IBRAHIM PAM
Chairperson
The Inspection Panel

May 29, 2026.

IPN REQUEST 26/06

Inspection Panel Notice of Registration
on a
Request for Inspection
Tanzania: Msimbazi Basin Development Project (P169425)

Summary

1. The World Bank[1] Inspection Panel (the "Panel") received a Request for Inspection (the "Request") on April 14, 2026, related to the Bank-financed Tanzania: Msimbazi Basin Development Project (P169425) (the "Project"). The Request was submitted by two individuals on behalf of 412 persons (the "Requesters") from Dar es Salaam, Tanzania. They asked the Panel not to disclose their identities for fear of retaliation.

2. The Request alleges the Project has caused significant harm to the Requesters "*through the improper implementation of the compensation and resettlement process*." The Request states that some affected households "*have lost their land, building rights and livelihoods without receiving lawful compensation as required under the Resettlement Action Plan (RAP) and applicable standards*."

3. On April 23, 2026, the Panel acknowledged receiving the Request and issued a Notice of Receipt on its website, subsequently informing the Requesters and Management of its decision. The Panel has conducted its initial due diligence and determined that the Request meets the applicable admissibility criteria. Therefore, by way of this Notice of Registration, I hereby inform you that I have registered the Request on May 29, 2026.

The Project

4. The Project was approved by the World Bank Board of Executive Directors on September 30, 2022, for a $200 million equivalent Credit from the World Bank Group's International Development Association (IDA). The total financing is $260 million, including co-financing from the Government of Spain (€30 million or US$30 million equivalent) and the Ministry of Foreign Affairs of the Government of the Netherlands (€30 million).[2] The implementing agency is the President's Office - Regional Administration and Local Government (PO-RALG). The Project closing date is June 30, 2028.

[1] For the purposes of this Notice, the term "World Bank" or "Bank" refers to the International Development Association (IDA).
[2] United Republic of Tanzania for a Msimbazi Basin Development Project, Project Appraisal Document (PAD), p. 19, para. 48.

5. The Project Development Objective (PDO) is: "*to strengthen flood resilience and integrated urban development in an economically important and flood prone area of the Msimbazi river basin in Dar es Salaam*."[3]

6. According to the Project Appraisal Document (PAD) the Project will transform the flood-prone but economically important lower Msimbazi River Basin through a set of integrated investments that aim to reduce the impact of flooding, catalyze sustainable urban development, and improve living standards for the whole population of approximately 330,000 people residing in the lower Msimbazi River Basin.[4]

7. The Project comprises five components:

- **Component 1: Msimbazi Basin Development Infrastructure –** provides an integrated, long-term solution to substantially reducing the impact of floods in the lower Msimbazi River Basin. It will improve the river's hydraulic capacity, provide an area for retaining floodwater, build the resilience of key transport infrastructure, and regenerate valuable land assets to control encroachment in flood prone areas, as well as reduce degradation of the watershed.[5]

- **Component 2: Preventative Resettlement –** finances the preventive resettlement of low-income flood-prone communities in the lower Msimbazi River Basin and Project-related Displaced Persons in compliance with the World Bank Environmental and Social Framework (ESF).[6] The resettlement mostly targets flood-prone areas in the lower Msimbazi valley, with additional resettlement anticipated for those affected by Project works.[7] Two subcomponents comprise:

    a. *Resettlement Compensation*: finances the preventative resettlement and the Project's implementation of the Resettlement Policy Framework (RPF) and Resettlement Action Plans (RAPs), including land acquisition and compensation payments to Displaced Persons, including *in-situ* and in-kind resettlement.[8]
    b. *Livelihood Restoration:* finances the Livelihood Restoration Programs (LRPs) as described in the RPF and RAPs, ensuring that Project-affected People (PAPs) livelihoods are maintained at, or above, pre-project level. [9]

- **Component 3: Strengthening Institutions for Resilient Urban Development –** focuses on governance reforms, strengthening institutions, building capacity, and facilitating coordination for the management of the Msimbazi River Basin.[10]

[3] PAD, p. 15, Section A Project Development Objetive (PDO).
[4] PAD, p. 15, para. 26, and p. 22 para. 56.
[5] PAD, p. 15, para. 27.
[6] PAD, p. 17, para. 37.
[7] PAD, p. 17, para. 38.
[8] PAD, p. 17, para. 39.
[9] PAD, pp. 17-18, para. 41.
[10] PAD, p. 18, para. 42.

- **Component 4: Project Management –** finances the direct costs of management and operation of the Project to ensure compliance with World Bank policy and guidelines, including, amongst others, the Environmental and Social Standards (ESSs), and the Environmental and Social Commitment Plan (ESCP).[11]

- **Component 5: Contingent Emergency Response –** finances, as needed, the provision of immediate response to an Eligible Crisis or Emergency.[12]

8. At the time of approval, the Project's Environmental and Social (E&S) risks were considered as "High", and the following ESS were considered relevant: Assessment and Management of Environmental and Social Risks and Impacts (ESS1); Labor and Working Conditions (ESS2); Resource Efficiency and Pollution Prevention and Management (ESS3); Community Health and Safety (ESS4); Land Acquisition, Restrictions on Land Use and Involuntary Resettlement (ESS5); Biodiversity Conservation and Sustainable Management of Living Natural Resources (ESS6); Cultural Heritage (ESS8), and Stakeholder Engagement and Information Disclosure (ESS10).[13]

The Request

9. The Request was submitted by two individuals representing 412 people.[14] The Request states that some PAPs still live in the Project area, because of unresolved compensation grievances. The Request alleges that a substantial number of affected persons have not received compensation for their land, and some have not been compensated at all. The Request further alleges that the Project is not compliant with the approved Resettlement Action Plan and the World Bank Environmental and Social Standard 5 (ESS5). The Request elaborates the following concerns:

10. **Lack of Payment for the Land.** The Request alleges that affected persons were not compensated for land as required under the RAP. The Request states that, although properties of affected persons had been identified during the valuation process, these persons have not been compensated for their land and this has caused serious economic hardship, insecurity and loss of property for the affected families. The Request also alleges disclosure forms presented to Requesters had left blank the sections on land compensation and the valuation forms presented to households show that only flat rate compensation is being paid.

11. **Flat Rate Compensation.** The Request claims that, according to their understanding of the RAP, the flat rate compensation offered is only applicable to specific categories of impact, such as submerged land and demolished structures. The Request states that flat rate compensation indicates that the compensation offered does not reflect actual losses.

12. **Dissatisfaction with Compensation for Structures.** The Request states some households refused the compensation offered for their structures because they consider "*depreciation deduction*

[11] PAD, p. 18-19, para. 46.
[12] PAD, p. 19, para. 47.
[13] PAD, p. 30-33, para. 92.
[14] The Request was initially submitted with 362 signatures. Subsequently, additional signatures were submitted totaling 412 signatures.

of their buildings" unlawful, stating that, as per the RAP, compensation should cover replacement costs.

13. **Consultation and grievance redress**. The Request alleges that there has been no meaningful consultation or resolution of grievances.

Initial Due Diligence

14. After receiving the Request, the Panel conducted its initial due diligence and verified that the Request meets the admissibility criteria for registration.[15] The Request is not frivolous, absurd, or anonymous, and it was signed by two or more individuals, who claim to live in the Msimbazi River Basin area and who allege ongoing and likely harm associated with the Project-supported resettlement process. The Request includes correspondence between the Requesters and Bank Management regarding the issues raised in the Request. The Requesters informed the Panel that, in their view, Management failed to respond adequately to their concerns. The Panel is therefore satisfied that the issues have been brought to the attention of the Bank prior to submission of this Request. The Panel verified that the subject matter of the Request does not concern issues of procurement and does not pertain to any previous Request the Panel has dealt with. At the time of receipt of the Request, the Project was active.

15. As part of its review of the Request, the Panel met virtually with some of the Requesters on April 17 and May 14, 2026, to better understand the concerns raised in the Request, seek clarifications, and inform the Requesters about the Panel's process and mandate. The Requesters spoken to by the Panel elaborated on their concerns regarding the impact of the Project. The Requesters clarified that they are from different wards in the RAP area. They allege that the Project does not offer adequate compensation to enable them to buy or build houses elsewhere. The resettlement-related issues they have raised and allege have caused them harm include: 1) compensation packages not having included payments for land; 2) compensation having been based on a flat rate; 3) compensation packages not having covered full replacement cost; and 4) a lack of meaningful consultation or resolution of grievances. The Requesters stated that many families now live in poorer conditions, and many have lost their businesses in the resettlement process.

16. As part of its initial due diligence, the Panel met with Management on May 19, 2026. Management explained that the Project was designed as a basin-level, integrated approach aimed at transforming the degraded and flood-prone area of the lower Msimbazi River Basin area into a resilient and productive urban core. Management stated that resettlement from high-risk floodplain areas is preventative, and the implementation of the RAP for the lower Msimbazi floodplain area remains ongoing. Management explained that the resettlement process has started with the lower Msimbazi floodplain area where the risk of flooding and associated risks to lives and livelihoods are highest. Management also explained that, in accordance with Bank policy, compensation for land depends on the types of land rights PAPs hold at the cut-off date. These are three types: formal legal rights, recognized or recognizable claims under national law, and no recognizable legal rights. Management added that the Project has a functioning grievance mechanism.

[15] The Inspection Panel Operating Procedures (December 2022), Section 2.1, Section 2.2 and para. 27.

Registration of the Request

17. As provided in paragraph 18 of the Resolution, "[t]*he Chairperson of the Panel shall inform the Executive Directors, the Head of DRS* [Dispute Resolution Service]*, and the President of the Bank promptly upon receiving a request for inspection*."[16] With this notice, I hereby inform you that I have, on May 29, 2026, registered the above-mentioned Request.

18. The Panel's registration implies no judgment whatsoever concerning the merits of a Request for Inspection. As provided in paragraph 19 of the Resolution,[17] Bank Management shall provide the Panel within 21 business days (by June 30, 2026) with a response to the issues raised in the Request for Inspection with evidence that it has complied or intends to comply with Bank's relevant policies and procedures. Paragraphs 20 and 21 of the Resolution set out the issues on which the Management Response shall take a position.

19. After receiving the Management Response, as per the Resolution, the Panel shall "*determine whether the request meets the eligibility criteria set out in paragraphs 13 to 15* […] *and shall make a recommendation to the Executive Directors as to whether the matter should be investigated*."[18]

20. This Request has been assigned IPN Request Number 26/06.

Yours sincerely,

Ibrahim Pam
Chairperson

Attachments

The Executive Directors and Alternates
International Development Association

Mr. Ajay Banga, President
International Development Association

Requesters (Confidential).

[16] The World Bank Accountability Mechanism: Inspection Panel and Dispute Resolution Service, Resolution No. IDA 2025-0001, (the "Resolution"), March 7, 2025, para. 18.
[17] The Resolution, para. 19.
[18] The Resolution, para. 22.