

Land grabbing definition perpetrated in the BEE project

Bagamoyo EcoEnergy (BEE) believes that all Projects may do 'more harm than good'... unless safeguards are put in place to ensure equitable development.

For that reason, BEE has made immense efforts to follow international best practice standards¹. There has been a very comprehensive consultation process on the resettlement programme with not only all the four hamlets² recognised by the GoT valuations process, but also with the temporal residents inside the Project site, all of which has been meticulously documented.

- All farmers, fishermen, charcoal, traders and pastoralists³, either living in and working in the Project site or using the natural resources for their livelihoods at the time of the cutoff date⁴, and regardless of their legal status on the land, have been consulted in various culturally appropriate and meaningful ways.
- Consultation with Project Affected Persons was not limited to the Head of Household, but all members of the household including the youth.
- The Project is being undertaken in Phases and the RAP⁵ has been written for the first two hamlets, pastoralists and charcoal producers and subsequently approved by the funders.
- The RAP addendums for the later phases will follow the same or similar provisions depending on the participatory decisions made when the time comes.
- Due to Project delays, disclosure has yet to take place and
 - no one person has signed off on the resettlement package;
 - no-one person has been relocated, displaced, moved or evicted;
 - no one person has had their livelihood stopped, whether eligible or ineligible to date
- Due to these same Project delays and in order to maintain proactive engagement, an Early Measures programme⁶ has been developed offering a

¹ [www.ifc.org/performance standards](http://www.ifc.org/performance-standards)

² Kaloleni Biga, Goble, Gama and Bozi.

³ <http://www.ecoenergy.co.tz/resource-center/films/>

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http://www.ifc.org/wps/wcm/connect/3d82c70049a79073b82cfaa8c6a8312a/PS5_English_2012.pdf?MO D=AJPERES Para 22

⁵ Ibid 4

⁶ <http://www.idc-ltd.org/wp-content/uploads/2014/11/EARLY-MEASURES-REPORT-4-Stakeholders-DS.pdf>

range of livelihood and life skills, added values, some start up funds and on-going support programmes with M&E.

Choice to resettle or not:

The RAP has followed the IFC Performance Standards on Land Acquisition and Involuntary Resettlement (IFC PS5). The *'involuntary'* resettlement process, occurs all over the world and the choice is never *'whether they resettle or not'*, but their active participation in *'how'* they resettle.

This is not limited to *'in kind'* or *'in'* cash compensation, but on a myriad of lives and livelihood choices: housing, land, livelihood centres, market access, support for the vulnerable, access to potable water and even types of pit latrines.

Farmers have said that the quality of land they are being offered is poor.

In Phase 1, the resettlement land is located within their main village on the North of the River and outside the Project site. Each of the hamlets has a representative on the Village Council, which decided where the resettlement land would be. It was the villagers' choice, not made by either the Government or the Project. The soil is *'different'* and the River is not as close as they enjoy presently, but with the outgrowers programme, where irrigation is planned, there is an opportunity for them to tap into the irrigation systems.

No decision has yet been made on subsequent resettlement sizes in future phases.

Creating block farms for the outgrowers:

The outgrower's first harvest will not be until 30 months after financial close and long after those displaced have been resettled. As it is from a strict resettlement perspective important to re-establish livelihoods seamlessly the outgrowers scheme cannot serve as the base option in this RAP and has not been assumed to be so.

However, from a project perspective EcoEnergy has interacted with the PAPs and from a longer perspective they clearly stand a chance to benefit from economic opportunities which the project will provide once operational.

While there are those who hope to get employed either directly or indirectly in the project company or as outgrowers, a large number of them especially women are looking forward to set up small businesses such as hairdressing and eateries to cater for thousands of people who will be attracted to Bagamoyo by the project.

Currently, the main economic activity in the project area is not farming as claimed by Action Aid but charcoal burning. Charcoal burners have expressed their concerns to

health hazards they are exposed to from the heavy smoke that come from charcoal fabrication and they see the project as a great opportunity to provide them with an alternative providing a healthy sustained leaving for themselves and their families.

Will smallholder farmers participating in the outgrower programme incur debt?

Access to finance from financial service providers and banks may be involved, and is necessary to ensure long-term sustainability of the programme. But farmer participation is completely voluntary and, when borrowing does take place, it will be preceded by the development of credible business plans.

IFAD's Bagamoyo Sugar Infrastructure And Sustainable Community Development Programme(BASIC), under which the outgrower scheme is implemented, will facilitate the formulation of bankable business proposals, and will provide equity-financing to cover the incremental cost of machinery and technologies for climate-smart agriculture practiced by IFAD target groups.

Substantial up-front capacity building and a multi-stakeholder participatory planning process to support and mentor farmers about the choices they can make in terms of organization, technology, etc, and to establish their outgrower groups are all being considered under the programme. Throughout the capacity-building process, as well as for the investment and operation of outgrower farms, the principles of Free, Prior and Informed Consent will be adopted.

BASIC proposes a modern business approach that would encourage individual smallholder farmers to reduce their risk by joining together into larger groups or combining their assets. Working together will give farmers clout as well as easier access to skills development, knowledge, technology, financing and market access. But here again, how farmers group themselves and whether they choose to participate is completely voluntary.

The approach of supporting farmers to organize themselves into registered out grower and agribusiness companies with credible business plans linked up with the banking system aims to establish the long-term commercial relationships which underpin good business practices around the world.

The key to financial security for those taking part in BASIC will be in securing and strengthening their land tenure. Families will increase their fungible wealth significantly by holding bankable and tradable titles to their farm land. This alone will become a financial benefit for those who might wish to use their land as collateral or sell it.

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AA could play an important role in being a societal watchdog, highlighting amongst other things, the negative impacts on the most vulnerable made by large-scale investments. For that, we have respect and are on the same page.

AA's current programme specifically highlights the devastating impacts of Land Grabbing on local people and is anxious to find examples to demand a public outcry. Whereas it is certain that 'land grabbing' within their own definition⁷ has certainly been perpetrated in the BEE Project site, they have targeted the wrong project!

- They have been provided with a plethora of archival public documents to demonstrate that selfish individuals have invaded the land and claimed it as their own, employing the overburdened legal system to hold the Project up and frustrate development for over three years. Unfortunately it is easier and more 'believable' for AA to blame the '*big bad corporation*' rather than the less newsworthy, '*national investors from Dares Salaam!*'

What response can one as a responsible investor make when AA has the evidence and have chosen to ignore it?

- As a transparent organisation we have provided them with full access to the consultation process for resettlement, which records the meetings, issues raised, action items, the attendees and their scanned signatures. As this did not appear to fit their agenda, they instead interviewed the site invaders, with whom of course there has been no consultation and there will be no compensation package.
 - What response can one make when they have chosen to breach ethical standards of research and stifle the much-needed development and associated infrastructure, which will improve the lives of subsistence farmers and bring new markets?

Companies have long been subject to public scrutiny, corporate ethical accountability and reputational risks. It is strange that the same does not apply to a NGO like Action Aid, religious institutions and the press, all of which are powerful and important actors in today's world and genuinely shape public opinion. The unethical approach taken by Action Aid to fulfil their own international agenda, discredits the important issues they are trying to raise.

⁷http://www.actionaid.org/sites/files/actionaid/lay_of_the_land_improving_land_governance_to_stop_land_grabs_low_res.pdf

As an Addendum

It should be noted that:

- 'Involuntary' Land Acquisition is a global reality, not pertaining to Africa, Tanzania or the BEE project alone!
- The land earmarked for the BEE investment has never been village land nor had any previous customary title. The site is therefore very suitable for a large-scale development, enabling resettlement to be minimised in line with the basic principles of IFC PS5 – avoid resettlement and if you can't, minimise it!
- There were hardly any people living in the project area when we started to develop the project and the ESIA was done in 2008 and even if some people moved in during 2009-2011 there were still very few people living in the project site at the cut-off date October 2011. The hamlets that did exist are based around the periphery, either close to the River Wami or in the far south. The transient charcoal producers or pastoralists cluster around the various dams.
- All eligible people for resettlement will be resettled according to IFC PS5;
- Barbaig pastoralists have been accommodated within the vulnerable peoples resettlement provisions
- The eligible charcoal producers have been accommodated with jobs and training to replace the environmentally damaging economic activity.
- There have been mass invasions of the Project site after the 'cut of date' perpetrated by opportunists trying to get compensation fraudulently (as is typical in government valuation processes).
 - BEE is advocating that 'due process of law' should be followed to remove them from the Project site;
 - BEE will not engage the invaders in any event, as this is a land for equity deal whereby the Government will provide land free of encumbrance;
 - Under IFC PS5 there is no obligation to compensate invaders to the site after the cut off date. The IFC believes that 'paying or rewarding' invaders would set precedents that Governments cannot meet on future investments and land acquisition.
 - BEE concurs with the IFC and in this case sees it as a real threat against Tanzania truly developing its land potential attaining their middle income status by 2025.

The invaders are transient charcoal producers or part of the value chain, and are not farmers.

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