

Working paper

Urban land governance in Dar es Salaam

Actors, processes
and ownership
documentation

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1. Introduction

In these years, Tanzania is experiencing rapid urbanisation leading to the projection that in 2050, half of the country's population is expected to reside in urban areas (Green *et al* 2017, 5). Dar es Salaam, East Africa's most populous city and Tanzania's main economic and cultural capital, is fast-tracked to becoming one of the continent's *megacities*, implying that its population is projected to exceed 10 million by the early 2030s (Sturgis 2015). In recent decades, the city has shown an impressive growth rate, both economically and demographically (Urban Africa 2013; SID 2012). In the inter-census period from 2002-2012, the population expanded from 2.5 million inhabitants to around 4.4 million, showing an annual growth rate of 5,8 per cent (Ibid). Projections from the UN show that Dar es Salaam is growing with approximately 226,000 people per year in the period 2010-2020, and by 2025 will have reached a population of 7,3 million inhabitants (UN-Habitat 2014, 150).

Dar es Salaam has the most vibrant land market in Tanzania (Briggs 2011). As the city expands demographically and geographically, the pertinence of understanding urban land governance processes across the urban zone increases. In 2010, around eighty per cent of Dar es Salaam's residents lived in informal settlements (Sheuya and Burra 2016, 447) where land is obtained through informal means. Already during the 1990s, it became apparent that the official system of land allocation was lagging behind the rate of informal land acquisition (Kironde 1995). This trend has intensified over the past two decades. Because of the challenges that the government is facing in meeting the ever-increasing demand for planned land in the urban zone, the majority of land buyers see no other way than to acquire land informally, often in unplanned settlements (Kironde 2006).

In this way, there is a direct link between deficiencies in the current land management system and the explosive growth of unplanned settlements in Dar es Salaam (Kironde 2000). The main obstacle to improving the current operating system is the extreme centralisation of power in the Ministry of Lands covering all aspects of formalised urban management. While the formal land management of the city is lagging well behind demand, the city's residents make use of a multiplicity of ways to engage in land transactions on a local level. This report turns its attention towards how these land transactions play out on the local level.

Despite the increased attention to urbanisation on the African continent (Parnell and Pieterse 2014), research on issues of land governance in Dar es Salaam remains limited. What is more, existing literature tends to focus on the higher levels of government institutions, highlighting their role in land transactions in the city (see for example Kironde 1994, 2000, 2006; Kombe 2006, 2010; Nnkya 2008). However, it remains a fact that most land transactions, both formal and informal, are initiated on the local level with local government offices, particularly the street leaders, *Mtaa*, playing a crucial role. This fact notwithstanding, there is little attention in the existing literature to how encounters between residents and the local government institutions play out in cases of land transactions. Furthermore, residents' understanding and

experience of these processes remains an understudied topic¹. Without knowledge on how residents evaluate and perceive their scope for action in cases of urban land transaction, it is difficult to gain a meaningful overview over the intricate workings of the current urban land system, which is characterised by a heterogeneity of tracks leading to different types of land ownership claims with adhering different avenues of claim-making.

This report aims to address this perceived knowledge gap. It draws on data from qualitative fieldwork conducted in two of the city's municipalities, *Kinondoni* and *Kigamboni*. By directing attention to how land transactions play out on the local level, we get a clearer picture of the processes that are involved in urban land transactions, both statutory and customary, for the vast majority of city residents. In doing so, we move away from the often implicit conceptual dichotomy of formal/informal land tenure, as it obscures the fact that 'the state' and local governance institutions in the city cannot be seen as distinct entities when it comes to land governance issues (cf. Pedersen 2012). Instead, we view residents' multifarious land claims as highly individualised processes that are embedded in local contexts and conditions across the urban zone; with each municipality being subject to its own characteristics. A foundational argument of this report, therefore, is that land management in the city is not streamlined, in fact, it is thoroughly heterogeneous – and we need to take this heterogeneity as a starting point when we approach issues on urban land governance in Dar es Salaam.

The main argument of this report is that the institutional setup that characterises land management in Dar es Salaam is polycentric and opaque, with formal arenas often inaccessible to the average Dar denizen. The opaqueness of the system is caused by a range of factors: the multiplicity of actors asserting authority over urban land, a fundamental lack of communication between land offices across institutions, and an overall inefficiency of the process of formal titling and land planning. At the same time, however, an increasing concern for landowners in the city is obtaining the highest possible level of security of tenure - indeed, our research shows a notable increase in fear of displacement and eviction in Dar es Salaam. This fear can be seen in the context of a wave of recent evictions and displacements due to mega-investments in infrastructure (see for example Campbell 2014; Kironde 2016). The fear of eviction has prompted a strong incentive to pursue secure tenure in whichever way is deemed attainable – and affordable.

Acquisition of formal title in Dar es Salaam requires significant capital. Most residents therefore resort to avenues of customary tenure, where documentation is obtained from the more accessible, local street-level (*Mtaa*) offices. However, despite the *de jure* equality of statutory and customary tenure, residents continue to see statutory tenure as more secure than customary tenure. A reason for this is that surveyed land invariably yields higher compensation rates in case of displacement. Another reason may be the government's increased focus on the formalisation of land across the country (The Citizen 2016).

¹ A notable exception is Campbell (2014), who studied the reactions and experiences of a group of residents who were expropriated from the centrally located Kurasini area in Dar es Salaam, and subsequently resettled in the southern and western fringes of the city.

The report presents its findings in the form of five key themes. The themes are as follows:

- Security of land tenure
- Maintenance of land ownership: taxes, fees and licence renewals
- Madalali: the ambiguous role of middlemen in land transfer
- Causes of land conflict and conflict resolution mechanisms in place
- Private sector involvement in surveying and urban planning
- Real estate market reform

The main intent behind the report is to offer new insights into local management and transfer of land across the urban zone and as such, the themes highlighted speak directly to challenges and opportunities faced by residents in accessing and securing land. The intention is to shed light on the processes that are often tacit knowledge for residents, but from which a lot can be inferred about their scope for action in accessing and securing land. Prior to a discussion of the findings and presentation of key themes, the report provides an overview of the policy framework guiding land governance in the city, as well as of the formal processes and documents required for land ownership.

2. Research methods

The report is informed by (a) qualitative fieldwork (b) a desktop review of available literature and key legislative documents.

(a) Qualitative fieldwork

The study builds on strategic interviews with Dar es Salaam residents and other key stakeholders, including:

- Municipal officials (municipal director, council members, urban planning department and land officers)
- Ward level officials (ward executive officer, community development officers, ward counsellor)
- Street level officials (street leader, secretary)
- Residents currently participating in land transactions
- Other relevant stakeholders, such as private surveying companies

In addition to the research in the wards, we interviewed civil servants in lines Ministries such as the Ministry of Lands, and the Bank of Tanzania, as well as academics and key experts with experience in issues of land governance.

The research methods employed were qualitative and relied on individual interviews as well as focus-group discussions. Participants were clearly informed about the goal and purpose of the research and an oral consent for participation was obtained.

Interviews were semi-structured, outlining themes and areas of interest to the study, but at the same time creating a space for respondents to introduce their ideas and give feedback. All interviews were recorded by note-taking and all notes were systematised and securely saved. Research was carried out in the period from December 2016 to March 2017.

Geographical locations

Two distinct areas were chosen to capture the demographic and geographical variations of the city: the research covered two wards in the densely populated central

location of Mwananyamala and Kijitonyama wards in Kinondoni District (see Table 1) as well as in Kigamboni (see Table 2), a more peripheral and less densely populated southern district in Dar es Salaam. The chosen areas capture the demographic and geographical variations of the city, covering areas with formal and informal settlements, as well as allow for the examination of urban land governance in peri-urban and urban areas.

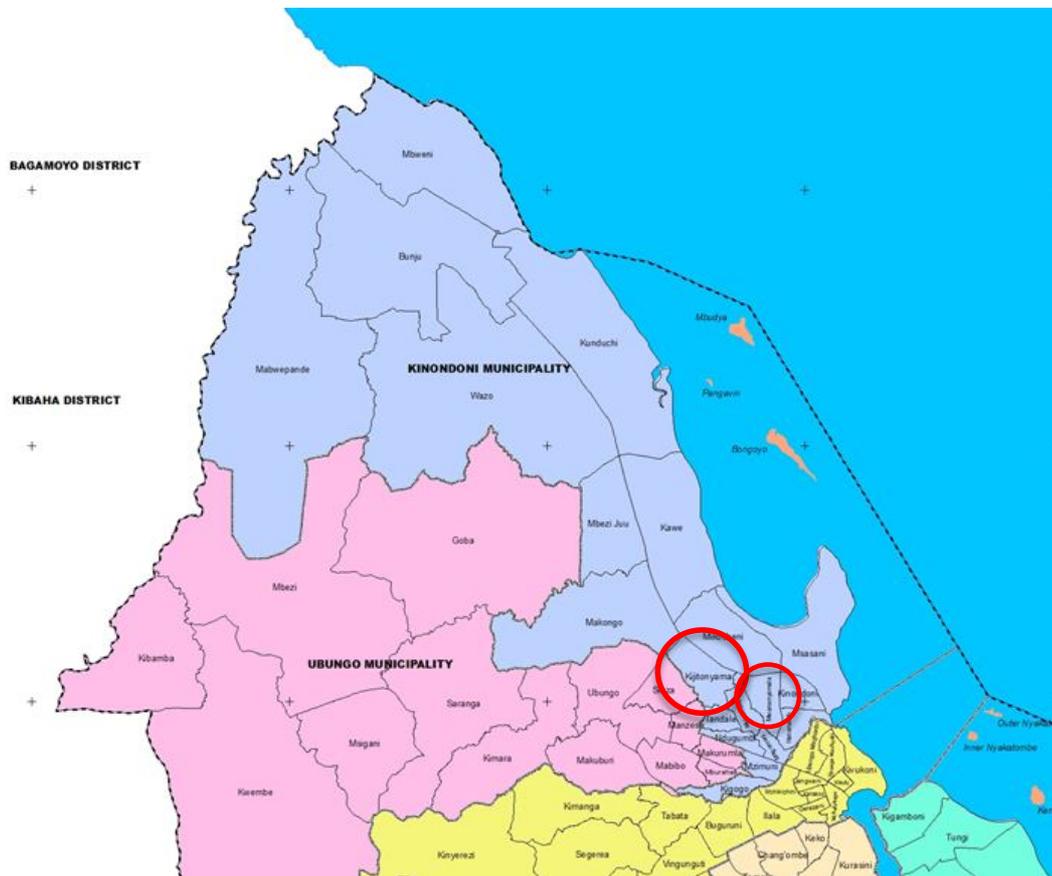


Figure 1. Map of Kinondoni Municipality showing wards sampled for data collection (Source: Kevin Onjiko, 2017)

Kinondoni Municipality

Kinondoni Municipality is located in the northernmost part of the city, covering an area of 531 km². The latest population census of 2012 indicates that population of Kinondoni is 1,775,049². According to the census, there are 446,504 households with the average of 4 persons per household. The majority of the residents are involved in petty business, fisheries, livestock keeping and agriculture including horticulture (Kinondoni municipality: Dar es Salaam Tanzania: Municipal Profile. 2009, 5-6). The district incorporates planned and affluent areas such as Mbezi Beach as well as squatters' areas such as for example Manzese. For the research, two administrative wards in Kinondoni were selected: Kijitonyama and Mwananyamala. The two wards

² Kinondoni Municipality has recently been divided into two sections to form Ubungu Municipality. Therefore, this data refers to a larger Kindoni area than is currently the case.

will materialise or whether plans for the satellite city will be dropped (Nyanje 2016). In September 2017, President Magufuli dissolved the administrative body that governed these wards, the Kigamboni Development Authority (KDA), and authority over the area has been vested in the Kigamboni Municipal Council (Bugi 2017).

For the research, data was collected from Somangira, Kimbiji and Kigamboni wards. Somangira and Kimbiji wards are located on the fringe of the urban zone while Kigamboni ward is the most centrally located ward in the district as well as the most densely populated ward.

(b) Desktop study

The project also included an element of desktop research, which situates the findings of this research within current debates on urban land governance in Tanzania. Specific attention has been awarded to issues on urban land management in Dar es Salaam, as well as to the policies governing urban development in the country. In addition, Tanzania's legislative framework on land management and planning is discussed below with focus on concepts and stipulations that hold relevance to urban governance and offer background information, as well as a broader context, to the findings in this report.

The desktop study component of the report is structured as follows: Firstly, the characteristics of Tanzania's legal system pertaining to urban land management are presented; secondly, we discuss Tanzania's land tenure system, focusing on the discussion of rights and claims; finally, we engage with academic research on urban governance in Dar es Salaam to lay out an overview of current issues in land management in the city.

3. Legislation and policy framework

Land management in Tanzania is governed by two overarching legal frameworks:

- The Village Land Act (1999), which governs all rural land
- The Land Act (1999), which governs *general land*, specified as government owned land. This category includes land in urban areas (Wily 2003).

The Acts were drafted in the latter part of the 1990s and came into force in 2001, although country-wide implementation has been taking place on an ad hoc basis, with little overall planning and very limited funds (Pedersen 2010). The introduction of the acts had several intended outcomes, of which the following points hold particular relevance for the study of urban land management:

i) The Acts offer ways of acquiring land ownership rights for individuals through customary and statutory tenure tracks, respectively. For clarity, customary land tenure can be defined as “the current land use patterns” (Fairley 2012, 8). This definition underlines that customary land tenure is an inherently flexible and highly localised management system – in short, no customary land transaction need be similar, as long as the parties involved recognise its legitimacy. By contrast, the rules of statutory land ownership and the processes of formalised land transactions are carefully laid out in the Land Acts. The importance of equality in the law between statutory and customary land ownership is furthermore stressed (Pedersen 2010). By incorporating

customary tenure into a formalised land management system, the law remains sensitive to localised conditions and norms; as Fairly argues, this has contributed to Tanzania having developed a “a hybrid approach to land administration that is at once formal and centralized, and informal and localized” (Fairly 2012, 4). While the incorporation of customary claims into the formal legal framework opens up for a multiplicity of ways in which to access and claim ownership over land, it also presents a range of challenges in the institutionalisation and streamlining of land management in Tanzania today, as our findings show.

ii) When passed, the Acts were intended to pave the way for a liberalisation of the land market – until their introduction, the state’s public policy had been that bare land had no intrinsic value (Kironde 2000, 155). In this way, only developed land was seen to hold value. As a consequence, the land market in Tanzania had been operating outside the auspices of the government. With an unregulated land market, the government was failing to capitalise on the burgeoning market (Ibid., Lugoe 2008), just as it was failing to set out any regulations pertaining to land management.

iii) On a separate note, the Village Land Act awards *de jure* authority of land management, including allocation of land and settlement of land disputes, to local government institutional bodies (Pedersen 2012; Wily 2003). However, as Wily (2003) points out, the devolution of authority was not incorporated into the Land Act, and so does not pertain to urban land. In fact, formal land management in urban areas has remained highly centralised (Kironde 2000).

Table 1 below offers an overview of the legislative documents that hold relevance to urban land management in Tanzania. Main characteristics of these acts are briefly presented in the table below.

Table 1: Overview of relevant legislation and policies governing urban land

Legislation/Policy	Characteristics
Constitution of the United Republic of Tanzania (1977) as amended	<ul style="list-style-type: none"> • Article 24 outlines (a) that every person is entitled to own land and to protection of this land under the law and • (b) that it is unlawful for any person to be deprived of property for any purpose without the authority of law, which provides for fair and adequate compensation
The Land Acquisition Act 1967 In addition: (a) Land (Assessment of the Value of Land for compensation) Regulations, 2001 And (b) The Land (Compensation Claims) Regulation	<ul style="list-style-type: none"> • Provides the legal framework for compulsory land acquisitions • Individual ownership can be nullified subject to the President’s decision, with compensation provided as governed by the act • The act limited compensation, paying no compensation for vacant land, and limiting compensation to the “value of the unexhausted improvements made on the land” • 2001 amendments add that the market value of the land should be used as the basis of compensation, as well as the value if sold on the market of any improvements which have been made. The valuations are to be done by an authorised valuer.
The National Land Policy (1995)	<ul style="list-style-type: none"> • Vests power over land in the President as trustee on behalf of all Tanzanians • Lays out the government’s policies for land management • Describes the existing land tenure system • Describes Commissioner of Land’s role as administrator

	of land on behalf of the President
The Land Act (1999)	<ul style="list-style-type: none"> • Stipulates the management of all land classified as <i>general land</i> and <i>reserved land</i> (Village land, the third category, is dealt with in a separate legislation, the Village Land Act, 1999) • Centralises all executive powers within the Ministry of Lands through the roles of the Minister, and the Commissioner of Land • Provides legal specificities on statutory land tenure (Rights of Occupancy), including length of lease, conditions of renewal, land rent • Provides legal specificities on customary land tenure (Customary Right of Occupancy) • Provides the legal specificities on granting and acquisition of derivative rights (Residential licenses) in urban and peri-urban areas • Presents the criteria for declaring regularisation schemes in already inhabited peri-urban areas
National Human Settlements Development Policy (2000)	<ul style="list-style-type: none"> • Aims to promote development of human settlements that are sustainable • Aims to facilitate the provisions of adequate and affordable shelter to all income groups in Tanzania.
Various tenant and landlord law <ul style="list-style-type: none"> • Rent and Mortgage Interest (Restriction) Ordinance, 1941 • Rent Restriction Ordinance, 1951 • The Rent Restriction Act, 1984 [Repealed in 2005] 	<ul style="list-style-type: none"> • Laws and statutes to govern tenant – landlord relationships, originally including rent controls, though these were repealed in 2005 • Controls landlord rights of access to property, requires a court order for eviction of tenants, introduced Housing Tribunals to help set rents and govern the relationships. It is not clear whether Housing Tribunals have been repealed in part of in whole with the end of rent controls.
The Urban Planning Act (2007)	<ul style="list-style-type: none"> • Stipulates the regulations for land use planning in urban areas • Gives weight to public consultation in land use planning • Allows land owners to prepare land use plans and submit them to authorities for approval
The Unit Titles Act (2008)	<ul style="list-style-type: none"> • Designed to provide for the management of the division of buildings into units, clusters, blocks and sections owned individually or co-owned • Allows separate ownership of 3 dimensional space, and division of a certain property into privately owned spaces (an office or apartment) and jointly owned spaces (a driveway or lift) • Aims to facilitate modern town planning and property ownership in offices and apartments, as well as facilitating housing finance such as mortgages and leases
The Mortgage Financing (Special Provisions) Act 2008	<ul style="list-style-type: none"> • Aims to improve financial sector development as well as the development of a land market through updating and amending prior legislation.
Dar es Salaam Master Plan 2012-32 (forthcoming)	<ul style="list-style-type: none"> • Conceptualises the future development of the city within the context of rapid population growth • Lays out the future urban grid of the city • The Master Plan effectively becomes legally binding when accepted
The Real Estate Act, (forthcoming)	<ul style="list-style-type: none"> • Designed to support the development of the real estate sector, to protect consumers and to provide mechanisms

			<ul style="list-style-type: none"> for conflict resolution in the sector Establishes a real estate development authority and board Requires the registration of real estate agents, presumably including madalai, and regulates their operations Provides guide for managing land lord and tenant relations Reportedly does not propose rent controls
National Land Policy (forthcoming)			<ul style="list-style-type: none"> Acknowledges the need for revision of existing legal framework Awards special attention to marginalised groups and women's access to land Acknowledges the equal status of customary and statutory land titles Acknowledges the lack of a consistent land registration system and promises to consolidate land records electronically Sets forward a ministerial task force dealing with the implementation of the policy upon completion of the drafting process Suggests the implementation of a 'Land Compensation Fund' to ensure better standards for compensation pay-out Introduces a 'special levy' for land left undeveloped in an effort to curb land speculation and underutilisation Proposes an implementation strategy to compliment the finished policy (URT 2016)

Tanzania's new Land Policy (2016)

Currently, a new land policy draft is being revised by the Ministry of Lands. The new policy promises a thorough update to the legal framework guiding land governance with enhanced focus on good governance and guaranteed accessibility for all citizens to tenure security (URT 2016). In the policy, the difficulties pertaining to the rising demand for planned land and the lack of capacity in land administration are acknowledged as impediments to economic growth and residents' tenure security. In addition, the recognition of the rights of marginalised peoples and the challenges in access to land for women are positive developments. However, critics argue that the policy could be significantly improved (Sulle *et al* 2016). Firstly, the policy's language is criticised for lacking clarity, with stated objectives being vague. Secondly, the Ministry's consultation meetings with relevant stakeholders during the drafting process was rushed and insufficient, consistently freezing out local organisations working with land rights, just as there has been a general lack of adequate information available to the public about the contents of the policy (Ibid.).

However, the major critical point pertains to the precarious position of customary tenure. While the policy draft insists on the equal legal status of customary and statutory tenure, the fact that the policy has not provided additional security for the status of village land is seen as problematic by several observers (Sulle *et al* 2016, Kironde, personal communication). According to the legal framework already in place, village land can be converted to general land for the purpose of public or private investment. Once converted, however, there is no flexibility in reversing the status of land. This fact, coupled with the stated goal of formalising all land in the country (URT 2016, 79), may imply a gradual weakening of customary land tenure. At this point, however, it would be difficult to estimate the social, economic and political impacts of a gradual move away from customary tenure will play out in the future, especially seen in the light of the growing number of urban informal settlers

who are currently forced to obtain customary ownership due to the inaccessibility of affordable and planned land.

4. Land tenure in Dar es Salaam: types of tenure

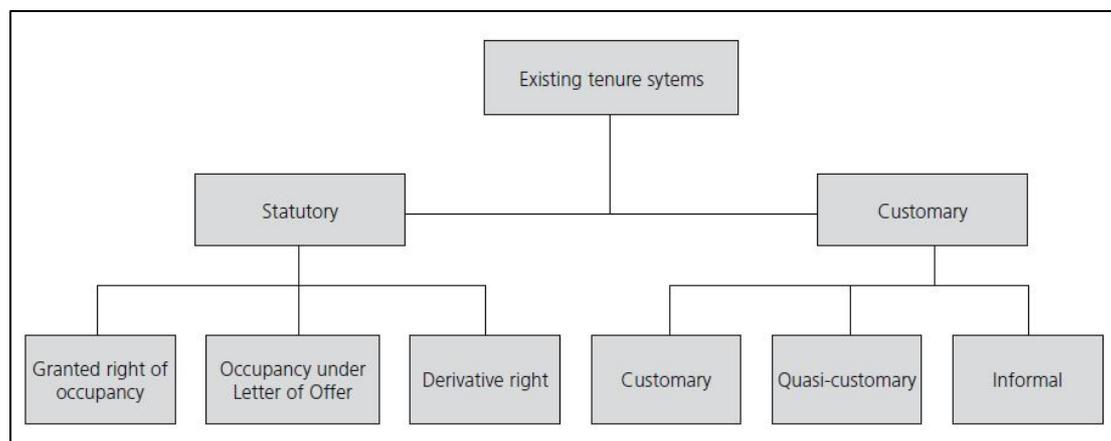


Table 2: Existing land tenure systems in Dar es Salaam (source: UN-Habitat, 2010)

All land in Tanzania is publicly owned and vested in the President as trustee on behalf of citizens (URT 1995). This implies that land cannot be owned by individuals. Instead, statutory or customary rights to occupancy are granted. Statutory tenure is usually granted for a set amount of years (see Table 2 below). By contrast, customary tenure has no set time frame. Table 2 above gives a simplistic overview of the types of tenure available to residents, as per the stipulations of the 1999 land laws.

Customary tenure

Customary land ownership is by far the most prevalent form of land ownership for city dwellers in Dar es Salaam – a direct consequence of the lack of available planned and surveyed land in the city’s municipalities, as well as the complex legal guidelines for converting land from customary to statutory tenure (Green *et al* 2017; Kironde 2000). Customary tenure can be obtained in many ways: through the unsanctioned occupation of land (for example in low density peri-urban areas), through local land transactions, through the inheritance of land from kin, or through allocation of land by local leaders. Authentication of customary land transactions happens by local street level (*mtaa*) leaders witnessing and approving the transaction between the purported original owner and the willing buyer (Kironde 2006).

Areas where customary tenure is prevalent typically lack land-use planning, with the land instead being appropriated and used outside the auspices and regulation of the state (Kironde 2006) – however, local government institutions, particularly at the street (*mtaa*) level, often have some degree of knowledge about developments in these areas. In particular, this is the case in peri-urban areas on the city’s fringe, where the population is less dense and where the institutional setup is more reminiscent of rural areas – with an exponential decrease of overview as the population density increases, for example in inner city informal settlements.

In 2010, it was estimated that between 70 and 80 per cent of Dar es Salaam’s residents lived in informal settlements (Sheuya and Burra 2016: 447). This number has most likely not decreased in recent years, as urbanisation rates continue to flourish. A study by CPCS (2012) found that in urban areas, only 25 per cent of

residents in urban zones had certificates of ownership, 33 per cent had no certificate, 32 per cent are renters, 5 per cent borrowed land from others. Importantly, CPCS (2015) also found that while low-income earners had a dominating presence in unplanned communities without statutory tenure, both planned and unplanned settlements were found to accommodate a full cross-section of income groups, testifying to the severe lack of planned land.

Statutory tenure

For those with the means and skills to access statutory tenure, state sanctioned property rights offer a range of additional benefits compared to customary tenure. Briggs (2011) emphasises that a customary landowner can only realise the value of her land once, and that is upon selling it⁵; whereas a landowner with statutory tenure may unlock the value of his land through a range of avenues. Formal title deeds may for example be used as collateral for loans in banks; they invariably increase the market value of land; and, equally important, they boost compensation rates in case of dispossession. The latter point holds relevance in cases of displacement and resettlement through state-led acquisition of land: formalised land is invariably more unattractive to the state, compared to informal settlements, where compensation rates may be much lower (Sundet 2006). This may contribute to the common understanding among Dar denizens that statutory land ownership is a more secure type of tenure despite the legal equality of customary and statutory tenure.

Formal land is typically governed by detailed land use plans formulated by the municipal land office and approved in the Ministry of Lands. Thus, the areas have gone through surveying, town planning and allocation of plots. Frequently, a timeframe for the implementation of social services and infrastructure, such as roads and water supply, will be laid out for these areas as well, although service provision may be subject to delay.⁶

Until recently, there were two main ways of accessing formal titles to land: 1) purchasing a granted certificate of occupancy (CRO), brokered by the municipal land office. The area purchased will then have been fully surveyed and thus is part and parcel of an approved, detailed land use plan; 2) converting land with customary tenure to statutory tenure by individually facilitating surveying exercises and the drawing and approval of land use planning of the given plot or area. Until recently, the state had monopoly on land use planning and surveying (Kironde 2006). Thus, the facilitation by private individuals of surveying and planning had to be channelled through the municipals or directly through the Ministry of Lands. However, a notable change in the government's attitude towards private planning companies (see the Citizen 2016) has made the market more conducive to private companies, who offer their services in terms of conducting both surveying and town planning⁷. This implies that a third avenue for accessing formal title to land has emerged: that of private

⁵ This may be a misleading observation, however, because many house owners in fact rely upon the income generated from renting out spare rooms in their house, and in this way, they are able to profit repeatedly on their land, even though they may not be able to use their land as collateral (see for example Green *et al* 2017).

⁶ Source of information: Interview with director of a private surveying company currently operating in Kigamboni. February 2017, Dar es Salaam.

⁷ Before the issuance of Town Planners Registration Act, 2007, conducting private town planning was prohibited. The first registrations in the registry were made in 2013. Source of information: Interview with official, Town Planning Registration Board, November 2017.

individuals employing private surveying companies to facilitate the planning aspects. The actual title conversion would however still be facilitated by the individual. The circumstances around the recent emergence of the private sector in urban planning will be elaborated further in section 6 below.

Importantly, all of the avenues toward formal title elaborated above are costly to the point where they are unattainable to the majority of the city's residents. And even if funds were no hindrance, most residents would still be unable to obtain formal title to their land; one needs intimate knowledge of the system to navigate this intricate process. For those with little or no education, navigating the jungle of institutions and application forms is a daunting, and, ultimately, unrealistic quest (Briggs 2011).

While a majority of urban dwellers agree that statutory tenure offers a higher degree of tenure security, Briggs (Ibid.) points out that obtaining formal tenure may not be attractive to everyone. He posits that the urban poor in particular are risk-averse and reluctant to take steps towards becoming dependent on the state, for example through formalisation of their land, which also implies a degree of *visibility* to government institutions. In a case study on water supply to households in Dar es Salaam, Nganyanyuka (2013, 4) notes that the urban poor are experts in developing long-term coping mechanisms that allow them to navigate flawed systems by finding ways of coping strategies that come at no extra cost. To this end, CPCS (2015) found in their countrywide survey that 74% of respondents did not consider the lack of formal tenure to be a barrier to housing and security of tenure. This can be explained by the relative success and stability of the customary system of land governance where aspects of land management are governed by informal processes operating at the *Mtaa* level.

In order to offer informal settlers derivative rights to occupancy, the government has launched a residential licence scheme in 2004 in Dar es Salaam (Kironde 2006b). The main aims of residential licences were to grant landowners security of tenure as well as give them the opportunity to borrow money against this equity. However, evaluations of the pilot project have shown that license holders' access to loans have been limited. Recently, a follow up study showed that many licensees failed to collect their issued licences altogether, speaking to the ambiguity of the perceived effects of the scheme (Sheuya and Burra 2016).

Reconsidering the conceptual dichotomy of formal/informal land tenure

As Pedersen (2012, 277) notes, much research on land management in Sub-Saharan Africa upholds a conceptual dichotomy between formal/informal land governance systems. In a narrow legal definition of land ownership, a distinction is often made between state-sanctioned 'property rights' and 'claims' which may or may not be recognised by state law (Marx 2016). When claims are not recognised, they are seen as informal or extra-legal. To gain a deeper understanding of the processes driving land management in Tanzania, however, it is crucial to look beyond this conceptual divide, and to reconsider the implied hierarchical understanding of the state as an actor *vis a vis* highly localised institutions, such as streetleaders and *Mtaa* offices (which are, ultimately, an extension of government at the local level).

Instead, it is helpful to conceptualise land governance in Dar es Salaam as polycentric (c.f. Pedersen 2012, 279). In the case of urban land in Dar es Salaam, discussing customary types of land ownership as 'informal' or extra-legal obscures the complex

reality of why people rely on different types of ownership and how ownership of land is obtained and maintained. Attention to these processes is different, of course, to saying that the distinction between ‘property rights’ and ‘claims’ is not important (Marx 2016: 2780- 2781). In fact, the distinction is of acute relevance to the majority of city residents, who clearly value statutory tenure above customary tenure, as described above.

In Table 3 below, the various types of land ownership are presented, along with short descriptions of the processes and documents required to obtain and maintain them.

Table 3: Types of ownership documentation

Types of ownership documentation	Characteristics	Documents. Processes and actors
<p>Certificate of Right of Occupancy (CRO), also known as title deed</p> <p><i>Issued at Municipal land office (or, in some instances directly at the Ministry of Lands)</i></p>	<ul style="list-style-type: none"> · <i>Statutory tenure</i> · Stipulated as per the Land Act, 1999 · Renewable right of occupancy for a stipulated amount of years, often 33, 66, or 99 years · Administered at the Municipal Land Office by the authorised Land Officer · Officially granted by the President through the Commissioner of Land, who is employed under the Ministry of Lands and Human Settlement (MLH) · Only Tanzanian citizens can hold a CRO · Foreigners may also obtain a CRO for investment purposes, in which case they must go through Tanzania Investment Centre (TIC), adhering to the Tanzania Investment Act · Another precondition for applying for a CRO is that the land in question has been surveyed and has undergone town planning prior to commencing the application process · Processing time should be around 8-10 weeks, however the process is known to drag out considerably, depending on issues such as general capacity in municipal offices and the cooperation of officials. · After issuance of a CRO, the owner of the title deed is required to pay an annual land rent fee which is revised every ten years · Can be renewed at the end of the tenure period, with new or modified development and other conditions · Should the state require the land back, the land owner is entitled to prompt and full compensation for his/her land (URT 1999, 27) 	<ul style="list-style-type: none"> · The following documents are needed as part of the application process for a CRO: · Letter of application (<i>barua ya maombi</i>), with photo of applicant attached · Payment of application fee · Copy of document proving citizenship · Sales agreement · Approved survey plan of land · Approved town planning drawing (TP drawing) of land · Payment of registration fee · A deed plan by the Municipal Surveyor and approved by the Director SMD, Ministry of Lands
<p>Residential licence</p>	<ul style="list-style-type: none"> · <i>Derivative right tenure</i> · Introduced in the 1999 Land Act as a 	<ul style="list-style-type: none"> · Applicants fill in application forms (Land Form)

Issued at Municipal land office

- second, intermediate form of formal tenure and launched in 2005
- Provides temporary tenure security to those unable to obtain CROs.
- Affordable and easy to obtain
- Some small banks and microfinance institutions accept RLs as a form of collateral
- Those who reside in areas marked as hazard (H) or on land earmarked for public investments are unable to obtain residential licences
- In the process of introducing RLs, 200,000 plots were mapped and the project was subsequently abandoned.
- One can still obtain RLs in the sites mapped, but the government has not extended the programme and is not issuing licenses in areas not originally included.
- The GoT does not seem to be prioritising the scheme anymore and an expansion of the project is not currently anticipated

- 73) facilitated by the Street Chairperson
- Forms are signed by the Street Chairperson and Ward Secretary to certify property ownership
- Signed forms are submitted to the Municipality for preparation of Residential Licences (Land Form 74)
- Applicant is digitally photographed and pays the application fee
- The licences are signed by authorised officers and registered as documents under cap 117
- After 5 -30 days a RL is issued
- RLs are issued for five years and need to be renewed

Letter of offer/ letter of allocation (renamed after 2012)

Issued at Municipal land office

- *Statutory tenure*
- Issued by an authorised Land officer on behalf of the Commissioner of land
- Around 2012, the Letter of Offer was abandoned and instead, the Letter of Allocation was introduced
- Part of the process for obtaining a title deed
- Letter of Offer /Allocation outlines the conditions under which land is being allocated (including land rent, various fees, building regulations, permitted uses, timescale for development)
- Payments as acceptance of Letter of Offer/Allocation must be made within a period of 30 days

- A letter of offer is issued by the government and needs to be accepted
- Next, the applicant can register the signed and sealed Letter of Offer/Allocation under Registration of Documents Ordinance Chapter 117
- After that, the Letter of Offer/Allocation becomes a valid document that creates a notice of 'impending' ownership
- Payment of land rent is outlined as a prerequisite for maintaining land ownership but it is not always complied with

Major differences between Letter of Offer and Letter of Allocation

- Letter of offer gives the possibility of applying for a building permit, Letter of Allocation does not
- A Letter of Offer could be transferred directly into a CRO, provided that payments had been made. A Letter of Allocation should be understood as a step in the process of acquiring a CRO and is therefore not a standalone document granting any ownership documentation in and of itself

<p>Sales agreement</p> <p><i>Issued at the local Mtaa office</i></p>	<ul style="list-style-type: none"> · Customary tenure · Agreement takes place at <i>Mtaa</i> level · Requires signatures from the buyer and seller · The most common form of ownership in peri-urban areas · Does not guarantee compensation in case of displacement · A sales agreement is a pre-requisite for obtaining a CRO 	<ul style="list-style-type: none"> · Involves witnesses on both sides · The local level authorities (village chairpersons or executive officer of the <i>Mtaa</i>) are required to supervise the agreement and to stamp and sign the documents · Every party receives a certified copy of the agreement
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5. Urban governance and land management in Dar es Salaam: current issues

Land rights, citizens' ability to access and ascertain ownership over land, and effective land management are all topics that have been widely debated, criticised and contested in Tanzania, especially following the passing of the land acts in 1999 (see for example Kironde 2000, Kironde 2006, Kombe 2006, Pedersen 2012). In particular, the Village Land Act has been discussed and analysed in the years following its announcement, with researchers looking into issues around dissemination of the Act to the local level, implementation with local government bodies, and institutional capacity building (see for example Wily 2003 and Pedersen 2010). In this context, it is noteworthy that issues pertaining to urban land management have been systematically overlooked, both in academic literature, as well as by policy makers, government institutions and development partners (Green *et al* 2016; Lugoe 2008). The result is that while there is a flourishing body of literature exploring important aspects of contemporary urban life in Dar es Salaam (Brennan *et al* 2007, Callas 2006, Campbell 2014, Mercer 2014, Mercer 2016, Moyer 2003), there is a surprisingly small amount of research focusing specifically on delineating the various processes of urban land governance in the city, as well as the actors involved. Recent works include Green *et al* (2016), Lugoe (2008), and Jones *et al* (2016). An exception is in the field of urban planning, where key Tanzanian scholars such as Kironde (1994, 2000, 2006), Kombe (2006, 2010) and Nnkya (2008) have made important contributions. However, their research mainly focuses on informal settlements and tenure security for informal dwellers. It does not offer details on the way that urban land governance systems function in practice, including the heterogeneity of ownership documentation and polycentric land governance institutions. In general, little focus is given to descriptions of the encounters between residents and government institutions in land transactions, or examinations of residents' deliberations when choosing one type of land ownership over another.

In the following, three main issues are highlighted as contextualisation of our findings, which are presented in the latter part of this report. These are:

- Urban governance in Tanzania
- Centralisation of land governance and its consequences
- Overlapping authorities

Urban governance in Tanzania

Like many other African cities, Dar es Salaam is characterised by extensive urban sprawl and is experiencing challenges pertaining to the rapid expansion of informal settlements as well as a general incapacity when it comes to regulating urbanisation (Green *et al* 2017, Parnell and Pieterse 2014). Despite the growing urban zones, urban areas across Tanzania therefore continue to be marred by a profound lack of social service provision as well as a lack of adequate infrastructure (Green *et al* 2017). Access to services is unequal, with residents residing in the poorer wards in the city receiving very few basic services. Despite the common belief that access to social services is easier in urban zones, many low-income city dwellers, in fact, live with less services than their rural counterparts (Ibid.). In their recent report, Green *et al* (2017) argue that the lack of adequate urban planning and service provision is further aggregated by a failure to collaborate across municipalities and institutions that are responsible for urban development.

Across Tanzania, land is becoming an increasingly attractive asset and the monetary value of land, particularly in urban areas, continues to rise. The potential revenues attached to this market prompt many institutions dealing with urban land governance to consider land governance primarily as a revenue channel. Green *et al* (2017) argue that institutions therefore often become more concerned with generating profits from land transactions than with facilitating a fair and accessible land market to the city's residents.

Centralisation of land governance and its consequences

In his work, Kironde (2006) argues that the administrative setup in place in Tanzania is effectively hindering the timely delivery of adequate planned land to meet the rising demand. The main obstacle for meeting demand is the extreme centralisation of power in the Ministry of Lands with regards to all aspects of urban management – spanning from surveying and approval of land use schemes to the subsequent granting of title deeds to new land owners (Ibid, 470). While much of the paperwork is processed through Municipal offices, all approvals must ultimately come from the Director of Town Planning in the Ministry. This causes incessant bottlenecks and subsequent year-long delays to the government's relinquishment of planned land. These challenges are striking when seen against the government's outspoken desire to formalise all land across the country in general. This desire is specifically addressed in the preface to the recent Land Policy draft as one of the main challenges for the future governance of land in Tanzania in general (URT 2016).

Because of the challenges that the government is facing in meeting the ever-increasing demand for planned land in the urban zone, the majority of land buyers are forced to acquire land informally in unplanned settlements (Kironde 2006). In this way, there is a direct link between the current land management system and the explosive growth of informal settlements in Dar es Salaam (Kironde 2000). Changing customary land tenure to statutory land tenure is expensive, time-consuming and bureaucratic; leaving it an unviable option and insurmountable challenge for the city's urban poor.

Overlapping authorities

The current operating system is characterised by a multiplicity of overlapping actors, and navigating between them can be confusing and time consuming, especially for residents with little education or specific knowledge of the country's land tenure

system. For example, in Kigamboni Municipality land transfers and acquisitions are handled by both the Kigamboni Municipal's land office as well as by the Temeke land office (due to a recent, yet incomplete, administrative transition). However, the Ministry also runs several land governance projects in Kigamboni outside the auspices of the Municipal, and a current plan for a series of industrial plots in the most remote ward of Kigamboni, *Tundwi Songani*, is led from within the Ministry with little, if any, involvement from the local district land office.

6. Presentation of findings - mechanisms of land access, security of land tenure and recent developments in land governance

From our research data, it is clear that the most important issues in urban land governance pertain to residents' experiences of land access and tenure security. Following the information shared by informants, we examined how people assert ownership through social processes, what kind of documentation they consider valid and valuable and why, as well as what legal avenues of ownership are perceived to be financially and practically viable to them. In the following, we present the key themes arising from our research data, which include:

- Security of land tenure
- Maintenance of land ownership: taxes, fees and licence renewals
- The ambiguous role of middlemen in land transfer
- Causes of land conflict and conflict resolution mechanisms in place
- Private sector involvement in surveying and urban planning
- Real estate market reform

These themes highlight some of the most salient aspects of urban land governance in Dar es Salaam at present and examine the opportunities and challenges that residents face when accessing and securing land. Together, the themes indicate that despite residents' aspirations for formal ownership, government's inability to satisfy the increasing demand for planned land results in a situation where most residents obtain ownership in unplanned settlements through customary tenure. The findings also imply that land access and security of land tenure are highly personalised, localised, and vary greatly across the urban zone, just as it is dependent on cultural capital and economic/political status. Finally, the data shows that there is an increased financialization of the land market in Dar es Salaam and it remains to be seen what kind of influence this will have on the land market going forward.

Security of land tenure

The majority of our respondents in Kinondoni area had Residential Licences, whereas in Kigamboni customary tenure is more widespread. However, across the urban zone, residents aspire to obtaining CROs and perceive them as an ultimate (though often unachievable) type of ownership documentation. In a conversation about the different types of ownership documents, a resident of Kijitonyama remarked:

'Title deeds are very important but I don't have it. It is especially important in case the government decides to use your land for investment. If you have a title deed you are secure and sure to receive compensation. Also, title deed gives you assurance that this is your land for many years. But it is hard to get a title deed. Firstly, it is expensive. Secondly, this area is unplanned and that's

another obstacle. Lastly, the process takes very long, there are many long procedures.'

Many residents in Dar es Salaam perceive their land tenure as precarious. Asked if he feels protected against displacement, a participant of a focus group in Mwanyanamala responded that he feels insecure of his tenure because *'any investor can kick us out from here.'* On the other hand, however, despite the prevailing sense of insecurity, many residents claim that they never experienced displacement or appropriation of their land without compensation. The feeling of potential dispossession and displacement as described by the focus group participant is likely a general condition of life anywhere in the city that may be ascribed to the national media's attention to stories about displacement: for example, the recent case of forced displacements in Kurasini (Ndezi 2009) and from the river valleys of Msimbazi/Sinza in December 2015. In addition, the Kigamboni New City project continues to generate a general feeling of uncertainty for many Kigamboni dwellers as to their future security of tenure (Lindell *et al* 2016).

Historically, security of tenure has however been relatively high in relation to all the ownership documents discussed⁸. The added benefit of CROs, which makes this ownership form attractive to city dwellers, is that they can provide additional advantages, including access to loans, higher value of land, increased compensation in case of displacement, and better opportunities for sale and investment. These benefits, however, are not guaranteed, and research has shown cases of dispossession even in contexts where land owners had CROs (see Ndezi 2009).

Maintenance of land ownership: taxes, fees and licence renewals

Ownership of urban land in Dar es Salaam needs not only to be obtained and registered - ownership also requires maintenance through the payment of annual fees and taxes. This is especially relevant in the context of residential licences, which must be renewed every five years. However, similar to Sheura and Burra's (2016) observations, our research has shown that many licence holders do not renew their licences – often due to a lack of either information or funds. Other ways of maintaining ownership include an annual payment of property tax and land rent. The land tax is paid directly through the bank and is administered by the Ministry of Lands, whereas the property tax which used to be collected by the Municipalities is since 2016 administered and collected by the TRA (Tanzania Revenue Authority). Property tax should still be channelled to the Municipalities, however it is not clear whether the reform process will change the allocation of funding.

The street level authorities collect the information on who should pay tax and what amount, which depends on the value and size of the property. According to the local leaders in Kinondoni, people used to disregard paying taxes on land in the past, but today more residents comply with the regulations. However, our research reveals geographical variations regarding compliance with land and property tax payments. In Kijitonyama and Mwanyanamala, the residents we spoke to explain that more people pay taxes because of the penalty one can receive for evading the payments. Moreover,

⁸ Source of information: Professor Tumsifu Jonas Nnkya, personal communication, January 2017.

according to the residents, it becomes more difficult to sell land for which taxes have not been paid for many years.

On the other hand, in Kigamboni, the residents interviewed explained that they had not paid land rent in years, and that they did not know anyone who paid taxes on an annual basis. Paying land rent was clearly regarded as a novelty and as something unnecessary for upholding of one's right to land ownership. That residents in Kinondoni felt obliged to pay this tax could be explained by the higher competition for and commodification of land in densely populated areas such as Kinondoni. This may also be an issue of newcomers versus long-term dwellers: newcomers would be more likely to pay land rents as a way of consolidating their tenure in an area where they are still regarded as strangers (Swahili: *wageni*), whereas long-term dwellers (Swahili: *wenyeji*) either inherit land from their older relatives or their land claim is well-known and respected in the local setting.

***Madalali*: the ambiguous role of middlemen in land transfer**

In questions regarding land transfer in Dar es Salaam, the role of the *madalali*, middlemen, occupies a central place. Middlemen involved in real estate and land transactions are notorious amongst Dar es Salaam's dwellers. They operate as facilitators of contact between buyers, sellers, renters and landlords, connecting interested parties and thereby facilitating transactions. Their key asset is highly localised knowledge of willing sellers and buyers in a given area. The use of *madalali* in land transactions is widely acknowledged across Dar es Salaam: according to a ward leader in Kijitonyama, 2% of residents find land to buy or places to rent themselves, whereas the other 98% rely on *madalali*. While few middlemen are recognised and have official licences, the majority does not. This means that many operate beyond the auspices of any regulation or code⁹.

Madalali make profits by charging a percentage of the land transactions they facilitate. For instance, if a monthly rate for a place, which they helped to sublet is 300,000 TZS, the new tenant pays 600,000 for the first month: 300,000 goes to the landlord and 300,000 to the middleman. In cases of land sale, they sometimes collect as much as 10% of the final price. The benefits of *madalali*, as seen by the residents of Dar es Salaam, are that they 'know everyone in the specific area and can direct you to the person in charge of a plot or house you might be interested in. The disadvantage is that they might produce fake documents and mislead you' [focus group discussion Kijitonyama]. Street leaders interviewed in Kijitonyama recall many problems caused by dishonest *madalali*, and they argue that buyers and renters should always connect with the local government to verify people's credentials. In Kigamboni, the attitude to *madalali* is equally ambiguous. Renters described how *madalali* have played a role in inflating rent prices in Kigamboni for regular residents by facilitating contact between landlords and more affluent university students from other parts of the city who seek residential quarters. It is a common understanding that *madalali* inflate land prices precisely because they often negotiate a percentage of the final deal.

⁹ A real estate regulatory authority is under preparation and it might be in operation at the end of 2017.

Madalali not only act as middlemen in cases of individual land transfer or property rent. They also play an integral role in the facilitation of land sales between large-scale investors and individual land owners. An example from Kigamboni is found in Buyuni, a subward of Somangira Ward, where one *dalali* singlehandedly facilitated land trades between one investor and over 30 original land owners. The investor bought the land to survey and plan it, with the intention of selling off plots with title deeds at a later stage. The original land owners either moved away or bought plots close by, through customary tenure.

Causes of land conflict and conflict resolution mechanisms in place

Overall, our findings indicate that boundary disputes are the primary cause of land conflicts in the urban area. Generally, according to the local leaders interviewed, there are more conflicts in the unplanned and un-surveyed areas. A street leader in an unplanned area of Mwanyanamala gave an account of a recent conflict he mediated. One resident was constructing an additional room in his house and he expanded into the plot owned by his neighbour. The case was brought to the street government's office, and after mediation it was settled that the builder was to pay compensation to the neighbour. These types of disputes, as the local leader argued, are quite common and they are usually settled on the local level. If the parties involved are unsatisfied, they can bring the matter to the ward authorities. Doing that, however, is problematic, because land in many areas is not surveyed, and the ward authorities do not know the local context well enough to provide a satisfactory resolution. As the local leader remarked: *'On the street level we resolve land conflicts based on local wisdom. Once you bring your case to the ward, they apply a policy-based resolution.'*

A government official at the Kinondoni municipality confirmed that they encourage land conflicts to be solved on the local level: *'We advise that the conflicts in the areas which are not surveyed should be solved on the local level, because we do not have information about these areas and cannot help'*. On the other hand, when a conflict occurs in a surveyed area and cannot be settled on the local level, the leaders are required to send a letter to the municipality, which in turn sends Municipal employees to take the coordinates of the land and mediate in conflict resolution.

While the urban fringe around the city is experiencing rapid urbanisation in general (see for example RurbanAfrica 2013, Andreasen and Møller-Jensen 2016), Kigamboni is the area in Dar es Salaam where one finds the largest tracts of available *virgin land* – land on which no structures have yet been constructed. A report on population density growth in Dar es Salaam from 2002-2012 confirms that Kigamboni is the least densely populated area of the city (RurbanAfrica 2013). This has led to a recent scramble for land in the area, further cemented by the announcement of the Kigamboni New City project in 2008, which, according to Mtaa officials in the area, have hiked the prices of land considerably. Because of the recent influx of newcomers, land conflicts often occur in the ascertainment of boundaries between newcomers' land and long-term residents' land. In areas where people have customary tenure, such issues are usually solved by the local street leaders, who will mediate between parties. In areas where residents have CROs, the Municipal Land Department is called upon to settle disputes.

Because of the Kigamboni's vast virgin lands, there has been an increased interest in the area from investors and government parastatals who purchase large tracts of land

in order to construct housing estates, public servant housing and city-like enclaves (the Citizen 2014, Tanzania Invest 2015). Some of these projects have caused conflicts between original land owners and investors. An example is the *Avic Town* project in Amani Gomvu, a sub-ward of Somangira ward (see link: <http://avictown.co.tz/>). A village chairman from Amani Gomvu explained that a conflict arose in the wake of a large-scale land acquisition facilitated by the government. The Avic Town project was initially presented to residents as a large-scale construction of retirement homes for public servants, a project which residents sympathised with. Subsequently, many accepted low compensation rates, believing it was a state-driven project. However, it was later revealed that the enterprise was in fact fully commercial, owned by a Chinese company. This revelation caused grievances from residents who then decried the low compensations. While the case has now been settled, one resident living very close to the project boundary explained that he and others in this area still suffer a high level of uncertainty with regards to their tenure – recently, they were denied to apply for a CRO on the grounds that their land is located too close to Avic Town. Although there seems to be no legal grounds for this claim, land owners with customary tenure are still struggling to have their voices heard in the cases of large-scale investments.

Private sector involvement in surveying and urban planning

Realising the urgent need for planned land in and around Dar es Salaam, the Tanzanian government has been increasingly supportive of private surveying companies conducting town planning and surveying of land in Dar es Salaam. Historically, these activities have been the sole responsibility of the municipal offices (Kironde 2000). While private companies' popularity has been fluctuating in the public opinion (see for example AllAfrica 2015), the Minister of Lands, William Lukuvi, recently urged Municipalities to leave planning and surveying altogether to private companies, admitting to the incapacity of municipal land offices (The Citizen 2016). With this change in the government's attitude towards private involvement in town planning, land management and urban planning in Dar es Salaam has been opened to the private sector as well.

One of the immediate results of this decision has been the scramble for land in peri-urban areas of Dar es Salaam. Taking Kigamboni Municipality as an example, the principal town planner of Kigamboni explained that there are currently over 15 private companies actively engaged in town planning in Kigamboni Municipal alone. Companies operate by two distinct models: (a) they buy up large swathes of land from multiple residents, which they subsequently plan, survey and parcel out into plots, or (b) they enter into joint ventures with local communities to plan, survey and parcel out their land, leaving residents with their original plots, and later sharing with them the profits of the sale of excess plots.

The entry of private planning and surveying into the Dar es Salaam land market has had a range of positive effects: town planning is executed faster, our data indicates that many residents are pleased to sell their land to private companies at market price and after vacating their land, they often settle down close to the planned areas (in this way enjoying the benefits of infrastructure and electricity, etc.). However, there are also a range of negative effects: to maximise profits, it is not in the interest of private companies to plan for state-run social services: instead, the tendency has been to plan for private schools, nurseries and dispensaries in their future town designs.

Furthermore, the majority of Dar es Salaam's residents cannot afford buying land in the areas planned by private companies, where prices per square meter can be as high as 21,000 TZS (equivalent to approximately 9,5 USD). A group of residents who sold their land to a company in Buyuni, Kigamboni, explained that even after receiving money from the private company for their land, they were still only able to afford buying new land elsewhere through customary tenure. In addition, private companies do not take responsibility for the large-scale cohesion and sustainability of town planning – instead, this type of urban planning creates isolated pockets of future town designs, leaving the land in between unplanned.

What is more, it seems that the administrative setup also creates delays for private planners: ultimately, private surveying companies must also rely on approvals from the land offices in the Municipalities for the sale of their planned areas and on the Ministry for final approvals of their planning and surveying efforts. While the Ministry is likely to approve their designs, this still leaves companies caught in the same time-consuming bureaucracies as state planners. The result is that companies with planned and parcelled land often wait many months, or even years, before their land is relinquished for sale.¹⁰

Real estate market reform

As is consistent with the broader free market reforms of recent decades, the Tanzanian government has introduced a range of legislation to modernise the urban real estate and property sector and to facilitate and support financial market deepening through enabling a greater proportion of the population to access mortgage financing for acquisition of land and construction of property. These reforms emanated from a 2003 Financial Sector Assessment Report supported by the WB/IMF with the Bank of Tanzania as the government coordinator. Part of this process has included work specifically on property titles, but also real estate development and regulation. The Bank of Tanzania has been the point institution for this reform though it has worked closely with the Ministry of Lands.

Reform includes the introduction of the Unit Titles act 2008, which by providing a legal framework for sub-dividing titles and plots in three dimensional space, is designed to encourage investment by developers in property estates and apartments. The Mortgage Financing Act 2008, aimed to facilitate a deeper mortgage market, and the creation of entities such as Tanzania Mortgage Refinance Ce. Ltd (TMRC) are aiming to facilitate consumer access to housing finance.

Reform notwithstanding, only 6% of resident in Dar es Salaam have accessed mortgage or SACCO financing for land or property (CPCS 2015: 99). The lack of access to mortgage financing for land and houses is in part due to persistent issues with accessing of title deeds as they are a requirement for accessing bank finance, however with 38% of the urban population owning title deeds this does not fully explain the limited access to finance. However, reports estimate that it takes, 15-65 year of household income for the majority of Tanzania's to construct a "decent urban home", compared to 3 years in Europe. (Workshop Report, 2015). As such, lack of

¹⁰ Source of information: Interview, representative from Bhagat, a private surveying company working in Kigamboni, November 2016.

resources and continued low incomes and poverty is part of the explanation of the limited development of financial markets in real estate despite free market reforms.

Government recognize the real estate sector presents persistent regulatory and oversight challenges. A 2016 report by Professor Kombe and Dr Komu prepared for the Bank of Tanzania and the Ministry of Lands suggested that despite the real estate sector growing rapidly it remained largely unregulated, and that government's understanding of the sector was limited. The authors argue that it is a sector characterised by "uncertainty, sub-standard product, overpricing, tax evasion, money laundering and many other deals and acts of dishonesty". For example, there has been significant growth in the sector in recent years with it being a key contributor to economic growth, yet its contribution to tax is low, suggesting significant tax evasion and failure of the Tax authorities to adequately tax the sector (2016: 7). The forthcoming Real Estate Sector Act aims to address the concerns of oversight in the sector, however it remains to be seen how successful the effort will remain and it is clear that land and real estate in urban spaces in Tanzania area an area where government regulation and protections for residents and citizens are limited.

Conclusions and recommendations

While the city of Dar es Salaam expands demographically and geographically, fast-tracked to becoming one of the continent's *megacities*, it is critical to understand the nuances of urban land governance. As this report illustrates, urban land governance in Dar es Salaam is characterised by a high degree of diversity; according to types of ownership documentation, actors involved in land management, and activities on the ground at present. There is a strong state-driven discourse emphasising the need for formalisation of land tenure, which has influenced residents' aspirations for formal ownership. However, due to an increasing need for planned land, and government's inability to satisfy this demand, most residents in Dar es Salaam continue to obtain ownership in unplanned settlements through customary tenure.

Our research shows also that Dar es Salaam has a highly diverse land market that holds extreme diversity across the urban landscape. It should not be assumed that land is acquired, sold or rented in the same way across the urban zones because most mechanisms are highly localized and informal. Therefore, any prospective studies and policy interventions should pay attention to the geographical variations across the city.

Another important finding is that land transactions take place on a spectrum from highly localized to highly centralised. Therefore, residents need highly localized knowledge to access land available for purchase, but then all formalized land transactions need to pass through ministry of lands for finalization of title deeds. Thus, buyers and sellers need to successfully navigate several levels of authority in their effort to access and secure land ownership. Our research provides evidence of the crucial importance of the lower level of government in land transaction, where land access and security of land tenure are highly personalized, localized, and dependent on cultural capital and economic/political status. Future studies need to pay attention to these dynamics.

Our data shows as well that there is an increasing financialisation of the land market in Dar es Salaam. This is driven primarily by the private sector on a range of levels:

private (often foreign) investors investing heavily in property development, private surveying companies buying land and doing urban planning, and, on the local level, *madalali* being the middle-men between individual land owners and investors. In the wake of decades of public sector inefficiency in the urban land market, privatization of the market is thereby taking place on all levels. It remains to be seen what kind of influence this will have on the urban land market going forward.

Drawing on the findings of our research, we present the following recommendations with regards to urban land management in Dar es Salaam:

- Research shows that residents are not renewing their residential licences and that the licences do not have the positive effect anticipated in terms of accessibility of loans. Our recommendation is to organise awareness campaigns, where residents would be informed about the benefits of RLs and the obligation to renew them.
- Our respondents' inability to access CROs highlights the necessity to make the formalisation process (both governmental and private) more simple, accessible and financially viable for the city's residents, including those with lower income. Currently, both private companies and municipalities face the same bureaucratic obstacles in the land management processes. In addition, the costs of surveying are so high that it remains out of reach to the majority of residents in the city.
- Research with local government officials highlighted a demand for education on land policy and regulations on a local level. Local leaders are the primary source of information on land matters for most residents, and they themselves expressed a keen interest in receiving additional training and education on the topic. The launching of Tanzania's new land policy could provide an excellent opportunity for organising workshops for local authorities on the new policy and its subsequent laws and regulations.
- A new Land Policy for Tanzania is currently under revision. We suggest that more public awareness around the land policy (its content and implications, as well as making citizens aware of their options regarding participation) should be arranged. Efforts should be made to ensure an appropriate presence of all stakeholders, especially those who represent the voices of the most marginalised, such as women, the poor and indigenous groups. In an urban context, this also entails urban informal settlers as well as renters, a consistently marginalised demographic group with the most precarious access to tenure.
- Considering the limited availability of literature investigating urban land management in Dar es Salaam is, it seems critical to facilitate further research on the topic. Currently, there is not a single local research institute acting as a uniting facility of knowledge on issues of urban land management in Tanzania. Supporting the establishment of an organisation concentrating solely on urban land questions in Dar es Salaam and other urban centres in Tanzania – perhaps working collaboratively with both academic institutions and government agencies – would generate long-term benefits in terms of knowledge production and positive policy impact.

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