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RESIST, ENGAGE, CHANGE

Land-grabbed by a South-African company, women farmers in Mozambique protect their land and livelihoods.

SEPTEMBER 2020

5 YEARS

ActionAid's Fair, Green and Global programme: highlights and lessons learned from 8 countries

‘WHY CORPORATE ACCOUNTABILITY MATTERS FOR HUMAN RIGHTS AND WOMEN’S LIVES EVERYWHERE’

Bangladesh • Cambodia • Kenya • **Mozambique** • Netherlands • Uganda • Zambia • Zimbabwe



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MAGAZINE

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INTRODUCTION

In the last decade there has been increased attention for the adverse impact of global trade and corporate conduct on the full realisation of human rights, gender equality and the Sustainable Development Goals.

For many people around the world, global trade and the influx of foreign interest and investment in their countries has meant displacement from their lands, pollution of water and air and human rights abuses. The imbalance of power between communities living in poverty and the multinational corporations taking their land and polluting their water is often stark. Governments oftentimes stand powerless against the might and riches of these corporations. A lack of international legislation to regulate increasingly complex supply chains means these human rights violations by corporations are met with absolute impunity, as they hide behind complex company structures to avoid the consequences for their actions.

The adverse economic and social consequences of the current global economic system are felt, first and foremost, by those who are most marginalised. In particular, they disproportionately affect women. When land is grabbed and families are displaced, for example to make room for a sugarcane plantation or mining activities as we will see in later chapters, it is women who bear the responsibility of sustaining their families and themselves. When tax revenue in developing countries is siphoned off by multinationals' aggressive tax planning and the lenient tax structures of tax havens, leaving less government income available for public services, it is women who take on invisible unpaid care and domestic work.

Governments around the world have made strong commitments to the 2030 Sustainable Development Goals agenda, and to upholding human rights and gender equality. International and national efforts have been made to better regulate corporate conduct and gain insights into corporates' complex and opaque value chains. These efforts have led to the unanimous adoption of standards such as the United Nation's Guiding Principles on Business and Human Rights and the OECD Guidelines for Multinational Enterprises, clarifying the role of governments to protect human rights and those of businesses to respect human rights.



FOR MILLIONS OF PEOPLE, HUMAN RIGHTS VIOLATIONS REMAIN EVERYDAY ISSUES THAT REQUIRE STRUCTURAL SOLUTIONS.

However, for millions of people around the world, corporate human rights violations remain tangible, everyday issues that require structural, long-term solutions. Therefore, the need of communities to be able to resist remains as urgent as ever. In order to realise the Sustainable Development Goals, a strong, international regulatory framework is needed to bridge the governance gap and grant those affected an instrument to finally hold corporations to account and demand justice from their governments.



BY STRENGTHENING COMMUNITIES' CAPACITY AND KNOWLEDGE ON THEIR SOCIO-ECONOMIC RIGHTS, THEY GAIN THE RESILIENCE TO DEMAND A BETTER PRESENT AND EVEN BETTER FUTURE.

ActionAid has seen, over the last 10 years of being part of the Fair, Green and Global Alliance, that when women and communities take matters into their own hands, they can make great gains towards improved corporate conduct and the protection of human rights. By strengthening communities' capacity and knowledge on their socio-economic rights, they gain the resilience to demand a better present and even better future. By supporting communities with obtaining the tools and backing they need to engage in lobby and advocacy strategies, affected communities can fight injustices by holding governments and corporations accountable. The support of the Dutch Ministry of Foreign Affairs to fund and partner on this essential work has been an important asset, to ActionAid and to the communities we serve.

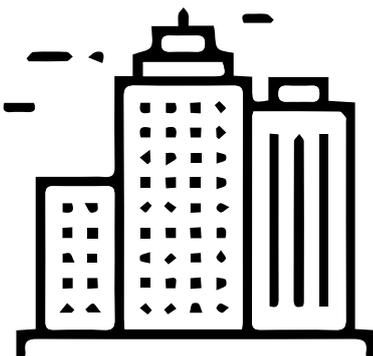
The following pages focus on Mozambique, one of the eight countries in which ActionAid has implemented the Fair, Green and Global programme. The report delves into one case study that portrays the ways in which women and their communities, supported by ActionAid and its partner organisations, have addressed corporate human rights violations.

BOX 1: THE FAIR, GREEN AND GLOBAL ALLIANCE: DIALOGUE AND DISSENT PARTNERSHIP WITH THE DUTCH MINISTRY OF FOREIGN AFFAIRS

Since 2010, ActionAid has been one of six member organisations of the Fair, Green and Global Alliance. ActionAid works together with more than 300 CSOs all over the world to build socially just, inclusive and environmentally sustainable societies. Women's rights are central to all our work. In January 2016, ActionAid began its second five-year programme under the 'Dialogue and Dissent' framework, a strategic partnership with the Dutch Ministry of Foreign Affairs. Within this framework, ActionAid and the other members have worked relentlessly to increase the voice of civil society and strengthen the resilience of communities, their organisations and movements. When addressing poverty and inequality, the Fair, Green and Global Alliance focuses on three interlinked areas of work: **1.** Improved corporate conduct **2.** Improved trade and investment and **3.** Improved tax and financial systems. Corporate accountability plays a pivotal role at the core of these three areas of work.

MOZAMBIQUE

Land remains one of the most important natural resources in Mozambique, where more than three quarters of the population live in rural areas. Around 24% of Mozambique's GDP is attributable to the agriculture sector²⁴, where women make up a sizeable portion of unskilled workers.²⁵



**MOZAMBIQUE BIOFUEL INVESTMENT:
LOBBY & ADVOCACY TOWARDS LOCAL
AUTHORITIES, DIALOGUE WITH
COMPANY, PROTEST**

Favourable conditions, such as an abundance of natural resources and good climatic conditions, make Mozambique an attractive destination for foreign investors, especially those interested in agriculture and minerals. In the early 2000s, Mozambique became one of the top targeted African countries for FDI. Despite its wealth of natural resources and steady stream of revenue flowing into the country, Mozambique remains one of the poorest countries in Africa. On paper Mozambique has a strong regulatory policy framework to regulate land ownership. However, as the national economy is highly dependent on foreign investments, the government has been reluctant to enforce these laws and has let corruption thrive unchecked.

In Mozambique, civic space remains highly constrained. Political corruption is widespread in the country's political class. This makes it easier for corporates to access land unfettered, while being shielded by corrupt politicians. Moreover, NGOs as well as human right defenders are often targeted by the authorities, who actively try to restrain their work. Despite this, ActionAid in Mozambique stands in solidarity with affected communities, while providing training and workshops to women smallholder farmers on agroecology and trade.



**DESPITE ITS WEALTH OF NATURAL RESOURCES
AND STEADY STREAM OF REVENUE FLOWING INTO
THE COUNTRY, MOZAMBIQUE REMAINS ONE OF
THE POOREST COUNTRIES IN AFRICA.**



MOZAMBIQUE BIOFUEL INVESTMENT

Smallholder farmers from Malopa finally recover their land after 12 years.

FACTS & FIGURES

- **Number affected:** 1,590 families (7,950 people)
- **Impact:** loss of land, labour and livelihoods, work exploitation
- **Type of company/sector:** food production, agro-industrial sector
- **Strategy applied:** women's capacity-strengthening, engagement with company management, engagement with local authorities
- **Current status:** closed

WHAT HAPPENED AND WHY?

Malopa is a small village of 1,590 houses in Mocuba district. As in many small villages in Mozambique, agriculture and land work are the main sources of income and food security for most families. In Malopa, there are 12 smallholder farmer associations specialising in different crops such as vegetables, cereals and cassava, together covering a total area of 50 hectares.

In 2007 the Mocuba government allocated South African-owned company Mozambique Biofuel Investment the same land these farmer associations use, in order to produce corn and cassava to brew alcoholic beverages.

In Mozambique the law requires community leaders to consult fellow citizens when leasing out communal land.²⁶ In particular, Free, Prior and Informed Consent from the community is required in order to allow companies to make use of the land. This means that communities have to be consulted in a timely manner prior to the land deal, they have to be informed about possible (negative) impacts of the project, and they must be made to feel like they can say no to the investment, without coercion.

In Malopa, Mozambique Biofuel Investment proceeded with the acquisition without permission from the community. Soon afterwards farmers were barred from using their own fertile land, with an immediate impact on food security. ActionAid has supported the community in addressing the violations of this company.

TIMELINE

2007

South African-owned company **Mozambique Biofuel Investments** is allocated fertile Nadala land in Malopa by the district government.

2016

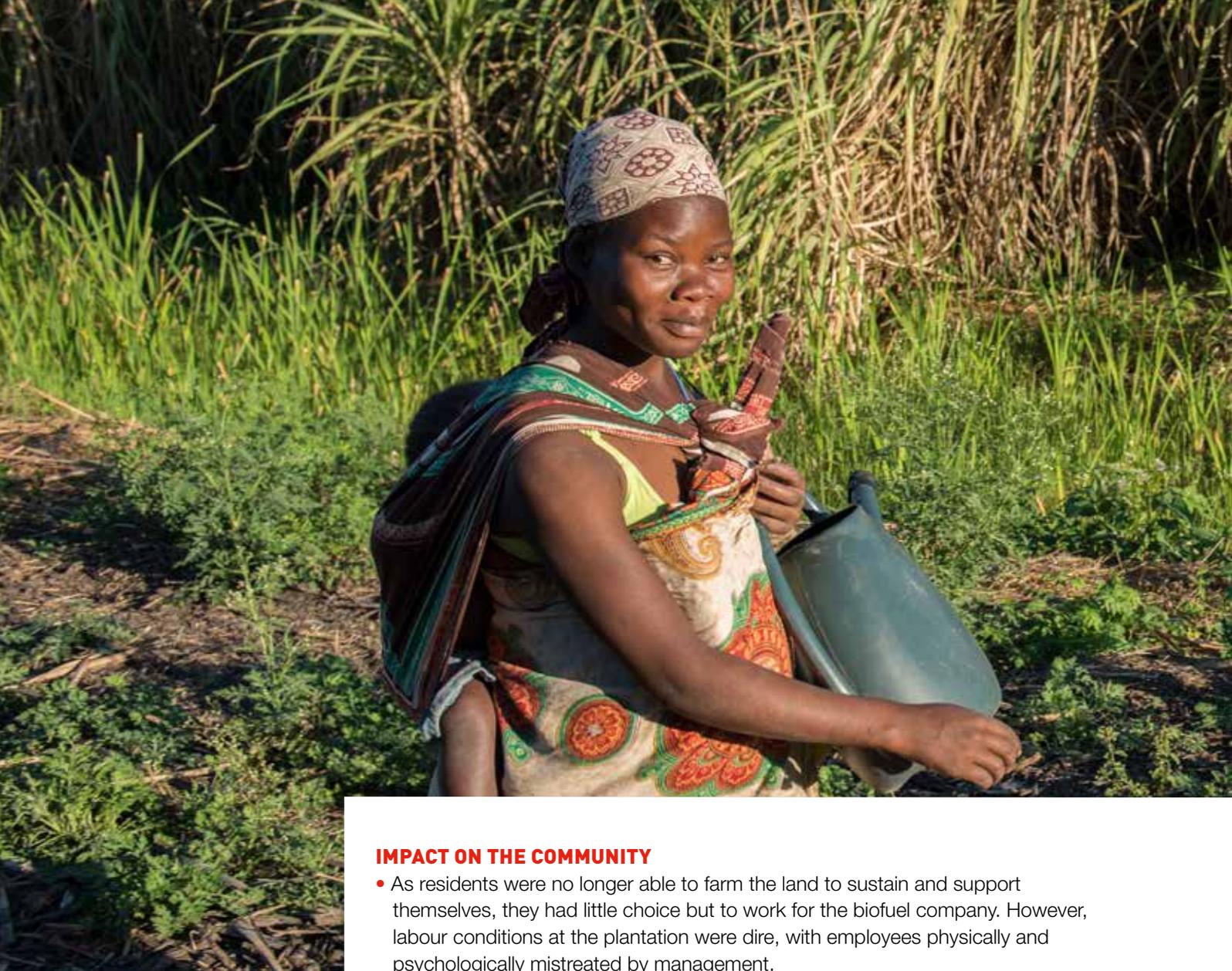
ActionAid's partner CODESA starts **training community** leaders on strategies to fight corporate land grabbing.

2018

After sustained pressure, Mozambique Biofuel Investments promises to provide quality seeds, **build boreholes**, build a health facility and install electricity in the community.

2019

November
The company agrees **to return 12 hectares of land**, provide seeds and assistance, and reinvest 20% of its profits into the community.



IMPACT ON THE COMMUNITY

- As residents were no longer able to farm the land to sustain and support themselves, they had little choice but to work for the biofuel company. However, labour conditions at the plantation were dire, with employees physically and psychologically mistreated by management.
- The company burnt houses in surrounding villages, citing assets being vandalised and produce stolen from the fields as the reason.

- The arrival of the company also had an impact on local infrastructure, as critical roads were closed. The community now lacks space for building much-needed classrooms for their children.
- Women were the most affected as they are the largest number in the communities, more vulnerable and depend mostly on farming as a source of income. For the women of Malopa, losing their land meant losing their livelihoods.

STRATEGY AND RESULTS

In 2016 ActionAid, with its partner CODESA, started training community members on the law and policies relating to land, as well as land and investment laws and the principle of Free, Informed and Prior Consent, in order to enable the community to defend their rights against the company. Through several workshops, communities developed the skills and instruments to address their longstanding concerns with the company, and to effectively negotiate with the management of Mozambique Biofuel Investment.

In the early stages, ActionAid applied a strategy of corporate engagement and attempted to include Mozambique Biofuel Investment in the wider discussions with the community, in order to reach a joint, effective solution. The company was reluctant to address any of the issues, remained unresponsive and did not show up for several meetings.

Therefore, a next step was to engage decision-makers. ActionAid facilitated meetings between the community and the district government and engaged with local officials such as the District Director of Agriculture, in order to pressure the company's management to meet the community's demands. These included access to fertile



land for farming and compensation for community natural resource exploitation by the company – as stated in Mozambican natural resources law, 20% of profits must be returned to community development. Next to a social responsibility by building classrooms for the kids and a health facility where women may deliver babies.

- In 2018, these efforts eventually resulted in Mozambique Biofuel Investment agreeing to meet with community leaders. They also committed to some community demands, such as quality seeds, boreholes for clean water, a health facility and infrastructure for electricity. However, these commitments have not yet been carried out.
- The community once again advocated for their needs with the district authorities to make Mozambique Biofuel Investment more accountable. Representatives of the women smallholder associations played a pivotal role in this engagement, by employing the knowledge they had gained from the training. They publicly protested about the company, stating their fears that, unless Mozambique Biofuel Investment started to comply with the law, they would soon force the women to leave their land.
- Finally, in November 2019, following several advocacy meetings, Mozambique Biofuel Investment decided to return 12 hectares of land to the community. An agreement was reached whereby the company promised to help the community with the cultivation of the land by providing technical expertise and quality seeds. In the signed agreement, the company also accepted its social responsibility towards the community by pledging to re-invest 20% of yearly profits in community development.



HER STORY



Helena Joaquim Cipriano, 39, is a farmer from Malopa. Together with the women of the Olima Obola association, she cultivates an area of one hectare, in which they produce various vegetables, boer-beans and sesame. Her work allows her to provide her eight children and herself with nutritional security. But when Mozambique Biofuel Investment started its operations in Malopa, she and her family lost their land as well as their livelihood.

Helena learned about land law as well as family law. This knowledge allowed her to quickly become an important community activist. She started to mobilise her friends as well as her neighbours. Helena's help was crucial in making Mozambique Biofuel Investment accountable and responsive. Today, she remains a leader in the fight against corporate land-grabbing and violence against women.



HELENA'S HELP
WAS CRUCIAL IN
MAKING
MOZAMBIQUE
BIOFUEL
INVESTMENT
ACCOUNTABLE AND
RESPONSIVE.

LESSONS LEARNED

Corporate accountability advocacy processes often take a long time. It took 12 years for the community to recover even some of the land that was lost to Mozambique Biofuel Investment. By strengthening the community's capacity on laws and policies, and how these can be effectively used to defend human rights, the community was supported to lobby and advocate Mozambique Biofuel Investment to improve their accountability on human rights.

When the company refused to engage, the community knew to change strategies and engage with local authorities, which was key to getting some of the issues resolved and improved relations between the community and the company. Consequently, a key lesson learned is that communities and their organizations should be flexible in order to adapt quickly to a changing context and change strategies accordingly. In this case, trying to engage with the company first before addressing policymakers improved relations with the company in the long term. ActionAid in Mozambique continues to work with the community.

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