

# Lessons from the Implementation of Livelihood Restoration Programmes in Tanzania's Standard Gauge Railway Project – Lot 1 and 2

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**Abstract:** Livelihood Restoration Programmes, refers to documented measures aimed at addressing loss of livelihoods arising from land acquisition for projects. Tanzania land laws do not support the implementation of the livelihood restoration programmes however, these programmes have been implemented to meet lenders conditions for accessing the loans for project developments. The construction of the SGR Lot 1 and 2 requires land acquisition and compensation to comply with IFC Performance Standard No 5 on Land Acquisition and Involuntary Resettlement. In Tanzania, this demand is implemented even in cases land acquisition is not a component of the loans.

In this paper, desk top review of the secondary information together with the analysis, interpretation of data and drawing from professional knowledge and experience working on the SGR projects were used to assess the success and challenges of implementing livelihood restoration programmes in Tanzania.

The review revealed that Tanzania's experience in implementing these programmes is characterized with a mixture of successes and challenges, which include limited changes in project affected persons livelihoods post land acquisition stage and existing challenges such as legal, limited human capacity, inadequate financial resources and inadequate strategic choices of the programmes. Recommendations to address the challenges are provided in this paper.

**Keywords:** Land acquisition, compensation, livelihoods restoration, project affected persons, legal.

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## 1. INTRODUCTION

Livelihood Restoration Programmes (LRPs) are prepared in order to address risks and impacts arising from land acquisition for development projects. According to the International Finance Corporation (IFC, 2012) the African Development Bank (AfDB, 2023) and the World Bank (2017), land acquisition and restriction to land use arising from the involuntary resettlement due to the implementation of development projects, can have adverse impact on communities and individuals that utilize the land. To these Banks, involuntary resettlement may cause both physical displacement (i.e., relocation or loss of shelter) and economic displacement (i.e., loss of assets or access to assets) that can lead to loss of income sources or other means of livelihood as a result of land acquisition for a development project. The IFC <sup>[1]</sup> defines livelihoods as the full range of means that individuals, families, and communities utilize to make a living, such as wage-based income, agriculture, fishing, foraging, other natural resource-based livelihoods, petty trade and bartering that have to be restored or improved following land acquisition for development project.

Where involuntary resettlement cannot be avoided, these Banks suggest the adoption and implementation of measures to mitigate its adverse impacts. One such measure is the payment of compensation and other assistance to displaced persons and communities which is paid to help them improve or restore their standard of living or livelihoods.

The IFC (2012) uses 8 Performance Standards that establish sustainability frameworks that borrowers are to meet throughout the life of an investment. One of these standards is Performance Standard Number 5 on Land Acquisition and Involuntary Resettlement. Through this Operation Standards, IFC directs that where the project results in both physical and economic displacement, the borrower must prepare a Resettlement Action Plan which incorporates Livelihood Restoration Plan (IFC, 2012). A Livelihood Restoration Plan is a document containing programmes or activities to be implemented to help project affected persons and communities whose livelihoods have been adversely affected by a project, ensuring their living and economic conditions returns to or is improved to the pre-project level.

While Tanzania Land Act – Cap 113 R.E 2019, the Land Acquisition Act- Cap 118 R.E. 2002 and the Land (Compensation Claims) Regulations 2001, provides detailed guidance on various aspects related to land, institutional arrangement for land management, land acquisition for development purposes and the procedures for acquiring the land, the rights and entitlements of land holders and payments of compensation in case land is taken for development activities, these laws do not state the need for the preparation, disclosure and implementation of the Resettlement Action Plan or the Livelihood Restoration Plan.

Tanzania has sought and obtained external financing to fund the construction of the SGR in Lot 1 and 2 through various lenders where by, land acquisition process for the SGR became the focus of the lenders who follow of the International Finance Corporation (IFC)'s safeguards standards, specifically, Performance Standard Number 5 on Land Acquisition and Involuntary Resettlement. As a compliance to the external funding for the SGR Lot 1 and 2, Tanzania Railways Corporation (TRC) on behalf of the Government of Tanzania, prepared, disclosed and is implementing Resettlement Action Plans and Livelihood Restoration Plans for SGR Lot 1 and 2.

This case study is based on the review and analysis of the available project related literature to draw lesson from the implementation of livelihood restoration programmes for project affected persons and communities in areas taken for construction of the SGR project in Lot 1 and 2 in Tanzania. The paper highlights legal, institutional and operational challenges that TRC faced in the implementation of the LRP and suggest measures to address the challenges and enhance the perceived benefits from the livelihood restoration programmes.

## 2. THE PROJECT AREA

The SGR for Lot 1 and 2 covers five regions, 13 districts, several wards and villages. Lot 1 starts from Dar es Salaam region to Pwani (Coast), and Morogoro passing through the districts of Ilala, Ubungo, Kisarawe, Kibaha, Morogoro Rural, Morogoro Urban and Mvomero. The SGR Lot 1 also covers 42 villages and *mitaas* (*mtaa -mitaa* in plural is the smallest administrative unit under the local government structure in Tanzania).

Lot 2 starts from Morogoro, through Dodoma to Singida Region covering the districts of Mvomero, Kilosa, Mpwapwa, Chamwino, Dodoma City Council, Bahi and Manyoni, impacting 52 villages and *mitaas*. These villages and *mitaas* include areas where facilities other than the embankment and stations are located (e.g., camp sites, borrow pits, dumping sites and quarry sites).

Land acquisition in Lot 1 and 2, which started in 2019 has impacted residential areas, agricultural land, grazing areas and livestock watering points. The project has also impacted commercial properties (e.g., shops, markets, petty trading areas), social services (e.g., schools, health and educational), religious facilities, cultural areas (e.g., burial sites) as well as wetlands and forest areas. These impacted areas provide various services that sustain community members' livelihoods.

## 3. MATERIALS AND METHODS

This paper is based on desk top review of the secondary information together with the analysis, interpretation of data and drawing from professional knowledge and experience working on the SGR project. Literature review for the SGR Lot 1 and 2 livelihoods restoration programmes provided crucial insights into how the livelihood restoration programmes were conceived, planned and implemented.

### 3.1 Literature Review

Discussions on the impact of land acquisition for development projects have been extensively covered in the literature with focus on the socio-economic, political, financial, cultural, and institutional impacts (e.g., N Subbakrishna *et.al* (2025), Duong *et.al* (2023), Gemeda *et.al* (2023), Nguyen *et.al* (2019). However, most of this literature does not discuss the aspect of livelihood restoration programmes based on international finance safeguards as a condition to access loans for project development.

Analytical literature on livelihood restoration plans or programmes in Tanzania is scant because, Tanzania land laws do not require developers who acquire land for the project development to prepare and implement livelihood restoration programmes. When these plans are prepared and implemented, it is only because of the need to meet external project financing requirements.

The review covered several documents including national land laws, IFC <sup>[1]</sup>, Africa Development Bank (AfDB, 2023), World Bank (2017), RAP Reports for Lot 1 and 2 (TRC, 2019), Livelihood Implementation Reports (TRC, 2021), Livelihood Impact Assessments for SGR Lot and Lot (TRC, 2023). The review included looking at various monitoring reports that ARUP, an Independent Environmental and Social Consultant – IESC, working on behalf of the lenders to enforce compliance has prepared (ARUP, 2023). Additional information on LRPs and their implementation is covered in the RAP Mid-Term Review Report for SGR Lot 1 and 2 (TRC, 2024) as well as several quarterly and monthly monitoring reports from TRC.

The Land Acquisition Act - Cap 118 enacted in 1967 and revised in 2002 provides for the compulsory acquisition of land for public purposes including development projects such as the SGR. The Act empowers the President to acquire any land for any estate or term where such land is required for any public purpose. The Act (Section 11) provides procedures for compensation to landowners or land users when acquired land for project development interferes with their access to or use of that land. Where the Government is the developer acquiring the land, this Act compels it, to also pay compensation to affected persons and communities.

Similarly, the Land Act Cap 113 enacted in 1999 and revised in 2019 and 2023 addresses various issues including defining the legal and institutional framework for the administration of land, land rights, land tenure system, disposition of right of occupancy and how land could be used for social and economic development. This Act too, does not mention or make any reference to preparation and implementation of livelihood restoration plans or programmes but makes a clear statement regarding compensation in respect of public right of way (Section 166 of the Act). The details of how compensation shall be done, its coverage, and entitlements to project affected persons and communities are provided in The Land (Compensation Claims) Regulations 2001.

The Village Land Act, Cap 114 enacted 1999 and revised 2019 and 2013 specifically deals with the management of village land including defining categories of village lands. The Act covers aspects such as how to obtain, manage, and transfer customary rights of occupancy. The Act outlines the roles of the Village Assemblies and Village Councils, sets out procedures for land disputes, and addresses issues like derivative rights (leases and licenses) and land adjudication. The Act also sets limits to size of land that Village Councils can transfer to any entity or person and sharing of village boundaries. There is no mention of compensation or issues of livelihood restoration programmes, where village land is acquired. The Land Act defines procedures in case village land is taken up for investment including procedures of transferring village land to public land and compensation for project development purposes.

The Tanzania's The Land (Compensation Claims) Regulations 2001 were promulgated on the basis of the Section 166 of the Land Act Cap 113 enacted in 1999 and revised in 2019 and 2023. Specific forms of compensation are stipulated in Section 10 (1) of the Land Regulations 2001. Furthermore, the Regulations list the entities that are eligible for compensation and/or resettlement.

Compensation for lost properties is based on the valuation process for the properties found in the project area prior to commencement of the project. The valuation process is governed by the Valuation and Valuers Registration Act – CAP 7 of 2016, which provides for the functions of the Chief Valuer, establishes the Valuers Registration Board, and regulates the Valuation Profession. The Act outlines the Chief Valuer's role in advising the government in valuation matters and heading the Valuation Department. It also governs the registration and conduct of all valuers.

According to these regulations and the principle law, payments of compensation for the project affected structures is based on depreciated market value together with the provision of various allowances depending on properties impacted. If the person does not agree with the amount or method of payment or is dissatisfied with the time taken to pay compensation, he may petition to the High Court to address the perceived grievance. The High Court shall determine the amount and method of payment and determine any additional costs for inconveniences incurred if it agrees with the petition.

While this legislation aims to ensure quicker, fair compensation and transparency, its implementation often faces many challenges. Prolonged administrative delays, ongoing legal battles between affected parties or among relatives, and inadequate understanding of individual rights in land matters frequently complicate the acquisition and compensation processes, affecting both development projects and the project affected persons livelihoods.

Although preparation and implementation of livelihood restoration plans are not provided in the Tanzania land laws, some projects have had these plans developed and implemented because of the need to fulfill the requirements that compel borrowers to comply with lenders' conditions for accessing the loans. In Tanzania's SGR project, these conditions are imposed even where the cost of land acquisition is not an integral part of the loan for the said project. Tanzania finds itself in this situation and having to endure such harsh borrowing conditions, that in fact, have dominated the relationship between lenders and borrowers in the developing countries.

Tanzania has received loans from the AfDB for various projects including the construction of the SGR. The AfDB operates 5 operational safeguard policies which includes Operational Safeguards Number 2 on Involuntary Resettlement, Land Acquisition, Population Displacement and Compensation. The AfDB does not make direct and explicit reference to borrowers to prepare and implement livelihood restoration plans, instead, it is emphasizing to borrowers to ensure that affected persons are offered a range of different compensation packages, resettlement assistance and livelihood improvement options.

The World Bank, which has also funded some projects in Tanzania is using 10 Environmental and Social Standards (ESS) (World Bank, 2017); the World Bank ESS Number 5 on Land Acquisition, Restriction on Land Use and Involuntary Resettlement is triggered if the project requires land. According to the World Bank, where land acquisition cannot be avoided, borrowers will offer affected persons compensation at replacement cost and commence livelihood restoration and improvement programmes in a timely manner in order to enable affected persons benefit from alternative livelihood opportunities (World Bank, 2017). The World Bank further compels borrowers to prepare and implement livelihood restoration plans for economically displaced persons so as to enable them restore or improve their means of income earning capacity, production levels and standards of living (World Bank, 2017).

Tanzania has had a checkered experience in implementing livelihood restoration programmes from projects that the lenders finance and demand the preparation and implementation of such programmes. For example, the Songo-Songo Gas to Electricity Project (URT, 2005) and the East Africa Crude Oil Pipeline project from Uganda to Tanga in Tanzania (EACOP, 2025) are some of the projects that attempted to implement livelihood restoration programmes before the SGR Lot 1 and 2.

### **3.1.1. The Songo-Songo Gas to Electricity Project**

From the late 1990s, the then Ministry of Energy and Minerals, entered into an agreement with Songas, a private company dealing with drilling and supplying of natural gas from the Songo- Songo Island to the TANESCO's Ubungo Gas powered station. The Songo-Songo Gas to Electricity project involved a Way Leave Land Acquisition Programme (WLAP) acquiring land for a 207-km land pipeline that was to be constructed from Somanga Funga in Kilwa District to Dar es Salaam, at the Ubungo power station; and, a 16-km pipeline to be constructed to the north of the power station, to supply gas to the Wazo Hill cement factory (URT, 2005). The project followed World Bank safeguards standards (by then they were called Operational Directive. – OD 4.30 and OP 4.12 (World Bank, 2001), involving a Resettlement Programme focusing on the construction of basic services at the resettlement sites of Kinyerezi and Salasala in Dar es Salaam.

The resettlement site development included site planning, provision of basic services such as access roads and drainage, a water supply system consisting of water points and storage facilities; and, step-down electricity transformers to provide electricity to the sites. Project affected persons from villages outside Dar es Salaam were to relocate to Kinyerezi resettlement site and those in Dar es Salaam were to relocate to the Salasala site. Each household was allocated a surveyed plot of about 1,800m<sup>2</sup> to 2,000m<sup>2</sup> within the resettlement sites.

According to the project document (URT, 2005), the resettlement programmes in the two sites was linked to the main objective of the WLAP, which was to assist affected persons improve or restore their living standards, income earning capacity and production levels in comparison to the levels prior to resettlement. Therefore, the resettlement programmes in these sites served as livelihood restoration programmes aimed at meeting the World Bank requirements for restoring lost livelihoods.

However, the assessments of the resettlement programmes conducted between 2003 and 2004 (URT, 2005) to see if the programme made any changes on affected person's living standards and livelihoods indicated interesting findings as summarized in the Box 1.

**Box 1: The WLAP Resettlement Programme for the Songo-Songo Gas to Electricity Project.**

- Overall, there have been small improvements in the materials used by affected persons to improve housing, although improvements have been greater in rural areas.
- Fewer urban affected persons rely on unsafe source of water than prior to the WLAP.
- In rural and urban communities along the wayleave, kerosene remains the principal source of lighting, while households continue to rely predominantly on fuelwood for cooking.
- Of the 155 AP due to remove from the wayleave to resettlement sites, only few have in fact relocate to the sites. The principal reason cited by affected persons is the lack of services at the sites.
- About one-quarter of affected persons due to relocate to Salasala have built small houses at the site, but do not live there at present. Other reports indicate that affected persons have sold their plots to wealthier buyers and relocated elsewhere, or remain near or within the wayleave.
- Affected person's access to community services has not changed significantly since prior to the WLAP, nor has the level of services.
- Urban affected persons have reported that resettlement has disrupted communal bonding and the family ties and networks upon which they depend.
- A major setback is the fact that the Resettlement Programme has not been implemented, that is, basic services have not been provided in resettlement sites.

Several factors were responsible for the results indicated in Box 1, among them include, the lack of comprehensive understanding and experience to plan and implement resettlement programmes, the lack of socio-economic data for affected persons from the period prior to the WLAP making it difficult to measure the actual impact of the resettlement programme on affected person's livelihoods; delays in compensation payments; delays in providing the necessary services at the resettlement sites; inadequate institutional support from the local authorities to provide the required technical support to the resettlement sites, coordination challenges between implementing parties and lack of capacity within the Ministry of Energy and Minerals to oversee the implementation of the resettlement programme.

**3.1.2. East Africa Crude Oil Pipeline (EACOP) from Kabaale in Hoima, Uganda to Chongoleani, Tanzania**

The East Africa Crude Oil Pipeline (EACOP, 2025) is a project that will transport crude oil from Uganda's Lake Albertine to the port of Tanga in Tanzania where oil will then be sold to world markets. In Tanzania, the pipeline will pass through 8 regions and 25 districts covering a distance of 1,147kms.

The project is following IFC safeguards standards (IFC, 2012), where acquisition of the land for the pipeline has triggered IFC Performance Standards Number 5 on Land Acquisition and Involuntary Resettlement. In the EACOP project, the cost of land acquisition including payments of compensation were an integral part of the project financing. Land acquisition was done by the government with EACOP overseeing the process, preparation of documents for compensation that met Tanzania laws and another document with additional entitlement that met IFC Standards, that were shared with the government for information only but used to get funding from the financiers. EACOP supervised the payment of compensation with support from the local authorities.

In Tanzania, EACOP is implementing four livelihood restoration programmes in line with IFC PS 5. The programmes will run for 2 -3 years until households' livelihoods are restored. Box 2 described the activities and the emerging outcomes. In kind compensation has been the main feature of the compensation for people that lost shelter. EACOP acquired the land, built houses and provided necessary amenities including energy, water and access roads. Affected persons vacated the land once the houses were completed.

### Box 2: EACOP Livelihood Restoration Programmes

In Tanzania, EACOP's Livelihoods Restoration Programmes are tailored to specific geographical areas and include the following activities:

- i. Agricultural Improvement Programme-aimed at increasing agricultural productivity and resiliency among affected households.
- ii. Enterprise Development and Vocational Skills Training – aimed to boost the capacity of affected households to earn income and improve resilience through self-employment or paid jobs.
- iii. Water Provision Programme- aimed to improve access to safe and clean water for affected communities through construction of boreholes.
- iv. Access to Finance – aimed to provide financial literacy and money management training to Project Affected Persons. The Training are designed to help PAPs affectively manage compensation funds and improve their economic wellbeing.

**Emerging results:** Some positive changes in PAPs' livelihoods are emerging for example, at the coating plant site in Tanzania, livelihood restoration programmes for agricultural improvement programmes show an increase in yields for affected households following the training, support and input provided.

### 3.1.3. SGR Lot 1 and 2 Livelihood Restoration Programmes

TRC prepared Livelihood Restoration Programmes (LRPs) that were an integral part of the Resettlement Action Plans (RAPs) for the SGR Lot 1 and 2 (TRC, 2019). TRC conducted several sensitization programmes to inform project affected persons about the LRPs, and expected benefits to those who will participate in the programmes (TRC, 2021). The programmes were open to any project affected household. The LRPs describe measures and activities intended to restore or improve livelihoods of the households affected by land acquisition for the SGR project.

The preparation of the LRPs took into account the full range of livelihood activities including none-monetary activities and the use of natural resources; mainstreamed gender specific aspects and utilized capacity building as the main approach in the delivery of the LRPs. The LRPs were initially to run for a duration of four years since the compensation was paid to affected persons.

### Box 3: TRC's Livelihood Restoration Programmes for SGR Lot 1 and 2

TRC is implementing 4 LRPs aimed at helping project affected households restore or improve their livelihoods. The activities are:

1. **Financial Literacy Training-** aimed at enabling project affected households understand basic principles of managing compensation money. Training covered money management, budgeting and savings and was offered to all project affected households prior to payment of compensations and was repeated several times thereafter.
2. **Business Entrepreneurship Training** –focused on providing vocational training to help project affected households build their entrepreneurship skills in order to enhance their business skills and capitalize on new markets. Project affected households that were engaged in entrepreneurship activities before land acquisition were supported to advance their skills in areas, they were competent in order to improve productivity.
3. **Farm Clearing and fertilizers application-** aimed at offering assistance to project affected households for land clearing and land preparation where replacement land would require additional preparation. TRC will also provide agricultural fertilizers, seeds and training on farm husbandry.
4. **Livestock Mobility and Water Access-** intended to provide Indigenous People who are predominantly livestock keepers and their livestock access to pasture and water through the construction of livestock crossings that are placed closer to their settlements. The implementation of this activity was seen a catalyst to improved livelihoods of the livestock keepers although it was essentially part of the engineering designing for the SGR.

TRC planned to work with various partners and get their support to deliver the LRPs. The partners varied for each activity and in each location but they included Village Governments, Village Extension Officers, District Officials, Small Industrial Development Organization (SIDO) and Women and Poverty Alleviation in Tanzania (WOPATA). However, SIDO dropped out of the programmes because of the cost implications of what they planned to do.

Prior to implementing the LRPs, TRC carried out livelihood impact assessments (LIA) for SGR Lot 1 and 2 in 2021 (TRC, 2023). The LIAs were carried out in order to gather information for about 60% of the project affected households who were missed during the preparation of the RAPs for reasons such as relocation to other areas outside the project; not interested to be involved in the project activities after having been paid compensations; consultation fatigue and simply lack of time. Details such as socio-economic profiles for those projects affected households were not captured during the RAP preparation, thus rendering the RAP reports incomplete. Through the LIA and several measures including media campaigns to get access to the missing PAPs, TRC managed to get information from some of the project affected households and updated the RAP baseline data and the LRP activities.

#### 4. RESULTS AND DISCUSSIONS

A review and analysis of information and data from the Mid Term Review report, numerous TRC's Quarterly Monitoring Reports on the implementation of the LRPs for the SGR Lot 1 and 2 as well monitoring reports from the Independent Environmental and Social Consultant (IESC) (ARUP, 2023), working on behalf of the lenders, indicate a mixture of both positive and problems that need closer attention. Some of the issues include slow adoption, legal/legitimacy issues, institutional challenges, financial limitations, inadequate capacities and over ambitious programmes.

##### 4.1 Emerging positive changes

Many PAPs who attended training on business entrepreneurship, which covered several topics such as agricultural production, vocational skills (e.g., welding, tailoring and poultry) gained some positive changes after receiving the training. Few PAPs among those who attended agricultural training however, were unable to apply the knowledge they gained because they lacked resources to invest in equipment and required inputs.

Those who attended training on welding, tailoring, carpentry and poultry experienced positive changes as confirmed by the participants. Many PAPs who attended these training said they gained new knowledge and skills in the trades they were learning and they were also given start-up equipment to enable them establish their businesses (TRC, 2024).

Similarly, the majority of the project affected persons who attended training on Livestock Mobility and Water Access, were Indigenous People whose livelihoods is linked to livestock keeping. This group said that, the training was relevant and useful to them because it addressed problems related to livestock keeping and the risks associated with livestock mobility in relation to accessing water and pasture (TRC, 2024). Together with this training, TRC addressed the issues of livestock movement by providing livestock crossings as well as converting closed borrow pits into livestock watering points in areas construction was completed and borrow pits were no longer needed for construction works.

Although the activity targeting farm clearing, fertilizer application and related agricultural practices was implemented and participants acknowledged its contribution to their knowledge, its effectiveness on agricultural productivity was negligible because project affected persons who participated in this training lacked the capital to buy fertilizers and other agricultural inputs, and TRC did not provide the resources as planned in the LRPs.

##### 4.2. Observed Challenges

**Legal/legitimacy issues:** Tanzania land laws do not require developers to prepare and implement livelihood restoration programme however, TRC has developed and is implementing them although there is as yet, no instrument that gives the LRPs the legal support they may need. The Government is forced to make administrative decisions to accept the preparation and implementation of the LRPs because of the need to qualify for the loans from the lenders thus, raising issues of legal complications and conflict with national laws. This situation is complicated further by the fact that the cost of land acquisition and financing the LRPs is not part of the loan for the SGR. The government is expected to use own funds to acquire the land, pay compensation along IFC-PS 5 standards in as much as possible and, develop, finance and implement LRPs to meet lenders requirements. Failure to meet lenders requirements, may have consequences on the release of money for the project financing. These borrowing conditions have been grudgingly accepted but not without questioning their implicit unfairness to borrowers, especially those in developing countries.

**Late start of the LRPs:** The implementation of the LRPs was delayed between finalizing of the RAPs and starting implementation of livelihood restoration programmes. The RAPs were retrospectively prepared when large part of the land for the project was already acquired and, in some sections, construction was also, already underway. This delay meant that the time between PAPs receiving compensation and receiving livelihood restoration and vulnerability support was further extended. TRC designed and implemented supplementary LRPs during the interim period however, some of the PAPs have expressed concern that their accessibility to various service centers (e.g., severance impacts to reach health, schools, markets, shops, religious places or even burial sites) has increased significantly thus undermining the success of livelihood restoration initiatives.

**Compensation money for livelihoods restoration:** Although TRC did not consider compensation money as a catalyst for livelihood restoration initiatives undertaken by the project affected persons themselves, evidence shows that some project affected persons were able to improve their housing conditions. However, there were others who expressed failures to effectively use the compensation money, leading to unfinished investment on house construction. For example, some project affected persons wanted to build bigger houses than they already possessed however, they were so far not able to complete their houses <sup>[11]</sup>. These projects affected persons faced double tragedy by failing to achieve their housing plans and losing their compensation money, thus resulting in more hardships for their families and them.

Other project affected persons who were compensated for loss of business, used the compensation money to build bigger houses instead of re-establishing their businesses, however, they were unable to complete the houses and did not have their businesses back. However, during Livelihood Impact Assessment survey, it was noted that some project affected persons used their compensation money to invest in businesses such as motorcycles for commercial commuter services (popularly known as *Bodaboda*), while others have established small businesses such as shops, poultry, or sent their children to better schools (TRC, 2023).

**Inadequate human capacity:** TRC is implementing this extensive linear land acquisition process which is expected to be aligned with international standards for the first time. There was no time to build the capacity of the limited staff that was there before the project started, therefore, most of the learning was on the job with limited time for benchmarking or exposure. The IFC safeguards standards are new and somewhat stringent compared to Tanzania laws, non-compliance seems almost inevitable, with the resulting strict corrective action plans aimed at aligning the project with the standards, which further impacted project timelines and resources.

The challenges TRC faced in implementing the LRPs, such as the choice of the programmes, selection of the participants, late start of the programmes as well as the selection of the partners to assist with implementation were all due to limited knowledge and experience in implementing such projects. The LRP programmes were hardly integrated into institutions or local area plans and budgets where they were taking place, which would have enabled partners from those entities provide the necessary support to the LRPs.

Despite the slow start with only few staff to manage LRPs in a large linear project, TRC has since, added more staff, trained them with support from the lenders and has at their disposal, several experts that support the LRP initiatives. The knowledge and experience gained through the implementation of the LRPs in Lot 1 and 2 will be useful in the implementation of similar programmes in other SGR Lots.

**Inadequate budget for implementing LRPs:** TRC included the budget for the implementation of the LRPs in their annual budgets through the Ministry of Transport. The money is usually released by the Ministry of Finance when available however, sometimes funds are not disbursed on time resulting in delays to the implementation of the LRPs. Inadequate funds also affected the outcome of the LRPs such as those that depended on money to provide start up kits for the trainees, and it also affected the participation of implementing partners, such as SIDO who agreed to participate in the LRPs with the expectation that TRC will cover their facilitation costs. Availability of funds for implementation of LRPs becomes a problem because, as noted above, the land acquisition process and its associated activities in the SGR projects is not part of the loan and therefore, money for LRPs is competing with other equally important needs such as paying compensation, health, education, water supply, road construction or repairs, energy supply etc., that the government has to finance. Under such conditions, it is inevitable that top priority will go to most pressing needs.

**Over ambitious programmes:** TRC had 4 LRPs activities that were to be implemented by all PAPs across the project. The decision to involve all PAPs was ambitious given that TRC was doing this activity for the first time and without sufficient

manpower, financial resources, prior knowledge or experience. Out of the four programmes, Farm Clearing and fertilizers application was not implemented because no project affected person came forward to request for assistance to have their farms prepared. A detailed analysis of who among the project affected persons really needed to be involved as well as which programmes were most likely to have had quick results could have helped in the choice of the programmes. Programmes such as the Farm Clearing and fertilizers application would have made sense if it was linked to the size of the lost land, thus allowing farmers who lost significant amount of land to seek for help for farm clearing however, since the size of farms lost were relatively small compared to what project affected persons were left with, there was no pressing need to seek for assistance to clear the farms.

## 5. CONCLUSIONS AND RECOMMENDATIONS

### 5.1 Conclusion

This paper is based on the review and analysis of available reports on the implementation of the livelihood restoration programmes (LRPs) citing three case studies and focusing more on the LRPs for the SGR Lot 1 and 2. Using available report was the only best option for now because, there is very little literature that offers analytical insights into the implementation of the LRPs in Tanzania. The Tanzania's land laws do not require a developer who acquires land for development purposes to prepare a Livelihood Restoration Plan. The review of the existing literature provided the opportunity to examine and discuss the programming and operational challenges of implementing LRP within the background of the lender's compliance requirements and Tanzania's legal and socio-economic complexities.

The implemented LRP activities showed mixed results, with some displaying positive changes to the project affected person's livelihoods, (e.g., Financial Literacy Training and Business Entrepreneurship Training), while others indicated limited progress due to operational, institutional and financial challenges, and some activities were not implemented. Although TRC did not consider compensation money as a catalyst for restoring or improving livelihoods, some of the affected persons who used their compensation money property reported seeing improvements in their livelihoods in areas such as improved houses, new businesses and being able to take their children to better schools using compensation money.

### 5.2 Recommendations

**Legislate preparation and implementation of Resettlement Action Plans and Livelihood Restoration Plans:** Since the Government has allowed the preparation and implementation of Resettlement Action Plans and Livelihood Restoration Plans for some projects, and since these are best practices that are aimed at enabling a comprehensive management of risks and impacts arising from land acquisition for the project, the Government need to consider legislating these processes into Tanzania's land laws so that the process becomes legal, and ensure their enforcement in order for them to become effective and deliver changes to the livelihood of the project affected persons and communities.

**Include the cost of RAP and LRP into project loans:** Inadequate financing was one of the factors affecting the full implementation of the LRPs because funding depended on availability and Government allocations. Drawing lessons from EACOP, Government need to consider including land acquisition costs into the loans earmarked for project development, especially where land acquisition has to comply with the lender's requirements.

**Develop innovative and cost effective LRPs:** TRC should draw lessons from the implementation of the LRPs in Lot 1 and 2 and develop more innovative and cost effective programmes that will be easy to implement and could be sustained over a long period of time. The goal for these new programmes should not be to respond to lenders needs so as to close project development plans and goals, but to address long term individuals' and community needs in meeting their livelihoods following the acquisition of their lands for the SGR projects. Such programmes should be developed with the full participation of project affected persons after a thorough analysis of community needs and opportunities available. In addition, initiatives driven by project affected persons to improve their livelihoods needs from the compensation money paid to them should be recognized and documented as livelihood restoration or improvement measures because, such initiatives stand a better chance of being successful than other programmes.

**Capacity development for TRC staff:** TRC has learnt on the job the preparation and implementation of the LRPs with few hours of training offered by external experts. Since Government is expanding the SGR projects in Tanzania, and since TRC is the main implementing entity, there is need to intensify capacity development programmes to the staff and ensure

TRC has sufficient capable staff to manage all aspects related to preparation, implementation and monitoring of the LRPs. The capacity development programme should include field visits to projects that have developed and implemented LRPs within and outside the country, especially to projects which followed international safeguard standards.

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