

Frequently Asked Questions (FAQ)

Land Acquisition and Resettlement - East African Crude Oil Pipeline Project

Land Access

Land will be required to construct and operate the East African Crude Oil Pipeline (EACOP) and related facilities. The land acquisition process will be undertaken according to national regulatory requirements and international standards. In-kind and cash compensation will be provided to eligible affected households including special safeguards for groups with special requirements.

The EACOP project is committed to ensuring that all landowners and users living along the pipeline corridor will be treated with respect and compensated fairly.

1. Will people be moved to make way for the pipeline?

The Project will need to secure access to land along its route for the construction and operation of the pipeline and its associated infrastructure. Priority in the design and location of infrastructure is to avoid physical displacement. In cases where physical displacement cannot be avoided, the Project will work together with the affected persons to find suitable relocation solutions. For both long term installations such as the pipeline corridor, access roads, pumping and pressure reduction stations, electrical heating stations, block valves as well as short term structures such as the construction camps, land will be acquired from its owners, by the Government of Tanzania

2. Who will manage the land acquisition process?

The Government of Tanzania, in partnership with the International Oil Companies (IOCs); CNOOC, TOTAL and TULLOW, are spearheading the roles and responsibilities of securing access to land for the Project. Land will be acquired permanently by the Government of Tanzania with the Tanzania Petroleum Development Corporation (TPDC) being granted the land rights and the land will then be leased to the EACOP Project.

3. Will people be compensated?

Valuation of affected land and assets is being undertaken by the Project in close collaboration with the Government in line with the national legal frameworks and the Project standards. This process will determine the compensation for eligible Project Affected Persons (PAPs).

The valuation exercise will determine the affected area and will identify the land and structures that will be displaced. This process is ongoing, and will only be finalised once the survey and valuation work is completed and it is ensured that everything has been accounted for.

Compensation will be paid for losses as a result of physical and / or economic displacement, on the basis of rates validated by the Government's Chief Valuer and in compliance with national regulations and International Finance Corporation (IFC) performance standards. The Project required land will be acquired on permanent basis.

4. Who will be eligible for compensation?

Eligible persons are those who will be directly affected by the Project in the form of economic and physical displacement. These will include people with formal land titles, land use rights, customary rights to the land as well as those who occupy / use the land but have no formal title for objective reasons. Eligibility will not include opportunistic settlers who claim benefits.

5. What Project studies and documents are planned for the land acquisition process?

The Project will prepare Resettlement Action Plans (RAPs) that set out a comprehensive process to address the physical and economic displacement of Project Affected Persons (PAPs) i.e. land owners and users and their assets. These will include the description of the proposed compensation and livelihood restoration options. For the RAPs to be developed, the Project will collect comprehensive data and information about the land, assets i.e. structures, and people affected by the Project's land requirements, then assess possible impacts, undertake valuations and determine compensation and livelihood restoration measures.

6. How will compensation packages be determined?

During the preparatory stage compensation rates and inventories will be put together in consultation with eligible households. Valuation reports will be submitted to the Government Chief Valuer for review and approval, and Resettlement Action Plan will be submitted to the Government for review. A compensation package based on entitlements and rates from the valuation reports will be put together. The Project will then contact each affected household to undertake detailed entitlement briefings and to agree on land and compensation agreements. All agreements will be signed by the eligible Project Affected Persons (PAPs), with the consent form of their spouse (where appropriate), a representative of community leaders, a representative from the developer, and representatives from relevant authorities to be identified during the preparation phase. Compensation will then be delivered directly to the affected household or individual PAPs based on conditions set forth in the agreements. In compliance with national regulations, compensation will be delivered prior to the access to the land. In-kind compensation may be delivered after displacement depending on specific circumstances (e.g. livelihood restoration support and transitional assistance).

7. What will the compensation rate be?

Valuation of land and assets affected by the Project will be carried out in line with national legislation and international IFC Performance Standards. Compensation will be equivalent to the full replacement value of land and assets. Any assets/built structures will be valued for replacement. The market value of land will be determined using various methods, including surveys of affected land and assets, local market research, valuation rates published by Government authorities (i.e. Ministry of Land, Housing and Human Settlements Development (MLHSD) published land rates in Tanzania and in agreement with the Government's Chief Valuer.

8. How much is the compensation per m² of land?

The rates of compensation for land will be based on available published rates from the relevant authorities and market research by a team of registered/accredited valuers (i.e. by registered/accredited valuers). The team will conduct this research in collaboration with relevant Government departments, locally and nationally i.e. the District and the Chief Valuer. This research will form the basis of compensation rates for different types of land, including residential and agricultural lands and whether the land is in an urban

or rural area.

Land rates will be reviewed and approved by the Chief Valuer's Office prior to the approval of the valuation.

9. Who will be paid compensation for community and / or village land affected?

The procedures for how to deal with village or 'communal' land will be agreed with the Government in line with the national legal framework. In principle, compensation for communal/community lands will be provided either by cash compensation or "in-kind" replacement (if possible) to the affected village/community. The relevant community authority/administration who would be the negotiating party for the agreements on communal/community land would be identified in discussion with the Governments, and local authorities; these are expected to include Regional, District, Ward and Village level representatives.

10. Some land is owned by clans (a group of relatives not a single family); in the event of compensation what is the approach?

The Project working with the Government will collaborate with local government land administration authorities to determine who will be eligible for compensation in these situations and how any compensation should be administered. If necessary, local government dispute processes will be used to help negotiate with families in case of any disputes.

11. What will happen if the pipeline crosses traditional / worshiping places?

The Project respects local culture and traditions. As part of the Environmental Social Impact Assessment (ESIA) studies, the Project appointed specialists to identify cultural heritage sites including traditional worship places along the pipeline route and seeks to avoid disturbance of any of these sites of cultural or communal heritage whenever possible. If this is not possible then certain sites may be moved but only in consultation with national experts and affected communities or people, and in accordance with any local customs, national laws and international standards.

12. When will people be paid compensation?

The actual time it will take for compensation to be paid will depend on how long it takes to complete the valuation process and attain various Project approvals from the Government and the EACOP Project. The process being undertaken involves several steps that must be taken before the compensation is actually paid out to individuals. These

steps include stakeholder engagement, asset inventory and valuation, socioeconomic surveys, land delineation surveys etc. Approvals from Government agencies are also required. Compensation will be paid prior to people being asked to leave the land.

13. What will happen to a family or person whose farm is affected but the house is not? Will they also need to be resettled?

Households with residential structures in the Project footprint will need to be resettled. Households that will lose some farmland to the Project but have a house elsewhere will not need to move. Households that lose only land and non-residential assets will receive compensation for this land and other entitlements.

14. How will compensation be handled in relation to natural resources?

The Project is being designed as far as possible to avoid areas containing natural resources such as forests, mineral deposits, oil and gas reserves and fisheries. Where the Project will impact such resources, the Government of Tanzania, through its relevant central and/or local government representative/agency, will apply the relevant compensatory requirements to compensate for potential revenue loss. The Project's Environmental & Social Impact Assessment (ESIA) assessed the impacts on natural resources and identify any necessary mitigation or compensation measures.

The household socio-economic surveys gathered data from households and communities on the use of natural resources. The Resettlement Action Plans will contain measures to ensure access to sufficient community natural resources is available post-construction. Effects on natural resources which contribute to affected households' income or livelihoods will be assessed and measures presented within the RAP's livelihood restoration programme to address any impacts in consultation with the affected persons/community.

15. Will Project Affected Persons be allowed to have their own valuers during the compensation process or will they have to depend on government valuers?

According to legal requirements, professional independent Registered Valuers will undertake the valuation for all Project affected land and assets on behalf of the government. District Land Officers and Valuers will be requested to oversee this process. The Project is working closely with the Government Chief Valuer regarding the valuation process and rates. The valuation reports will be submitted to the Government Chief Valuer for verification and approval. PAPs will be provided with a copy of the inventory of the affected land and assets and their compensation schedule, once available. PAPs and their households have the right to obtain their own independent valuation at their

cost.

16. Will the displaced people look for their own replacement land?

In consultation with the affected communities, research will be undertaken by the Project to identify potential replacement land which will be offered as part of a range of compensation options. This will include discussing with relevant local authorities i.e. Region, District, Ward, and Village authorities what land is available near the Project area. If PAPs identify alternative replacement land this may be presented to the Project, however they reserve the right to review whether this replacement land meets the requirements of the Resettlement Action Plan.

17. Will the process of acquiring land involve people during valuation and compensation?

Affected land owners, users and village leadership will be requested to be in attendance during the surveying and recording of their land and assets. Representatives of village and relevant local authorities (i.e. District/Ward leadership) will be requested to witness this process.

18. How long will people in the affected area be given before they need to relocate?

There is significant work to be done before relocation occurs. No households would be resettled until agreements have been made with each family, and replacement housing and/or compensation has been provided. Minimum notice periods after payment of compensation to vacate land under the national legal framework will be adhered to in the Project planning.

19. What will the cut-off-date be?

The legislated cut-off date is the date of commencement of valuation. Persons occupying the area after the cut-off date are not eligible for compensation. Similarly, assets such as built structures and perennial crops established after the cut-off date will not be compensated.

Project Affected Persons will however continue utilizing the land for growing seasonal and annual crops on their land until they receive the notice to vacate. Similarly, grazing of livestock will also continue until the date when the affected persons are compensated. The notice to vacate will only be issued after compensation agreements have been

signed.

It is important to note that after the cut-off date, no additions or improvements to the land or premises (e.g. constructing new structures) will be valued or eligible for compensation.

20. When will payment be made to the affected persons?

It is the intention of the Project on behalf of the Government to make payments in line with the legally mandated time frames and no access to land for construction of the pipeline will occur prior to payment of compensation to eligible parties.

21. What will happen if only a part of your land is impacted? Will they be allowed to use remaining part?

The Project will seek to only acquire, and compensate for land directly affected by the Project footprint. Land outside the Project can continue to be used for farming and other uses. Where remaining parts of land parcels are determined by the Project to be no longer viable to cultivate or use, the Project may offer to compensate for these pieces of orphaned land. Orphaned land will be determined based on the national legal framework and a case-by-case review of viability depending on the land use.

22. Will we be able to use the land after restoration?

Land for the construction of the EACOP will be acquired permanently. People will not be able to settle in the pipeline corridor and activities within the pipeline corridor will be restricted during both construction and operation of the pipeline. Certain activities, such as building of structures, planting of deep-rooted trees and shrubs etc will strictly not be allowed. The prohibition and restrictions on activities within the pipeline corridor are under discussion and agreement with the relevant Government representatives. These restrictions are put in place to maintain public safety, pipeline integrity and environmental protection.

23. Will Project infrastructure such as roads be constructed or upgraded?

The activities during the construction of the EACOP will require the upgrading of certain existing roads as well as the construction of both permanent (required for operations and construction) and temporary (required only for construction) access roads.

24. Will the Project compensate temporary structures used as homes?

The Project will avoid as far as possible physical displacement of people and their homes. Where this is unavoidable all structures used as homes will be valued. Valuations will be carried out in line with the Tanzanian legal framework and international standards, which will require replacement values to be used with no depreciation for condition of the structure.

25. Will there be any impact on tourism in the Project area? How will you compensate for the loss of income for those engaged in tourism-related jobs?

As a general rule the Project will avoid - to the extent possible - any effect on areas of tourism activity. In case if in some limited areas impact on tourism is possible, these potential impacts have been assessed during the ESIA process and mitigation measures will be put in place. It will more likely have only a temporary impact on tourism during construction. Loss of income for tourism operators will be addressed by ensuring appropriate compensation. This shall not be evaluated only through the ESIA, but also individually during the valuation phase for each PAP (as part of loss of business income compensation).

26. Will there be a loss of woody-biomass (Loss of local firewood harvesting opportunities)?

The Project has put in place mitigation measure to avoid the loss of woody - biomass/local firewood harvesting opportunities. In case of confirmed impact it will be compensated as for other losses.

27. Will it be possible to negotiate the value of the land and assets?

The market value of land will be determined using various methods, including surveys of affected land and assets, local market research, valuation rates published by Government authorities e.g. Ministry of Lands, Housing and Human Settlements Development (MLHSD) published land rates and in agreement with the Government's Chief Valuer. Standard land values for specific areas will be agreed and all PAPs in these areas would be offered the same value for affected land.

28. If one does not agree with the value of compensation, can he/she refuse the pipeline to pass through the land?

In Tanzania, all required land for the Project is being acquired on the basis that the Project is in the public interest and land required for the Project shall be deemed as in the public purpose, which is being formalized by gazettelement following the relevant

provisions of the Tanzanian legal framework. The Project is aiming to access land through an agreement with affected persons. If an agreement cannot be reached, the case will be discussed at the local level with the resettlement committees. And if there is still not agreement after this appeal compulsory acquisition compliant with legal requirements for land for public purpose can be used. However, compulsory acquisition of land is seen as the least preferred route for land access and the Project is focused on reaching negotiated agreements for land access as far as possible.

Valuation of land and assets affected by the Project will be carried out in line with national legislation and international standards. Compensation for land will be **equivalent to the full replacement value of land and assets**, based on the market rate for land in the area, plus any transactional costs associated with acquiring new land. Any assets/built structures will be valued for replacement and depreciation will not be considered. The market value of land will be determined using surveys of affected land & assets, studies on local values for land, valuation rates published by Government authorities (e.g. District rates) and in agreement with Government Chief Valuer. Standard land values for specific areas will be agreed and Project Affected Persons in these areas would be offered the same value plus compensation for any improvements to the land and assets lost (e.g. economic trees, fencing, water boreholes, structures etc.).

To meet international standards the Project will also be offering livelihood restoration measures to Project Affected Persons (PAPs) to ensure standards of living are improved, where possible, and as a minimum restored to pre-Project levels.

29. What is a "pipeline corridor"?

The pipeline corridor, sometimes referred to as the Right of Way, is a strip of land that allows pipeline workers access for construction, inspection, maintenance, testing or in an emergency.

Pipeline corridor can be identified by markers - located at roads, railways, and other intervals along the corridor which include the name of the operator, emergency contact information, and a general description of the product in the pipeline. Markers indicate the general location of buried pipelines only, and should never be used as a reference for the exact location of a pipeline.

Pipeline corridor should be kept free of trees and permanent structures to avoid damaging the pipeline and so workers can gain access for inspection, maintenance,

testing or emergencies. For these reasons, activities such as paving, building permanent or temporary structures, and planting deep-rooted shrubs and trees are not allowed on the corridor.

30. Will I be able to grow trees and crops on the land above the pipeline as before?

The prohibition and restrictions on activities within the pipeline corridor have been the subject of discussion and agreement with the relevant Government representatives. It has been determined from these discussions that the following land-use arrangements will apply within the entire pipeline corridor:

- No development of structures, planting of deep-rooted trees or agricultural activities (e.g. crop production) will be allowed.
- Livestock will be allowed to cross and graze in the corridor.
- During operation, the Project will require access to the pipeline corridor at all times for inspection, maintenance and repair.
- The pipeline corridor will not generally be fenced and pedestrian and livestock crossing will be generally allowed.
- Vehicle crossing will be limited to the existing road and infrastructure crossing arrangements.

Landowners and users may face some restrictions on use of the land near the pipeline corridor in order to maintain public safety and environmental protection. A farmer may continue to grow crops on their land alongside the pipeline corridor, based on agreement with the Project and according to the regulations, including crossings of the pipeline corridor by certain farm equipment. However, buildings or other structures cannot be installed immediately over the pipeline corridor, as this would cause safety hazards.

31. How frequently will you visit my land for maintenance or monitoring of the underground pipeline? Will there be any impact on my crops during maintenance?

The entire pipeline corridor land will be permanently acquired by the Government and leased to the Project. No crops will be allowed to be grown by farmers within this pipeline corridor. Any access for maintenance will generally be along the pipeline corridor and the intention is any access to the corridor will be with no impact to crops near the pipeline corridor.

32. Will the EACOP Project repair roads and other infrastructure (i.e. water supply, sewerage facilities) damaged by the Project during construction?

All efforts will be undertaken to avoid any damage. Any unavoidable damage on local infrastructures will be restored.

33. For how many days will access to my land be obstructed during construction? Can we traverse the pipeline corridor during construction?

It is anticipated that there will be several 5 to 10km construction spreads operating simultaneously over the pipeline route. Restrictions on entry to Project land during construction will be determined on the basis of health and safety considerations. Where certain restrictions are unavoidable, provisions will be made for crossing of the pipeline route by people, vehicles and livestock near the restricted zone.

34. Will construction work be postponed during periods of great cultural significance for the local area?

We will consider the requirements of local communities regarding those periods to find an agreement and plan Project activities taking in consideration of these events whilst minimizing disruptions.

35. How will graves be relocated and compensated for?

If any graves are affected, these will be relocated at the expense of the Project, and in accordance with the legal framework, customs of the community and the individual households/families to which the graves belong. The Project will consult with affected families to determine how and when to relocate graves. The appropriate legislation for removal of graves from land will be followed that includes making payments to the relatives of the deceased covering the costs of making rituals for reburial (placatory and expiatory rites).

36. Will you carry out cultural rituals to honour the ancestors and spirits for the safety of the pipeline?

We will consider the requirements of local communities regarding ceremonies related to the Project. The cultural sites identified during the ESIA shall be avoided and the work shall respect the reasonable distance to make sure not to damage the site and not to generate concern among local communities. A Chance Finds Procedure will also be developed to be clear on what to do in case of any archaeological or paleontological finds during operations.

Before starting work in an area of cultural importance, the ceremonies for entering sacred or cultural sites will be undertaken by the local community where appropriate.