C2.1 SAGCOT PRESENTATION

The SAGCOT programme is the first major initiative emerging from Kilimo Kwanza. The programme was launched during the World Economic Forum meeting held in Dar es Salaam in 2010. The programme's goals are to commercialize agriculture for smallholder farmers, improve profitability and assure regional food security in a corridor covering one-third of the area of Tanzania by 2030. The corridor area has high potential for agriculture and with the envisioned Public-Private-Partnership the programme will identify opportunities and link investors to smallholder farmers. Farmers will be provided with inputs and credits as well as capacity building.

Funds have been solicited from the World Bank and other international funding agencies, some of which have committed to support the programme. A SAGCOT Centre has been established and the office is operational. Activities are focusing on seven initial "clusters" with high agricultural potential.

Please refer to attached PowerPoint Presentation 1 at Annex C1.

C2.2 SRESA PRESENTATION

A Strategic Regional Environmental and Social Assessment is a prerequisite for the World Bank to provide support to the planned Catalytic Fund and SAGCOT institutions. Recommendations will be provided to the Bank and the Government of Tanzania concerning the programme's potential impacts and appropriate mitigation and enhancement measures.

Please refer to attached PowerPoint Presentation 2 at Annex C2.

C3. QUESTION AND ANSWER SESSION

Participants were asked to air their concerns on the SAGCOT programme and their views on the way forward for a successful implementation and achievement of objectives of the SAGCOT initiative, with an environmental perspective.

C3.1 QUESTIONS/CONCERNS RAISED BY PARTICIPANTS

Questions were all asked in one session, after which Ms Jennifer Baarn of the SAGCOT Centre and Mr. Sagata of the VPO provided answers concerning SAGCOT and government policy, whilst Mr. Ramsay

provided answers specific to the SRESA. Due to time constraints it was not possible to answer all questions in full.

Q: The SAGCOT programme is at the implementation stage. Are we aware that land use is governed by law?

This question triggered a number of other questions regarding the Village Land Act and outgrowers' legislation (which is under discussion).

Q: Are potential conflicts that may occur between the investor and smallholder farmers considered?

A: Good policies are in place but the problem is in implementation. SAGCOT will need to focus on existing policies, but some policies will require reforms. The programme will provide recommendations on reforms of policies within the next 12 months and may be able to address bottlenecks in ASDP and TAFSIP.

Q: The SAGCOT programme has planned on investment for the farmers; are the farmers aware of it? This programme is a top-down approach, which has been used without really trying to find out what the farmers' real needs are.

A: SAGCOT addresses the bottlenecks by linking the government and key players. Experts from the National Technical Committee of the Ministry of Agriculture have made field visits since February 2012 to ask about peoples' expectations. Kilombero farmers themselves asked for demarcation of the land. All land in Kilombero will be demarcated by August 2012.

Q: There is the issue of needing to deregulate to make investments more attractive, yet new regulation is needed to ensure that smallholders are not left out. Corporate Social Responsibility policies will need to ensure power balance and transparency (even if that means more regulations). How can this be done?

Q: There is a concern about private sector promotion and biodiversity conservation. Also policies and regulations on biodiversity conservation keep changing and contradicting each other to the point of causing conflicts (Wildlife – Livestock – People) and displacement of pastoralists. How is the problem going to be addressed?

A: The corridor is big with a number of protected areas / national parks in it. The point to note on conservation is that there are a number of policies which govern it. SAGCOT is integrating what is in place; policies and a framework already exist.

Q: It is interesting to hear about outgrowers and they may indeed benefit from the programme, but this also depends on what crops are grown. In Ihemi rice improvement is being considered. How is SAGCOT going to ensure there is harmonization and that outgrowers are not marginalized?

A: Use a Cluster approach, and be open to suggestions on how to reach out to other clusters. Identify new investment opportunities and development of infrastructure. Land is an issue that should not be forgotten.

Q: There is concern that the land that is available may not be of the same quality as that established in the master plans etc. The land may be wasteland unless the soil analysis results are also included.

Q: There were many programmes implemented and some are still in progress like ASDP and TAFSIP. Will SAGCOT operate within the same framework?

A: SAGCOT seeks to fill the gaps between TAFSIP, ASDP and Kilimo Kwanza. The Value Chain approach has been overlooked so far, and SAGCOT therefore looks at opportunities to improve production and marketing.

There are a lot of policies and programmes in place – SAGCOT will see how these can be combined and coordinated.

Q: The two presentations did not mention Gender as a cross-cutting issue in addressing environmental and social issues.

A: the SRESA study team includes social and gender specialists who will analyze gender dynamics and issues.

Q: How will we define small-scale farmers so that they can qualify as outgrowers?

Q: How do the large-scale farmers/ investors obtain land within the village?

A: RUBADA works on land tenure and availability. The land is in the hands of smallholders so the next step is to consult with the wards then villages and ensure that everyone is involved.

Q: There is a need for payment for ecosystem services (PES). How?

Q: There are so many players in the implementation of SAGCOT. Will one organization be adequate for coordination of the programme?

A: Coordination – there are going to be several coordinating bodies. The SAGCOT Centre has the role of facilitator and ensures that everyone is around the table. Bottlenecks will be dealt with at the appropriate government institutions. The Centre will ensure that the right actors are involved and will coordinate partnerships. Coordination between the different institutions involved is currently a problem, and accelerated action is necessary to improve this. Field level coordination is also challenging; SAGCOT is trying to learn from best practices and ensure key stakeholders in the field are involved.

A driving momentum is required and SAGCOT will help to move forward by following up on policies that need to be in place and accelerate policy change. The Private sector / Investors have plans. The role of the SAGCOT Centre is to bring to the table the key actors.

Q: The presentation was good but the issue of M&E did not feature. How will the impacts be measured?

A: The SAGCOT Centre will facilitate M&E and set up an M&E programme in the next two months. The SRESA team will also make recommendations on monitoring.

Q: The programme will cover one third of the Tanzanian mainland land, but on making an assessment only 1% will actually be developed covering very few stakeholders. The concern is that SAGCOT may not be as big as it sounds.

Q: The ecosystem in the corridor is very fragile. People should contribute to conservation. Also during programme implementation the right of ownership of land should be addressed seeing to it that people get title deeds.

A: the SRESA study will investigate this issue and give recommendations for more transparent and accountable procedures.

Q: SAGCOT is supporting RUBADA, which is helping small growers. Is it possible for SAGCOT to support and build the capacity of other government initiatives for increased production?

A: The mandate of RUBADA needs to be revised. Cluster Development Plans will be drawn up by stakeholders.

Q: 3,000 ha has been given to smallholder tea growers. The formation of associations will need support from SAGCOT. The associations should then be allowed to grow and manage the value chains without the assistance of the investor.

A: The role of each player must be spelled out including the farmers' association in the community. SAGCOT must also strengthen farmers' associations and facilitate them. Farmers' associations could benefit from the Catalytic Fund (if they are large enough), or would experience secondary benefits from being near the large farms/ investors.

Q: How would smallholders participate in the value chain on an equitable basis?

A: at field level:

- o Learn from success: good practices.

- o All actors participate in planning
- o Value chain development, who is doing what etc.
- o Produce issues

Q: The major traditional crops grown are from Iringa, Njombe and Mbeya but this has not featured in the programme. If people are to grow barley in Ithemi, which is not a traditional crop but a cash crop, what will happen to the growing of traditional crops for food? Can they continue to grow the same crop under SAGOT? The same concern was raised for Kilombero where rice growing is traditional. Ithemi has a high potential for growing other crops too.

A: Traditional crops vs new crops: for smallholder involvement in outgrower schemes to be successful farmers need to change their mindset and adopt new crops as the investors will want to strengthen relevant Value Chains. This should be included in the Commodity Investment Plans (CIP).

Q: Can you indicate how clusters have been selected and on what criteria?

A: Clusters were identified based on available land and agricultural potential. The first seven are based on potential for key crops and the existence of infrastructure.

For questions not directly answered, further information can be found in the SAGCOT Blueprint. Land is a critical issue and the programme will increase the momentum and ensure that all village land is demarcated.

C3.2 SECOND ROUND OF QUESTIONS

These questions were asked and left unanswered in the workshop, but will be taken up for consideration in the SRESA study:

- How can the poor perception of investors be overcome at community level?
- What is the involvement of the government at all levels (to grassroots?)
- How does SAGCOT link to local level planning - DADPs/ CIPs (Commodity Investment Plans)?
- What level of ownership will smallholders have? How will they benefit?
- Can the Catalytic Fund be used to transfer best practices, e.g. lessons from the Beira Corridor?
- Will there be a fund for capacity building?
- How does SAGCOT take risks into consideration?
- Rufiji and Bagamoyo have a village land use plans but there was no soil analysis. Investors would like to get land that is fertile and can produce, and not just any land.
- What parties identify the clusters? Do all the stakeholders up to the grassroots level get involved?
- It costs about 17 million shillings to make a land use plan. How many villages do we plan and how much will go in on this before proper investment?
- We fear that our understanding of the concept may not be the same as that of investors (farmers thinking that investors will work with them.)
- Is the concept of commodification versus subsistence crops valid?
- There are inconsistencies between key laws e.g. TIC, Land Act, Village Land Act.
- The SRESA should coordinate with the SAGCOT donor group.
- Is two months enough to do a study on an initiative of this size and potential impact?

C4. GROUP DISCUSSIONS

Following the question and answer sessions, participants identified 10 key topics which should be the focus of the SRESA:

- Land
- Water
- Environment/Wildlife
- Infrastructure
- Agriculture

- Market Accessibility
- Social Issues and Gender
- Pastoralism
- Governance
- Sustainability

These topics were divided for discussion by four self-selected interest groups. Following discussion, each group summarised their concerns and recommendations in plenary.

C4.1 GROUP 1 - LAND AND AGRICULTURE

C4.1.1 Discussion Points and Concerns

Land

- Shortage of capacity (70% understaffed) and survey equipment at local level to prepare quality land use plans. These are key requirements for the demarcation exercise currently being done, and to be done in the whole SAGCOT area. Look into private sector involvement to fast-track the process? (Should this be a government responsibility or not?). The conclusion was that it is currently happening too slowly, especially if SAGCOT is to take off.
- The value of land is low, especially if land is currently not used by smallholders. The land market is depressed compared to other countries. Smallholder farmers have little bargaining power, little knowledge about value and are desperate to sell. If farmers sell their land titles in this situation the price they get for their land will not sustain them for long, and they will be destitute.
- Access to loans using customary land certificates. Customary land certificates do not provide access to loans/ financial facilities. This is partially the case because the value of land is too low (e.g. in Iringa). Getting a certificate is a long process in general (6-7 steps) and the process is often not done correctly. Also peoples' understanding of having a certificate is low, people think that they can get a loan with the certificate itself, without writing a business plan. The certificate should secure land tenure first of all, and access to loans should be secondary.
- Lack of Agricultural Policy. The last Agriculture Policy is from 1997, a new policy has been in process for the past 10 years. Currently there is no policy.
- Conflicting Policies. There is a need for harmonization of different policies, as currently policies regarding environment, land and water conflict with each other.
- Land legislation. Agricultural land is currently not protected by law (unlike e.g. wetlands, forests).
- Conflict of land ownership/ use. Conflict exists between farmers and pastoralists, and between farmers and investors.
- Land degradation. Widespread.
- No proper land use plans. Out of 12,000 villages in Tanzania, only 10% have a proper land use plan. Land use plans have to be approved by the Village Assembly. Besides land use plans, land use management plans are needed, however no details are available, and e.g. no soil assessments are done. According to the Village Act, Village Land Certificates cannot be given if surveys/ assessments are not done, and thus the village cannot give land to villagers.
- Legal. According to the Land and Human Rights Centre (LHRC), 75% of their cases are on land issues.
- Issue of resettlement of Tanzanians (former refugees). 3,000 households (15,000 people) are being resettled within Tanzania. Iringa is one of the regions where resettlement will take place. These households will need land. The group wondered if this is something that has been taken into account by the government and by SAGCOT.
- No baseline available of land availability. The numbers in reports on the area of potential land availability (arable, irrigation) have not changed in decades and thus are not reliable. Need for a new baseline.
- Recent survey Kilombero. A recent survey of 12 villages in Kilombero (by?) showed that only 2

villages have potential land for agriculture; 2 have already allocated land to RUBADA; and 8 villages did not have enough land for themselves at this point. This calls for in-depth study, especially since investments in Kilombero have already started.

- Land speculation. Land needs to be developed within 36 months from purchasing. Speculators generally come from outside the area.
- Law enforcement. The Land Use Planning Act is not being implemented.
- Population increase. Must use a 20 year population projection when making land use plans.

Agriculture

- Productivity is low due to low use of quality inputs (incl. water, seeds, fertilizers, mechanization); small plots being farmed (0.5 – 2 acres); lack of access to credit; lack of information (on farming techniques and market information); poor agricultural practices; rain fed agriculture, vulnerable to weather/ climate changes.
- Risk of smallholder farmers being left out of Value Chains. Contract farmers need to have a minimum of 10 acres (4 ha), which means they are not the smallest farmers. Risk of leaving the smallest farmers out.
- Need for contract farming legislation. An entry point for outgrower schemes would be to have contract farming legislation (Ministry of Agriculture) to help protect outgrowers from shocks such as the recent sudden imposition of quality grades for sugarcane by KSC.
- Low level of negotiation skills in communities. Communities have few negotiation skills and it may be difficult for them to resist investors' arguments.
- Attitude of farmers. Farmers are very donor dependent; there needs to be a will to change within them to succeed. Currently the government provides extension services and has implemented Farmer Field Schools, which should enable farmers to be more independent from donors.
- Will farmers benefit from selling land? No, this is doubtful. They will get a low price for their land, and the money would be used fast. Government should/ will (?) set up a compensation fund.
- Will farmers be able to secure food? No, more and more farmers are landless, and loss of land cannot be compensated by anything.
- Ecosystem management. Downstream land will be affected by upstream activities. How will those living downstream be compensated? Smallholder farmers should be benefiting even if the investor leave, they should not be left with negative impacts.
- Constitution. Land is currently not considered property; this should be changed, and the changes incorporated in the new constitution.

Please refer to attached PowerPoint Presentation 3 at Annex C3.

C4.1.2 Recommendations

- Small holders should be supported as sustainable producers
- Compensation funds are needed
- The Constitution needs amendment
- SAGCOT needs a mechanism to implement ideas
- A full survey of the Kilombero Valley should be done to identify precisely where land is available for ag. Development

C4.2 *GROUP 2 - WATER, ENVIRONMENT, WILDLIFE AND CLIMATE CHANGE*

C4.2.1 *Discussion Points*

Water

- Environmental flow studies are needed to establish required levels in rivers.
- A water storage strategy is necessary in order to avoid dry season competition for water.
- There is a need for clear water rights and a system for allocating (and monitoring and enforcing) water abstraction permits.
- Much additional information and data is needed to enable IWRM.
- 6 of Tanzania's 9 water basins are located within the SAGCOT area.
- The River Basin Offices of the Ministry of Water should be monitoring water use by Water User Associations and other users.
- There are plans to dam Stiegler's Gorge on the Rufiji River– what is the institutional capacity to deal with these plans?
- The damming of rivers will result in a need to resettle people.

Climate change

- Climate change impacts need to be predicted.
- There is a need to build resilience into agricultural and environmental systems including ecological resilience.
- Water storage important for CC adaptation, also crop research.
- SAGCOT may need to focus on areas that are not under water pressure

Environment and planning

- Land Use Plans and Integrated Water Management Plans must be of better quality, based on sound data and science.
- Enforcement of agreed resource use plans, conservation plans and regulations must be strengthened.
- There is an urgent need to plan where development should occur, to avoid further destruction of highly valuable habitats such as wetlands and their associated ecosystem and economic services.
- Investor projects could be used to conserve the environment which is currently being degraded, e.g. EcoEnergy using South African consultants to define ecological corridors for preservation.

C4.2.2 *Concerns*

- The SAGCOT initiative could accelerate destructive activities in the corridors:
 - e.g. increased agricultural production without proper waste management could lead to pollution of land and water
 - Genetically Modified Organisms (GMOs) could be introduced where there are inadequate regulations and enforcement leading to invasive species entering sensitive ecosystems
- Water use needs to be better regulated.
 - environmental flows are not well known and cannot therefore be monitored and enforced
 - improve information base of environmental and ecological variables is needed

- climate change impacts need to be understood and monitored otherwise there is a danger of planned developments being inappropriate, destructive and unsustainable
- Enforcement of laws and regulations is weak
 - the Ramsar management plan is inadequately enforced
 - villages have Land Use Plans but these are not comprehensive across an ecosystem and are not consistently enforced
- Planning poor (e.g. Land Use Plans, Integrated Water Management Plans)
 - there is an information gap, there is insufficient scientific data to support proper resource extraction decisions
 - lack of baselines on social, ecological and environmental parameters
- The status quo is already destructive regardless of plans to intensify agriculture
 - wildlife corridors are already being destroyed
 - large numbers of cattle are causing the environment to degrade
 - the fisheries are already overfished
 - biodiversity has decreased in recent years
 - valuable timber tree species have been over-harvested
- Pastoralists
 - widespread conflicts with farmers
 - widespread impacts on wildlife and habitats
- SAGCOT – agriculture
 - GMOs - many different types of impact possible
 - accelerated land degradation
 - waste production, pollution
 - reduced habitat connectivity
- EIAs may not be monitored and enforced adequately
 - are EIAs and Environmental Monitoring Plans the most appropriate tool to ensure investor compliance with environmental safeguards?

C4.2.3 Recommendations

- Improve the TAZARA railway in order to reduce the environmental impact of increased transportation in the corridor
- Improve Cabinet Environment Committee
 - Cabinet committee has the mandate to make decisions
 - the Committee should learn from the Usangu evictions episode
 - the Committee should consult broadly
- Parliament
 - Standing Committee for Lands, Natural Resources and Environment
 - Standing Committee for Agriculture and Livestock
 - SAGCOT briefings to these committee and to the wider parliament as well
- Baselines need to be established
 - Social
 - Ecological
 - Environmental
- The SAGCOT Centre
 - clarify its role, especially in relation to RUBADA and line ministries
 - the Centre needs resources to plan and coordinate EIA processes
 - EIA processes need broader involvement of affected communities

- SAGCOT monitoring of environmental issues must be ensured

C4.3 **GROUP 3 - MARKETING AND FINANCE**

C4.3.1 **Concerns**

- Quality of output - large scale farmers or investors versus small scale farmers: will the small scale farmers' quality of products be able to compete in the market?
- Cluster approach that gives priority to specific crops in each cluster; this might overlook other cash crops within the cluster, for example cocoa in Kilombero.
- Organic products - their markets might be affected with intensification of agriculture. Within the clusters there is already organic farming taking place, e.g. organic tea in Njombe and organic cocoa in Kilombero.
- With sensitization of small farmers there is a possibility of over-production.
- Contract farming might not work with food crops.
- Poor condition of infrastructure (roads, railway, go-downs) in the Clusters such as the Kilombero and Ludewa clusters.
- Finance - poor access to loans by small farmers, high interest rates from financial institutions and lack of information on financial opportunities.

C4.3.2 **Recommendations**

- Specific financial institutions/services that cater for specific agriculture projects.
- SAGCOT must develop a marketing approach that considers other products in each cluster (crops, livestock, fish).
- Must consider alternative markets for excess products within clusters, e.g. export markets that require raw products.
- Large scale farmers/investors should have flexible contracts with small scale, can copy from KPL and KVTC.
- Need for major upgrading of the TAZARA railway.
- Need for a strategic road maintenance within each cluster.

C4.4 **GROUP 4 - INSTITUTIONAL AND GOVERNANCE ISSUES**

This group dealt with Policy and Legal Issues (Local/International Level), Social Issues, Gender Issues, and Health and Safety

C4.4.1 **Discussion Points**

- More information is needed about SAGCOT's motives and its decision making process: SAGCOT is a World Economic Forum initiative, emerging from the successful Brazilian experience. Is it home grown? Maybe home grown by the President, yes, but not by the local community. The private sector was at the root of this initiative - big companies have been developing the model.
- Will the project really contribute to the advocated 'poverty reduction' (the group is sceptical that it will)? The World Bank is not eager to go into this. It was a political push, that is why the Bank wants a thorough study and they want to be covered. If the plan is not exercised, the investors will go elsewhere.
- There are two options: (i) rush into the project with the risk of it being harmful rather than beneficial to the Tanzanian population (and environment), or (ii) thoroughly assess the project with the risk of the investors moving to a different country.
- Civil society is not represented among the partnerships involved in SAGCOT. There is a smallholder farmers' association, but this is not listed in the partnerships. Civil society was

probably not taken into account because they are not an implementing agent. Smallholder farmers need to be seen as a real partner. Not even the NGOs: really the smallholder farmers. You don't need to see everyone as an investor. You have to take into account ALL stakeholders. Now it is too much of a top down approach.

- Are local governments (LGA's) enough in representing the farmers? Or aren't they?
- Let there be a pilot, then we can see whether it works. We don't need to have a pilot: we've had pilots. We need to look at previous experiences. There have been so many projects that started off badly, then they looked back and built from there. But we should avoid beginning badly, and instead to learn from these experiences.
- Is it realistic that this project will even take off? Considering that our institutions are weak, the land or the soil has not been mapped etc. It is too early. We're not ready for this.
- Adhering to the constitution is important. Within the constitution there is a Bill of Rights. The Bill of Rights consists of rights that need to be guaranteed to Tanzanian citizens, i.e. access to be able to live your livelihood.
- Is there a good Land Act? Does SAGCOT conform with it?
- There is political will to push SAGCOT forward. But is there political will to push it forward in the right way, by thinking of Kilimo Kwanza?
- Gender is an afterthought (the rest of the group disagrees).

C4.4.2 Concerns

(What are the concerns? / What issues does the study really have to dive into in order to fully assess the situation?)

- **Smallholder farmer associations:** How well are smallholder farmer associations involved/represented in the SAGCOT plans? Farmers' representation is missing in governance.
- **NGOs:** There is no clear position of/for NGOs within SAGCOT. They are not heard, even though often they are the custodians and representatives of farmers.
- **Local governments:** Are local governments well presented within SAGCOT? But also: are they capable (i.e. of representing farmers)? Decentralisation has not worked (yet). And can they bypass RUBADA and TIC?
- **Costs:** How much will the project cost? Because Tanzania can be left with a debt, and the country is already in debt. It is a loan from the World Bank, and will have to be paid back. However even if it isn't a loan but grants (which they may be in the case of the investors), the funds still have to be used in a considered way.
- **Learning from experience:** There have been projects like these for nearly 20 years. They haven't made a difference. In what way is SAGCOT different than these other programmes? Are we not making the same mistakes as before? (i.e. in Moshi it was assumed that land was freely available, but there is no such thing as unused land!)
- **Time:** The time frame for the study is too short. We need more time to assess everything before implementing the change. This is not a small change we're talking about. This is major change with major effects.
- **Food security:** The programme is advocating improved food security. However, if farmers and entire villages are replaced/resettled to different areas, these people will not be able to grow their own food any more. For these people, food security is reduced (think in terms of cash crop and food for consumption). There may be competition between cash and food crops.
- **Health & safety:** has the issue of pesticides that will be used been looked at? There is a lack of control over dangerous pesticides. What about irrigation and diseases (e.g. schistosomiasis)? What about GMOs? What about government weakness?
- **Quality:** can the quality of the products be guaranteed? (Oxfam has quality documents which can be of use).
- **Land Acts:** Does SAGCOT conform with existing Land Acts?
- **Bill of Rights:** Does SAGCOT conform with the existing Bill of Rights?
- **Gender issues:** Have gender issues been taken into account? (i.e. in terms of access to benefits, access to land, who owns what). It needs to be recognized that women play a very big important role in agriculture. Who is doing what? Who owns what? What about access to

- resources - land, credit? Who makes decisions? What about cultural restrictions?
- **Water:** what about water availability?
- **Land:** a major issue. Potential for conflicts concerning distribution and use. Does government have the capacity to implement the VLA? The Land Act is being reviewed by not publicised. What about the Outgrower Act?
- **Policy issues:** the Constitution is being reviewed; what about the Bill of Rights? This is crucial for sustainable livelihoods. Is there political will to do the right thing? When? Who will pay for SAGCOT? What about conflicts of interest (powerful people with feet in both the public and private sectors).

C4.4.3 Recommendations

SAGCOT

- A link needs to be made with farmer associations and NGOs so farmers can be better represented. The SAGCOT board needs to include more representatives of the stakeholders who are affected by - or involved in - the plan.
- The voice of NGOs must be heard, perhaps through ANSAF.
- Standards must be developed for private sector involvement.
- SAGCOT: look at previous experiences and learn from previous mistakes (and successes!)

Policy and legal

- Acts should be implemented correctly (e.g. VLA; also applies to TIC).
- Civil society arbitration may be necessary, perhaps by an ombudsman.
- Village committee leadership needs strengthening.
- Basin management is not clear.

Gender

- Is an after-thought; should be cross-cutting.
- SAGCOT must include women / gender issues in all directives, strategies and approaches.
- Thought should be given to incentives for the private sector to invest in women's empowerment. Women need to become more involved in value chains.

Health and Safety

- Health and safety issues need to be researched and the research needs to be published.

C5. ISSUES ARISING AFTER GROUP DISCUSSIONS AND SUMMARIES

C5.1 QUESTIONS AND CONCERNS

- We are looking at SAGCOT before a lot of issues are resolved, e.g. land is governed by law.
- We are talking of small farmers to be outgrowers but they need a registration system to be part of the scheme. In Mtibwa for instance there is a problem between outgrowers and investors.
- Involvement of people - to what extent are farmers aware of SAGCOT? It sounds like a top-down initiative.
- There are various issues in the initiative that require changes in policy, such as the issue of value chains and outgrowers – how is SAGCOT going to deal with policy changes?
- The SRESA should consider issues of wildlife in the Corridor, also how to deal with wildlife/livestock/people conflicts.
- It is good to hear that outgrowers will benefit from SAGCOT, but what about areas that already have commercial crops that are different from those specified for the cluster? For instance the Ihemi cluster has potential for rice in the Pawaga and Idodi areas.
- What are the targets of the SAGCOT programme when compared to the baselines in the SAGCOT Blueprint?

- Is SAGCOT going to cooperate with other agriculture programmes in the Country, other than the ASDP?
- Is the ILLOVO sugar company in Kilombero involved in SAGCOT? We hear it is intending to expand.
- Water is the major resource for agriculture. Is the government going to consider payment for environmental services (PES) for those using a significant amount of water for agriculture?
- It is said that SAGCOT is to cover 1/3 of country but calculation shows only 1%, this shows that the impact of the SAGCOT will be small if one looks at the targets, for instance the number of people needing to be removed from poverty.
- The Kilombero ecosystem is very fragile.
- What about the power dynamics of small scale farmers, as currently we don't see them involved in the process.
- Gender issues are not homogenous in farming communities, these need to be considered.
- There is need for clear definitions of who are small scale farmers and who are outgrowers.
- It is important to make it clear as to how large scale farmers will acquire land in villages.
- It is also important to consider the reaction of villagers to benefits associated with SAGCOT.
- Who will implement LUPs, e.g. customize ownership?
- SAGCOT has so many stakeholders. Is there one coordinating unit for stakeholders in this project?
- Monitoring and evaluation should feature in the SRESA.
- How will smallholder tea growers benefit from SAGCOT especially in Iringa, Njombe and Rungwe?
- Looking at crops in the SAGCOT initiative shows it is focusing on food crops. What about traditional cash crops? We expect SAGCOT to take this into consideration.
- Participation of smallholders in the tea value chain: currently this ends when smallholders send crops to large investors. Now they are demanding their own tea processing facilities and have started by forming associations. How can SAGCOT facilitate this?
- Can the Catalytic Fund assist smallholders farmers who are already mobilised in value addition?
- Can our organisation (Tea Organization) be included in SAGCOT as a new government agency?
- As a representative of the private sector, what plans does SAGCOT have to attract private investors?
- Tanzania has a problem with investors. How much has been done to overcome conflicts with investors?
- Sense of ownership of business by local community.
- How to help residents continue with local products?
- Contract farming was in Tanzania before and failed badly, e.g. farmers were under-paid. How will SAGCOT change/avoid this practice?
- It is important to stipulate the role of each stakeholder in SAGCOT implementation, e.g. the role of various ministries.
- What is the role of local government authorities in SAGCOT? Where will the programme be managed at this level?
- Can we have best practice as in other sectors? e.g. tourism, mining.
- The SRESA is being conducted but at the same time SAGCOT implementation is ongoing, e.g. land issues are being worked on in Kilombero by the government. What if the SRESA recommends otherwise?
- Is there anything that SAGCOT can borrow from the Beira Corridor?
- There is need to harmonies policies at grass root level.
- The SAGCOT approach to land use planning: in Bagamoyo and Rufiji they have LUPs but with problems, e.g. areas demarcated for agriculture but no soil survey. Soil sampling is important in undertaking LUPs.
- We as investors have never been interested in the best land, we leave this to locals because for us we can invest on poor land.
- The process of identifying clusters, who is involved? And were other stakeholders involved, for example MNRT?
- It is good that SAGCOT has considered LUP. Experience shows that it costs about 17 million Tsh to prepare one LUP for a village. How many villages are there in the Corridor, who will fund this?

C5.2 SOME RESPONSES FROM SAGCOT STAFF

- SAGCOT is an approach not to duplicate what is there, e.g. ASDP. We can address bottlenecks.
- Small farmers – there are various initiatives to assist them, e.g. KPL. We will replicate this in other areas.
- Private sector - EcoEnergy as an example - we facilitate the process of investment by bringing the right actors together.
- Policy aspects looked at include the export of commodities, accessing markets, reducing VAT, and land issues, mainly access to land.
- All village land in Kilombero will be demarcated, and also in the Corridor, with LUPs in all villages.
- SAGCOT is a home-grown initiative, not top-down; local residents were involved.
- A major recommendation from local residents is they need help in preparing Land Use Plans.
- With regard to monitoring we shall be monitoring and evaluating (M&E) both hard and soft indicators.
- Policies: there are good policies but lack of implementation.
- We will assist in implementation and with other recommended legislation, e.g. for outgrowers.
- Coordination: we will have several bodies at field level, plus coordination within government, plus RUBADA (whose mandate may have to change).
- SAGCOT will have 2 institutions: the Catalytic Fund and the SAGCOT Centre, and will work closely with government. At local and regional level different actors will be involved, e.g. TAP, NGOs, academia etc.
- The SRESA will develop recommendations on topics such as regulations for outgrowers.

C6. PARTICIPANTS

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ANNEX C1: SAGCOT PRESENTATION

<p style="text-align: center;">SOUTHERN AGRICULTURAL GROWTH CORRIDOR OF TANZANIA</p> <p style="text-align: center;">A partnership for sustainable, profitable development in Tanzania's agriculture</p> 	<p style="text-align: center;">Key message</p> <ul style="list-style-type: none"> SAGCOT is an innovative approach towards private sector led Agricultural development in Tanzania's Southern Corridor by promoting investments along the full agricultural value chain. The initiative wants to achieve agricultural growth, food security, improving social well being while ensuring environmental sustainability and reducing rural poverty
<p style="text-align: center;">SAGCOT OBJECTIVE</p> <ul style="list-style-type: none"> To foster inclusive, commercially successful agribusinesses that will benefit small-scale farmers, improve food security, reduce rural poverty and ensure environmental sustainability. HOW: <ul style="list-style-type: none"> incentivizing stronger linkages between smallholders and commercial agribusinesses, including 'hub and outgrower' schemes that allow smallholders in the vicinity of large-scale farms to access inputs, extension services, value-adding facilities and markets. support smallholder producer associations to enter into equitable commercial relationships with agri-processing and marketing businesses. 	<p style="text-align: center;">THE CORRIDOR CONCEPT</p>  <ul style="list-style-type: none"> Formed along traditional trade routes to land-locked South East & central Africa with pivotal infrastructures (roads, railways, electricity) Covers areas with fertile lands, irrigation & water sources, human resources
<p style="text-align: center;">THE PROGRAMME</p> <ul style="list-style-type: none"> SAGCOT is an inclusive, multi-stakeholder partnership to rapidly develop the region's agricultural potential well-placed to achieve the objectives of <i>Kilimo Kwanza</i>. Involvement of the private sector in the development of agriculture: agricultural production, provision of agricultural inputs, crop marketing and in the agricultural value chain. The programme intends to ensure Food security and wealth creation for the smallholder farmers It covers an area of 287,000 km² from Dar-es-salaam, Coast, Morogoro, Iringa, Ruvuma, Mbeya, Rukwa, some parts of Dodoma and Singida. 	<p style="text-align: center;">SAGCOT'S 2030 TARGETS</p> <ul style="list-style-type: none"> 350,000 Hectares in profitable production 420,000 New employment opportunities throughout the value chain 100,000 Commercial smallholder farmers 2,000,000 People permanently lifted out of poverty US\$ 1,200,000,000 Annual value of farming revenues US\$ 3,200,000,000 Mobilised in public and private investments <p style="text-align: center;">Regional food security would be assured</p>
<p style="text-align: center;">SAGCOT Key Partners</p> <ul style="list-style-type: none"> Central Government: Key ministries (PMO-RALG, Agriculture, VPO-Environment, Water, MNRT, MoF, MLHS, Planning Commission). Local Government Private Sector, Small scale farmers, Development Partners, Financial Institutions, NGOs Research Institutions. 	<p style="text-align: center;">Synergy with existing programmes</p> <ul style="list-style-type: none"> SAGCOT will operate within the dual, complementary frameworks of Kilimo Kwanza and ASDP. Cooperation between SAGCOT and ASDP will include support to smallholder irrigation and improving land-use planning.

IMPLEMENTATION

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Investment in SAGCOT

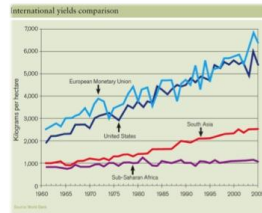
- Agreement between the government, private sector and DPs
- SAGCOT Partnership to represent farmers, improve coordination, monitor progress and report on successes and problems
- \$2.1 billion of private investment will be catalysed over a twenty year period, alongside public sector grants and loans of \$1.3 billion.

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TANZANIA'S AGRICULTURAL POTENTIAL

Huge growth potential:

- Low farm productivity.
- Livestock; Over 90% of the 2.5 million cattle, 14 million goats and 4 million sheep in Tanzania are low-yielding breeds.
- Irrigation; Approximately 2,300m³ of 'internal fresh water' per person - 1.4 times that of Uganda and 3.6 times greater than Kenya.



Of the 7.5 million hectares of land in the SAGCOT corridor, less than 2% is currently farmed under irrigation.

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INFRASTRUCTURE PRIOTIES

Investments needed to compliment the following infrastructure priorities:

ROAD: Tanzania-Zambia Highway
1,762km paved highway linking Dar to Kapiri Mposhi

RAIL: Tanzania-Zambia Railway Authority (Tazara)
US\$39m interest free loan from China for upgrade Links Dar to Zambia, DRC and Southern African rail networks

POWER: TANESCO electricity grid
Multiple funded and planned electricity upgrade projects, totaling US\$100s of millions

SEA: Port of Dar es Salaam
Tanzania Port Authority has invested US\$1.8m in upgrades, with a further US\$50m planned. Yara plan a US\$20m dedicated fertiliser facility

AIR: Julius Nyerere International Airport
US\$300 million upgrade underway Songwe International Airport Construction underway

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HUBS & CLUSTERS APPROACH

Clusters are geographic concentrations of interconnected companies, service providers and associated institutions. They form logistical hubs, maximising efficiencies and promoting economies of scale.

These projects will include:

- Production
- Storage
- Processing
- Research
- Associated service providers

SAGCOT has identified seven priority clusters for quick-win investments: Ithemba, Mbarali and Kilombero, Ludewa, Sumbawanga, Rufiji and Dakawa.

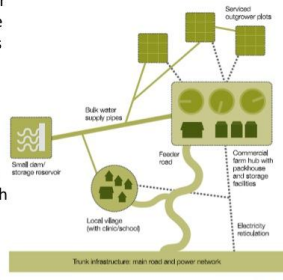
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LINKING WITH SMALL HOLDERS

Using 'outgrower' and other models, SAGCOT will ensure that farming as a business is promoted, bringing smallholder farmers and small entrepreneurs into commercial value-chains.

This model places emphasis on the **value-chain** approach to create a seamless food production system by improving infrastructure, storage facilities and routes to market.



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SOCIAL AND ENVIRONMENTAL CONCERNS

- Alongside its great agricultural potential, the SAGCOT region is characterized by;
 - high levels of poverty;
 - extensive forests and wildlife;
 - protected areas (national parks, game reserves & Ramsar Sites)
 - faces increasing vulnerability to climate change.
- These conditions create both a mandate and an opportunity to develop SAGCOT as a green growth model for agriculture-led development.
- The SAGCOT Centre has convened a multi-stakeholder **Green Reference Group**, to develop and build consensus around a green growth program and investment framework for the region.
- The SAGCOT Centre will coordinate green investments in collaboration with Partners.

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GREEN ECONOMIC VISION

- SAGCOT will pioneer a **green growth model** for agriculture in Tanzania.
- **Green growth** for the agriculture sector involves increasing food security and good nutrition for all people, while conserving natural resources and limiting greenhouse gas emissions.
- A **green growth strategy** is currently being formulated to ensure the integration of environmental sustainability in the Corridor's development
- A **Strategic Environmental and Social Assessment**

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An Investment Framework for Green Growth

- **Component investments** that benefit or minimally compromise ecosystem health, that reduce or sequester greenhouse gas emissions, that provide social benefits and that help adapt to climate change,
- **Spatial planning** to realize synergies and reduce trade-offs by managing interactions between investments and land uses in different parts of the landscape,
- **Democratic governance** processes to negotiate development priorities and parameters, recognizing legitimate local, regional, national and business interests,
- **Decision-making and governance** frameworks that give voice to local communities while facilitating timely and predictable decision processes for investors.
- **Public policies and market mechanisms** that shift incentives toward realizing elements 1-3 above.

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HOW

- SAGCOT investments will respect the provisions of the Environmental Management Act of 2004 as well as international guidelines.
- All investments under SAGCOT will be required to undertake thorough social and environmental impact studies, as well as appropriate actions to mitigate risks.
- By promoting the use of environmentally friendly technologies
- SAGCOT will promote sustainable agricultural growth by attracting socially and environmentally responsible private investment from domestic and international sources.

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At farm level

- Conservation Agriculture
- SRI-System of Rice Intensification
- Water Harvesting
- Drought-adapted Dryland crops
- Encourage mixed farming
- Participatory Forest Management
- Improved irrigation techniques

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Early examples of Green Agricultural Investments

- **Training** that supports agro-ecological intensification by smallholders, (System of Rice Intensification)
- **Adoption of conservation agriculture** by both small and large-scale farmers
- **Research trials that support climate-smart agriculture**
- **Scaling up soya bean production** that improves soil fertility

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CASE STUDY: SRI at KILOMBERO PLANTATION LTD.

Kilombero Plantation Limited (KPL), a public-private partnership between RUBADA and Agricra, was established in July 2008 to redevelop Mngeta Farm.

Over US \$30 million invested on irrigation over 215 hectares

When fully irrigated, Mngeta Farm will produce annually:

- 33,000 tons of milled rice
- 5,000 tons of rotation crops—beans and pulses
- 1.5 MW of surplus biomass power for rural electrification

Over US \$30 million has been invested on Irrigation over 215 hectares

System for Rice Intensification (SRI)

Demonstrated potential with Kilombero smallholders to lift yields from 3 tons/ha to over 5 tons/ha

- 20kgs of seed needed instead of 60kg
- 250 families
- 1350 new farmers are being added
- By 2016 5,000 famer families



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[FOR FURTHER INFORMATION](#)

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THANK YOU

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APPENDIX

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SAGCOT CATALYTIC FUND

A 'Catalytic Fund' is under development to:

- Secure a critical mass of investments and investors.
- Develop and expand commercially sustainable agribusinesses.
- De-risk commercial investment.
- Support projects through their initial startup and development, and also throughout the supply chain.

Social venture capital fund

- Target: development and expansion of younger and generally smaller agribusinesses with supply chain links with smallholders.
- Initial fund size: US\$12.5m
- Investment size: US\$200,000 to US\$1.5m

Matching grant facility

- Target: established commercial agribusinesses and companies, that want to develop and strengthen supply chains encompassing smallholder farmers.
- Initial fund size: \$40m
- Matching grant size: \$US250,000 to \$1.5m

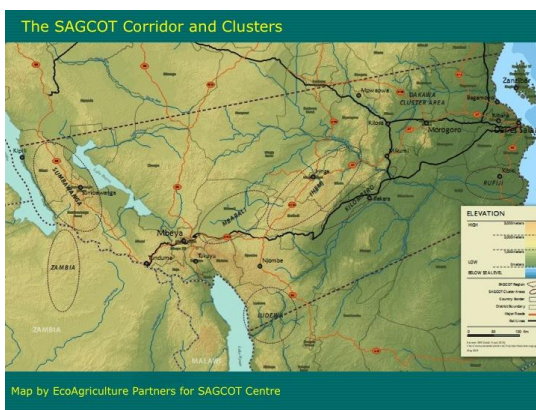
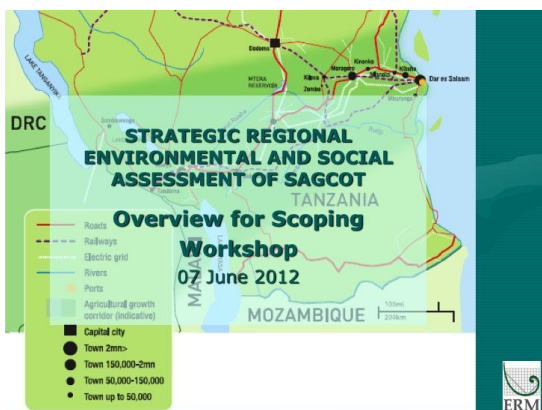
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CLUSTER COMMODITY OPPORTUNITIES

Crops	Ihemi	Mbarali	Kilombero	Ludewa	Sumbawingsi Northern Zambia
Maize	✓	x	x	✓	✓
Wheat	✓	x	x	✓	✓
Barley	✓	x	x	✓	✓
Rice	x	✓	✓	x	x
Soya	✓	-	✓	✓	✓
Sunflower	✓	✓	✓	✓	✓
Irish Potatoes	✓	x	x	✓	-
Beef	✓	✓	✓	✓	✓
Poultry	✓	x	x	✓	✓
Pigs	✓	x	x	✓	✓
Citrus	x	x	✓	x	x
Mangos	x	✓	✓	✓	✓
Macademia	✓	x	x	✓	-
Avocado	x	x	x	✓	x
Bananas	x	✓	✓	✓	x
Beans	✓	-	✓	✓	✓
Seed Crops	✓	x	✓	✓	✓
Onions	✓	x	x	✓	✓
Tomatoes	✓	-	-	✓	✓
Legumes and Pulses	✓	-	✓	✓	✓
Potential	High ✓	Medium -	Low x		

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SRESA of SAGCOT

Why SRESA?

1. World Bank
 - “Catalytic Fund” – Matching Grants Facility
 - Institutional Support – SAGCOT Centre, RUBADA, TIC, MLHSD

SRESA of SAGCOT

World Bank safeguard policies:

- Environmental Assessment
- Natural Habitats
- Forests
- Pest Management
- Involuntary Resettlement
- Indigenous Peoples
- Gender
- Cultural Heritage

SRESA of SAGCOT

Why SRESA?

2. Strategic Environmental Assessment Regulations (2008)

SRESA of SAGCOT

SRESA Approach

1. Consultation and fieldwork - issues of concern
2. In-depth assessment - one cluster as case study - Kilombero Valley
3. Agricultural development scenarios
4. Impact assessment
5. Recommendations at *strategic* level



SRESA of SAGCOT

Agricultural Development Scenarios

1. “No Action” - but things are already changing fast
2. SAGCOT scenario
3. “Green Growth” scenario

Strategic Recommendations

1. Policy - e.g. on village land
2. Institutional - e.g. RUBADA
3. Technical - e.g. water allocation
4. Procedural - e.g. standardised smallholder agreements
5. Sectoral - e.g. on pastoralism or wildlife corridors



Study Outputs

The main outputs of the study will be:

- *Scoping Report*: June 2012
 - *Final Report*: September 2012
- Additional reports required by the World Bank are:
- *Environmental and Social Management Framework (ESMF)*: July 2012
 - *Resettlement Policy Framework (RPF)*: September 2012



Study Team

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- Local Coordinator - Joost Noordholland
- Consultation - Beatrice Mchome
- Social & Gender - Halima Chande
- Social & Gender - Vera den Otter
- Land - Libby Schroenn
- Valuation - Zaina Kijazi



Study Team

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- Institutions - Maureen Roell
- Ecology - Kahana Lukumbuzya
- Others



Key Environmental and Social Issues

- Land
 - Water
 - Ecology
- *livelihoods*
 - *sustainability*
 - *institutions and governance*



Key Environmental and Social Issues

Land

- Land for investors / land banks
- Village land / General land
- Negotiation procedures
- Community benefits
- Compensation
- Pastoralists & farmers
- Planning, management & governance



SRESA of SAGCOT

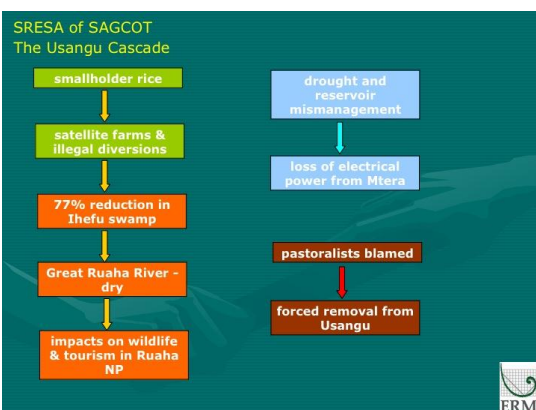
Whose land?
Whose water?
Living together

SRESA of SAGCOT

Key Environmental and Social Issues

Water

- Quantity
- Quality
- Timing
- Allocation
- Upstream-downstream linkages
- Climate change
- Planning, management and governance

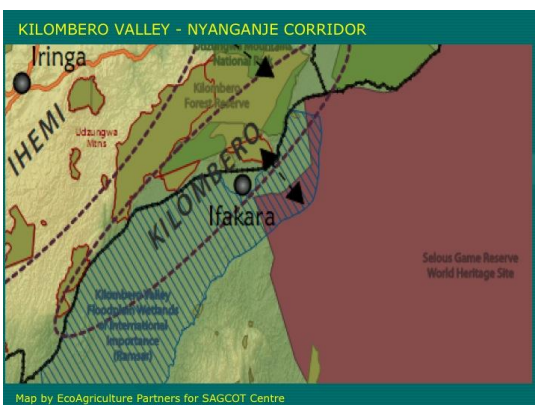
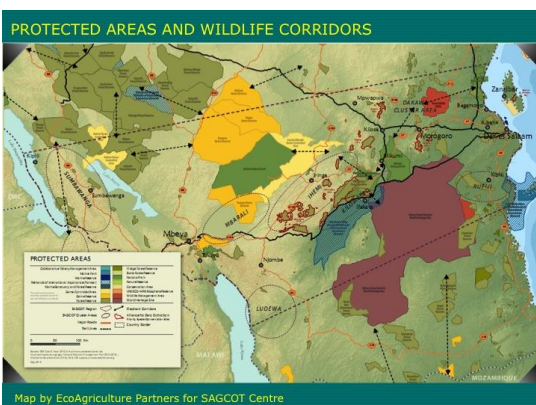


SRESA of SAGCOT

Key Environmental and Social Issues

Ecology

- Wetlands
- Endangered species
- In-migration and deforestation
- Habitat loss
- Corridors and connectivity
- Fisheries
- Planning, management and governance



SRESA of SAGCOT

SRESA Next Steps

1. Scoping report
2. Scenario development
3. Impact assessment
4. Development of solutions & recommendations
5. Consultation
6. Final report

SRESA of SAGCOT

Asanteni sana
Thank you

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Artwork: SUA

ANNEX C3: LAND AND AGRICULTURE GROUP ISSUES

<p style="text-align: center;">LAND AND AGRICULTURE</p> <hr/> <ul style="list-style-type: none"> <input type="checkbox"/> Land Use Plans – No capacity , poor equipment , few land staff (impractical targets) <input type="checkbox"/> Low value of land – low market value <input type="checkbox"/> Customary land certificates is currently not guaranting land – related to value of land <input type="checkbox"/> lack of information to investors (old data used, no assessment done, no baseline) 	<hr/> <ul style="list-style-type: none"> <input type="checkbox"/> Lack of agriculture policy to protect agriculture land <input type="checkbox"/> Contradicting policies needs harmonization <input type="checkbox"/> Conflicts over land ownership between farmers and pastoralists <input type="checkbox"/> Land degradation <hr/>
<hr/> <ul style="list-style-type: none"> <input type="checkbox"/> Land use Plans and no land use management plans (there is a need to have a land use management plan e.g. (Kisarawe). <input type="checkbox"/> Need formulation of Land Agriculture Bank <input type="checkbox"/> need to consider other allocation of land eg. reallocation of Tanzanians from Ulyankuru – Tabora and Katumba – Katavi) <input type="checkbox"/> Kilombero – a full survey is needed to see where actually land is available , also understanding migrating routes . <input type="checkbox"/> Land speculation and abandonment land <input type="checkbox"/> Low productivity <input type="checkbox"/> Can not leave small scale holders out of the value chains <input type="checkbox"/> Issues of women farmers need to be considered <input type="checkbox"/> Must have contract for out growers <hr/>	<hr/> <ul style="list-style-type: none"> <input type="checkbox"/> Need procedures to be given to village contracts so they know their rights in negotiation (contracts) <input type="checkbox"/> Ecosystem services need a holistic approach , need to know what resources communities rely on and who owns those <input type="checkbox"/> Extension services to be made available to small holders. <input type="checkbox"/> Land needs to be incorporated in the new Tanzania nation constitution <input type="checkbox"/> Clarity on how land fees will be paid from central government to villages to people. <hr/>

Annex D

Agricultural Development Scenario Approach Record of Consultation

The following note summarises our proposed approach to agricultural scenario development.

STRATEGIC REGIONAL ENVIRONMENTAL AND SOCIAL ASSESSMENT OF THE SOUTHERN AGRICULTURAL GROWTH CORRIDOR OF TANZANIA

ERM Reference 0159588

Agricultural Development Scenarios for the Six Clusters of SAGCOT

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Approach and Methodology

Three phases are conceptualized in accomplishing this exercise. They include:

- 1 Establishing the “now” situation in the 6 clusters of SAGCOT
- 2 Scenario I: Situation of Kilombero cluster 20 years to come (without SAGCOT intervention); and
- 3 Scenario II: Situation of Kilombero cluster 20 years to come (with SAGCOT intervention but no mitigation measures on adverse effect of the intervention)

Note: a Scenario III will also be developed by the study team, based on Scenario II but with environmental and social mitigation measures

Importantly, the task includes identifying key environmental, social, and economic indicators that can be used subsequently to compare alternative development/investment scenarios across the other SAGCOT Clusters.

The “now” situation in the 6 clusters of SAGCOT

Information has been collected that will enable description of the current situation for the Kilombero cluster. The information will be presented under the following headings: background, demographic attributes, administrative structure, infrastructure, and agricultural attributes. However, the information available is for the Kilombero cluster only. The study timeframe will not allow collection of data for other clusters.

Scenario I: Situation of Kilombero cluster 20 years to come (without SAGCOT intervention)

The starting point in this case is to collect time-series data for different key drivers. The key drivers were identified as population, rainfall and policy. This emanates from the fact that population growth determines the level of production, consumption, and land use patterns; rainfall drives production, yield, and type of crops grown; and policy will determine the nature of trade, commodities consumed locally and those shipped outside the local area, and the nature and amount of support to the farm sector, for example input subsidies to different groups of farmers.

Time series data on some operational variables of these drivers have been collected, including population, production of major crops, rainfall, prices, area under cultivation for major crops, etc. This is to be followed by calculation of annual growth rates and development of future projections to 2030. In computing annual growth rates, a constant percentage growth rate model has been applied because it is appropriate for many cases. This is specified as:

$$St = So(1+r)^t \text{ where:}$$

St = value of the time series to be forecast for period t ,

So = the estimated value of the time series in the base year, and,

r is the constant percentage growth rate to be estimated

To estimate r , the time-series data will be transformed into their natural logarithms and then a regression run on the transformed data, and an antilog applied to the resulting regression coefficients. Unfortunately, time-series data for many variables was found to be scarce. A large dataset was

obtained from various sources, but upon examination, the data were observed to be highly inadequate for meaningful statistical analysis. The following shortcomings were identified in the dataset:

- Data available were for about 5-8 years from 2009/10 backward
- Even for the available data there are many gaps
- Reliability is another problem. In some case you find 0 acreage, but with a level of production
- Data are not consistent. For example, rainfall in Kilombero valley is recorded at Mahenge meteorological station, but Mahenge does not appear every year in the records
- Data are scattered
-

A sense of these problems can be obtained by examining the dataset at the following website:

<http://www.kilimo.go.tz/agricultural%20statistics/agricultural%20statistics.htm>

Nevertheless, reliable and adequate data on population and their projections for each district are available from National Bureau of Statistics (NBS). Given this situation, three options for building scenarios about the future of agriculture in the study area are possible:

- 1 Projecting the future values of the variables using available data of 5 to 8 years. But the problem with this approach is that 5-8 years is too short a period to give credible projections. Time series data of 20 or more years is necessary.
- 2 Derive all other variables from the population data based on some known facts about the agriculture sector and the economy in general in Kilombero Valley. For example:
 - (a) 80% of the population is engaged in agriculture. By computing 80% of the projected population in any particular year, this will give us the proportion of the population engaged in agriculture.
 - (b) 80% of agricultural activities are carried out by smallholder farmers. Using this information and the results of computation in a) above, we shall be able to derive the number of people engaged in smallholder farm production.
 - (c) Household size is 5.6 people per household. Thus, based on b) above we could compute the number of households engaged in farming.
 - (d) Smallholder households operate an average of 0.2-2.0 ha. We could thus compute the area under cultivation and have an idea about the land pressure that is likely to exist in 20 years.
 - (e) Along the same line of thinking we could deduce the levels of production and productivity for various crops.

Once these projections have been made, they could be validated by groups of knowledgeable stakeholders in the field.

- 3 Use the available dataset to establish the current situation in the areas, then use focus groups discussions and interviews in the field to give an intelligent guess about how the future is likely to change in the next 20 years. They could report in terms of percentage. For example, they may report that they believe land available for cultivation will have decreased by 30%, productivity increased by 50%, etc. This could be done for several other variables of interest such as demographic trends, fertilizer usage, area under irrigation, road density, etc.

We recommend the use of option 2 and 3 in accomplishing Scenario I.

Scenario II: Situation of Kilombero cluster 20 years to come (with SAGCOT intervention, but without any mitigation measures or "Green Growth" practices

The main document that gives the future of Kilombero Valley under SAGCOT intervention is the SAGCOT investment blueprint dossier. In addition, consultation with key stakeholders will be carried out to determine their future plans. Information from RUBADA has already been collected and is available to the study team (in the DropBox). This information includes:

- (a) List of investors in RUBADA area - Kilombero
- (b) RUBADA Investment Plan, and
- (c) RUBADA Strategic Plan

Information contained in these documents will give use useful insights about the future of Kilombero areas in terms of large scale agricultural investments.

Other sources of information on planned investment in the Kilombero area include TIC, TAP, existing major investors (e.g. Illovo Sugar, KPL), donors including at least USAID, DFID and the EU who all intend to fund SAGCOT-related infrastructure (on and off farm) in the Kilombero Valley, and others.

Note on spatial aspects of scenarios

As far as possible the scenarios will include a spatial aspect (area of land under different land uses and crops), with actual locations. To do this, the scenario development will be undertaken interactively with the study team's geospatial unit.

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