

STUDY



Impacts of large-scale agricultural
investments on small-scale farmers
in the Southern Highlands of Tanzania:

A Right to Food Perspective

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Preface to the study



Photo: MISEREOR

➤ As a former German colony, Tanzania is a priority country of Germany's official development assistance. Also MISEREOR, a Catholic development agency, has been funding projects in this East African country since its foundation in 1958. Among other things, the co-operation prioritizes the promotion of sustainable farming, the right to food and the land rights of small-scale farmers.

At the latest since autumn 2012 MISEREOR's partners in Tanzania have been voicing more and more concerns about an increasing presence of foreign investors and land grabbing. In rural areas Tanzanians depend on access to land for their livelihoods: 80 percent of the people live on farming and livestock breeding. Since the food and financial crises in 2007 small-scale farmers have drawn the attention of development actors and the public. However, uncertainty persists over what "recipes" might eradicate hunger and poverty or what agricultural investment models proposed by whom are the most suitable.

In May 2012 Barack Obama launched the New Alliance for Food Security and Nutrition in Africa at the G8 meeting in Camp David, aimed at creating secure framework conditions for private agricultural investments. This G8's New Alliance initiative involved six African countries, namely Ethiopia, Burkina Faso,

Cote d'Ivoire, Ghana, Mozambique and Tanzania, as well as multilateral organizations like the World Bank, the World Food Programme and some of the biggest agribusiness multinationals in the world such as Cargill, Syngenta, Monsanto and Yara.

In Southern Tanzania the New Alliance concept is implemented under the name of Southern Agricultural Growth Corridor (SAGCOT). In a dedicated growth corridor so-called "modern" agriculture is promoted with the help of large-scale private investments that are meant to bring some two million people out of poverty.

This prompted MISEREOR to take a closer look at the much-criticized concept and deal more in depth with the following questions:

- How does foreign agricultural investment impact small-scale farmers?
- Does the SAGCOT concept contribute to reducing hunger and poverty?
- Is SAGCOT a sustainable development concept?
- Yet, most importantly: Does it support or hinder the right to food?

A total of 40 representatives from agriculture, science and politics, from parishes and NGOs, came to the following conclusion in Dar es Salaam in the spring of 2014: "The consultative meeting concluded that the negative impacts of the investment in agro-business in the form of SAGCOT out weight the possible positive impacts of SAGCOT—as is evidenced by the so rife land grabbing and displacement of smallholder farmer's communities in the Southern Highlands.¹

With the present study MISEREOR wishes to provide some orientation about what an effective agricultural policy in Tanzania might look like that strengthens small-scale farmers from a right to food perspective.

¹ Press release of 14 March 2014 by Caritas Tanzania

This study was carried out in the context of a co-operation project (Teaching EcoFair Trade) between the Heinrich Böll Foundation (Germany), Caritas Czech Republic, the University of Stuttgart Hohenheim, the Humboldt University in Berlin (Germany), the Mendel University in Brno (Czech Republic), The Institute for Social Studies in Rotterdam (Netherlands) and the University Louvain (Belgium) and other universities in Europe. The Teaching ECO-FAIR initiative aims at enshrining the right to food approach in the research and teaching activities of European universities.

The concrete aims of this case study are:

- To shed a light on the complex interrelationship between the right to food and agricultural investments;
- To strengthen the right to food approach by applying the minimum principles developed by the former UN Rapporteur Olivier De Schutter; and

- To promote the exchange of information between researchers and the civil society and shift the discussion by adding the views of the affected people about the “right way to reduce hunger”.²

MISEREOR wishes to point to the fact that the corporations Olam Tanzania Limited, Sao Hill Industries, Montara Continental and The New Forests Company, that are the subject of criticism in this study, have been given the opportunity to defend themselves against the accusations. Their responses are included in the annex.

The present study was sent to all Members of the Tanzanian Parliament and presented to the Tanzanian government. It will also be used for lobbying and PR purposes regarding the G7’s New Alliance in Tanzania, Germany, Europe and the United States, the country in charge of SAGCOT.

We would like to warmly thank the authors of this study. Without the tireless work of the research team of the International Institute of Social Studies in The Hague, Hanna Twomney and Christina M. Schiavoni, and Prof. Benedict Mongula of the University Dar Es Salaam, the present results would not have been achieved. In addition, we would like to thank all organizations that were involved in the study and the responsible persons in Tanzania.



Pirmin Spiegel
Director General



² Under the “Securing the Global Food Supply” (GlobE) initiative, funded by the German Federal Ministry of Education and Research, a consortium of seven German research institutions, two international agricultural research centres and seven Tanzanian institutions are currently examining the question how to improve the food security in Tanzania. Securing the global food supply is also a central aim of the German National Research Strategy BioEconomy 2030.



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➤ There are a number of people and corresponding organizations to whom we must express our deepest gratitude for helping to make this research a reality.

We would like to thank those at MISEREOR, particularly Kerstin Lanje, Iris van Wickern, and Yvonne Pankert, among others, for providing the institutional support, editing, and drive to conduct this research. In the current context of an increased focus on agricultural investment, MISEREOR has recognized the importance of understanding the impact of these investments upon small-scale farmers.

We must also acknowledge MISEREOR for connecting us with MVIWATA (Mtandao wa Vikundi vya Wakulima Tanzania), the National Network of Farmers Groups in Tanzania, without whom this report would not have been possible. In particular, we would like to thank MVIWATA Ruvuma, including Frank Ademba, Denis Mpagaze, Laika Haji, Rachel Terry, Bigambo Ladslaus, and Bahati Fungafunga. MVIWATA Ruvuma played a crucial role in exposing us to the complexity of this subject matter, as well as negotiating access into the villages themselves, and arranging for transportation, interpretation, and much more. We cannot thank them enough!

Importantly, we owe our sincerest gratitude to the small-scale farmers that agreed to partake in our research, sharing both their time and personal stories with us. We hope that this report will provide insight into the realities of those interviewed in order to improve their lives.

In addition, we would like to thank the many other individuals that shared their time with us, including Olivier De Schutter, Paul Chilewa, Josephine Dungumaro, Father Makombe, Sister Sabina, Brito Mgaya, Georgina Mbawala, and Welmoed Rijpkema of Caritas Tanzania, Jordan Gamma of the Tanzania Organic Agriculture Movement (TOAM), Marc Wuyts and Blandina Kilama of REPOA, members of the organizations Muvi, Recordia, and CAST in Ruvuma, the Songea District Commissioner Joseph Mkirikiti, and Samuel Darkwah of Mendel University.

Finally, we would like to give a special thanks to Frank Ademba of MVIWATA, Kerstin Lanje of MISEREOR, and Jun Borrás of the International Institute of Social Studies for their ongoing support in the drafting of this report, and at all stages of this project.



Abbreviations

AGRA	Alliance for a Green Revolution in Africa
CAADP	Comprehensive Africa Agriculture Development Programme
CESCR	Committee on Economic, Social and Cultural Rights
FAO	United Nations Food and Agriculture Organization
G8	Group of Eight
ICESCR	International Covenant on Economic, Social and Cultural Rights
MVIWATA	Mtandao wa Vikundi vya Wakulima Tanzania (National Network of Farmers Groups in Tanzania)
NGO	Non-governmental organization
SAGCOT	Southern Agricultural Growth Corridor of Tanzania
TOAM	Tanzania Organic Agriculture Movement
Tsh	Tanzanian shillings
UN	United Nations
USAID	United States Agency for International Development
WEF	World Economic Forum

Executive Summary



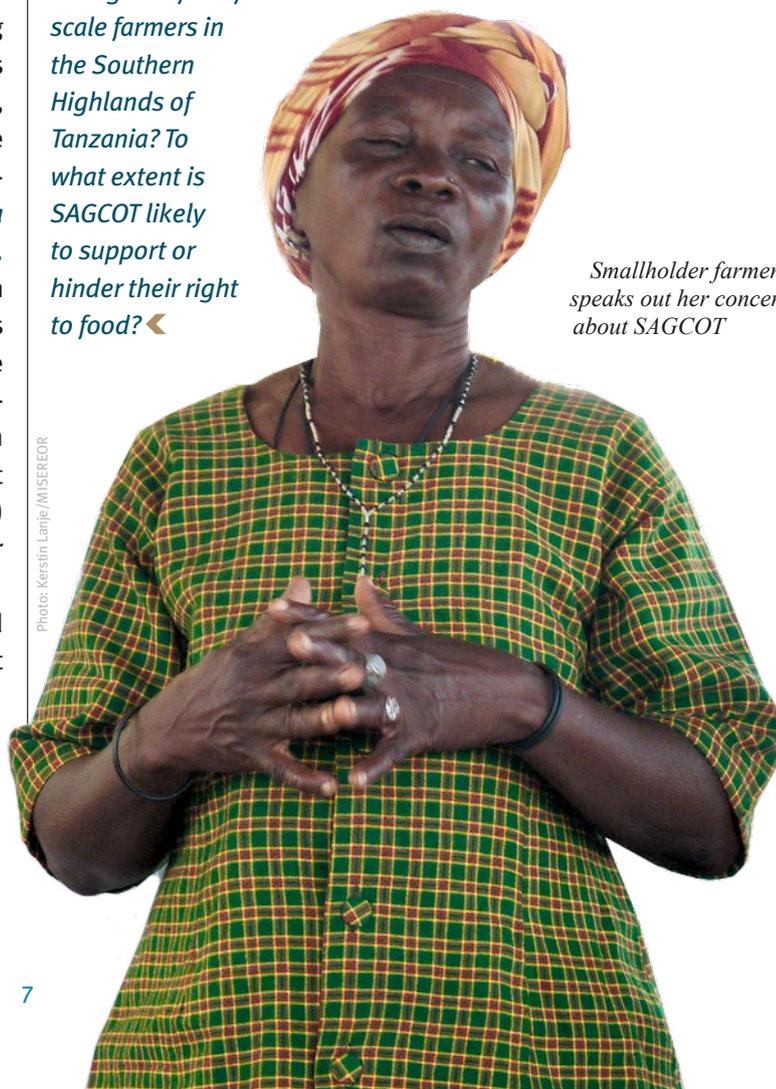
Agricultural Investment through a Right to Food Lens

➤ This study employs a right to food framework to examine the impacts of large-scale investment on small-scale farmers in the Southern Highlands of Tanzania. The context for this study is increased interest in agricultural investment by a diversity of actors globally, particularly following the food and financial crises of recent years. Of particular note are a growing number of large-scale agricultural investments by the private sector, often involving the acquisition of large tracts of land. While such investments are frequently carried out for the ends of improving food security and reducing poverty, increasingly, they are implicated in contributing to a global rush on farmland that is in fact exacerbating food insecurity and poverty among small-scale food producers, who comprise the majority of the world's hungry (De Schutter 2011a).

The continent of Africa is at the epicenter a growing number of agricultural foreign investment initiatives by some of the world's most powerful governments, corporations, and funding institutions. Among these initiatives is the Southern Agricultural Growth Corridor of Tanzania (SAGCOT), which covers *a total area of approximately one-third of mainland Tanzania*, extending from the port of Dar es Salaam through the Southern Highlands of Tanzania to the borders of Zambia and Malawi (SAGCOT 2011). Backed by the G8 through its New Alliance for Food Security and Nutrition, SAGCOT aims to facilitate the rapid expansion of private agricultural investment in the region. As at least six additional African countries (and counting) are being considered for the development of similar growth corridors.

Given that initiatives like SAGCOT are widely touted as a means of addressing food insecurity and poverty, it is important that they be assessed against, and held to, these same goals. The need for such an assessment is an underlying motivation of this study. One effective lens for such an analysis is that of the right to food. According to the UN Committee on Economic, Social, and Cultural Rights (1999), *'The right to*

adequate food is realized when every man, woman and child, alone or in community with others, has physical and economic access at all times to adequate food or means for its procurement.' Among the strengths of a right to food approach is that it is grounded in an internationally recognized, legally binding framework and that it prioritizes the needs and realities of those most vulnerable to hunger and poverty. Furthermore, it challenges us to look beyond production-based models as sole solutions to hunger. By using such an approach to assess current and proposed agricultural investment activities, this report aims to shift the conversation, in a tangible and concrete way, to the on-the-ground outcome of food access for small-scale farmers. Specifically, the following questions are addressed: *How does large-scale agricultural investment impact the right to food for small-scale farmers in the Southern Highlands of Tanzania? To what extent is SAGCOT likely to support or hinder their right to food?* ◀



Smallholder farmer speaks out her concerns about SAGCOT

Photo: Kerstin Lanje/MISEREOR

Data Collection and Analysis

➤ The bulk of the research informing this study took place within the Tanzanian regions of Ruvuma and Iringa, as well as in Dar es Salaam, over a two-week period in March 2014. In order to assess the positive and negative impacts of large-scale agricultural investment on the right to food, a variety of qualitative research methods were used, including semi-structured interviews, focus group discussions, and document analysis. Given the focus on the impact of large-scale agricultural investments on the right to food, four villages were selected that were proximally situated near large-scale agricultural investment projects, within areas slated for investment through SAGCOT. The majority of the interviewees (108 out of 124) were small-scale farmers, and the others were NGO representatives and a government official.

For the data analysis, a framework was developed based on two main channels through which the right to food may be exercised or violated: 1) *through control over production and sale of food* and/or 2) *through control over the food purchasing process*.

Control over production and sale of one's food, we argue, is in turn shaped by three main factors:

- *Access to/control over productive resources* (e.g., land, water, labor);

- *Access to/control over inputs and supports for production* (e.g., credit, training, technical assistance, fertilizers, equipment); and
- *Access to/control over markets and prices* (e.g., infrastructure such as roads, storage facilities, training centers, and community market spaces, as well as fair pricing mechanisms).

Control over the food purchasing process, we argue, is influenced by two main factors:

- *Availability and accessibility of adequate, diverse/healthy food for sale* (i.e., that a sufficient stock of food is physically present, available for purchase locally, and affordable); and
- *Access to living wages* (in order for laborers to be able to purchase sufficient food for a healthy diet, while also meeting other basic needs).

It bears noting that is not an exhaustive list of factors. Furthermore, one channel does not preclude use of the other; in reality, small-scale farmers often access food through combinations of both. It is also important to note that, as farmers lose control over feeding themselves through their own production, they may become more heavily reliant upon accessing food by purchasing it with income generated.

Findings

➤ 1. Control over production and sale of food

Access to/control over productive resources – particularly land – was the most defining factor shaping farmers' capacity to access food by growing and/or selling their own produce. As a result of not being able to access essential productive resources, there has been a reduced capacity to grow food, which has also limited the amount of saleable surplus produced. This has negatively impacted the realization of the right to food, as control over farmers' own production and sale has been constrained. According to the findings, among the greatest threats facing farmers is pressure over land exacerbated by the large-scale investments examined in this study. As large-scale land acquisitions by (primarily foreign) private in-

vestors are a major component of SAGCOT, it can be expected that land pressure will continue to intensify under SAGCOT. Of particular concern is the strategy, central to SAGCOT, of clustering multiple investment projects in close proximity to one another, given what was witnessed in two out of the four villages examined with regard to land access. In both cases, being surrounded by multiple investment projects severely limited prospects for small-scale farmers to be able to grow their operations and for the next generation to access land, potentially jeopardizing the right to food in the future. Perhaps even more significantly, close proximity of multiple investment projects had severe consequences in blocking off access to communally shared productive resources critical to the



Figure 1: Tanzania and the Ruvuma and Iringa region

right to food such as grazing areas, water sources, and foraging areas, with a disproportionate impact on women.

2. Control over the food purchasing process

We found that earning a living wage was the most influential factor in shaping farmers' control over the purchasing process, and thus over how they accessed food through this channel. We encountered several problems that limited people's access to living wages, including: 1) the amount of payment people received; 2) the conditions of employment

(both the type of contract and the work environment); 3) the timing at which they received these payments; and/or 4) the number of adequate income-generating opportunities within the vicinity. While the proposed 'outgrower' schemes of SAGCOT are premised on the ability of small-scale farmers to continue working on their own farms, they are also premised on these being connected to larger operations, i.e., 'nucleus farms' as well as processing and distribution facilities (SAGCOT 2011), that will inevitably require local labor. Among the stated goals of SAGCOT is the creation of 420,000 employ-

ment opportunities, but little detail is provided as to the nature of these opportunities or the regulatory framework in place to ensure living wages and fair working conditions are guaranteed. In order for the employment generation efforts of SAGCOT to support the right to food, those maintaining their own operations would need to be guaranteed fair prices, and those working on plantations and other wage-labor jobs would need to be guaranteed living wages. Of particular concern is that a recent SAGCOT partner was identified by interviewees as having problematic labor practices, which were also acknowledged by a local official; , this does not bode well in terms of the other employment opportunities created through SAGCOT. Employment creation in and of itself will not address food insecurity and poverty if it does not guarantee living wages and other social benefits. An analysis of our findings indicated that the right

to food violations are the result of a particular policy environment and a particular type of investment that combine in ways that exclude small-scale farmers. Three elements in particular have defined the existing policy environment in a way that adversely affects the right to food: 1) the issue of who represents small-scale farmers within the political/policy sphere; 2) the policy decision to neglect social service provision in rural areas, thereby significantly reducing farmer's negotiating power and making investor's promises to deliver such services sound appealing; and 3) the policy decision to large-scale, often foreign, investments on land which seek to incorporate small-scale farmers into the wage-labor economy. This thickly woven public-private exclusionary alliance is held together by mutually turning a blind eye to their respective responsibilities. ◀

Conclusions

► Based upon our research, it appears that the arrival of investors and the subsequent loss of resource access have led small-scale farmers to shift toward the wage-labor economy. In such scenarios, food needs should be accessed through the second channel listed above, specifically through income-generating activities. However, the breadth of options, job security, as well as timing and amount of pay for such activities investigated are highly questionable. This closing off of both channels has left people in a precarious food situation, with limited means to access food through their own production or through purchase, resulting in violations of the right to food.

In examining SAGCOT through a right to food lens, there is little indication that SAGCOT will alter the precipitating conditions and patterns of investment that enable right to food violations; if anything, it is poised to perpetuate and further institutionalize them. At the crux of the matter is that the poverty alleviation and food security goals of SAGCOT appear to be premised on a number of questionable assumptions. These include that the challenges faced by small-scale farmers can be addressed through boosted production and linkages to larger operations in order to reach regional and international

markets. However, boosted production and market linkages will do little to help small-scale farmers if they do not have adequate bargaining power and the ability to defend their rights, including the right to food, supported by regulatory frameworks that are adequately enforced by the state. To reiterate the basis of the right to food, as stated above, all people must be able to directly produce food for themselves and their families and/or have sufficient income to purchase food (given that it is available, accessible, and adequate). Proper protections do not appear to be in place under SAGCOT (or more generally, in the current policy environment in Tanzania) to ensure that the most basic conditions necessary for realizing the right to food are in place.

Finally, we argue that if SAGCOT were to be carried out in such a way that supported the right to food it would need to come from a very different starting point. That is, it would need to be grounded in the realities and needs of the small-scale farmers it is purported to support. This missed opportunity, among the other concerns cited, is paving the way for serious violations of the right to food, and multiple steps backward in efforts toward the fulfillment of this fundamental right. ◀

1. Introduction



1.1 Context of the Study: Agricultural Investment and the Global Land Rush

► The convergence of the food and financial crises in recent years has shifted the development agenda in ways that reprioritize food and agriculture. Implicit within this shift is the presentation of agricultural investment as a solution to global poverty and hunger by various governments, international financial institutions, UN agencies, development organizations, civil society, and private actors (Wise and Murphy 2012). Yet the quote (see right side) – taken from a small-scale farmer in Tanzania several years after the development of a nearby coffee plantation – challenges the depiction of agricultural investment as a social ‘cure all’ with the capacity to eradicate poverty and ‘feed the world,’ and instead presents another story concerning the impact that certain forms of agricultural investment are having upon small-scale farmers, and what this means for their ability to feed themselves.

Prescribing agricultural investment as a societal panacea has been made possible by the private sector’s growing interest in farmland as a ‘safe’ and lucrative investment option, (in contrast to the more volatile stock market and other traditional investment options) (Fairbairn 2014; Clapp 2014). While many see this infusion of funds into food and agriculture as a welcome development, particularly in the aftermath of the devastating food price crisis of 2007-2008, the nature of the investments taking place – and their impact upon small-scale farmers and the right to food – is subject to much controversy. It is important to distinguish here the type and vision of investments that are occurring. Former UN Special Rapporteur on the Right to Food Olivier De Schutter (2011a) points out that, at present, the majority of private investment in agriculture is being allocated toward the creation of large-scale plantations, a trend which has profound implications for local economies, social relations, ecosystems, and importantly, how communities access necessary resources. Consequently, large-scale private investment in agriculture has been implicated as a key driver of a global rush on farmland, impacting small-scale farmers in a variety of ways that range from inhibiting their ac-

cess to necessary resources, to outright dispossession and displacement, and with differentiated impacts (Borras and Franco 2013). In the process, and with variations in severity, the resource base upon which small-scale farmers depend for their livelihoods and for feeding themselves is being strained.

“Life is now worse than it was 10 years ago. The investor has taken all the manpower of the village. Instead of producing for the village, we now produce for investors, so life in the village is worse. Access to food is now worse.”

Farmer in Lipokela | *Songea Rural District*

Given that large-scale agricultural investments are being widely touted as a means of addressing food insecurity and poverty, it is important that they be assessed against, and held to, these same goals. As the majority of the world’s hungry are small-scale farmers (De Schutter and Cordes 2011), there is a need to critically examine how large-scale investments will impact the ability of small-scale farmers to feed themselves. Small-scale farmers should thus be at the center of this analysis.

One effective lens for such an analysis is the right to food perspective, which looks at both the physical availability of food and access to the means of production. By using a right to food lens to assess current and proposed agricultural investment activities, this report aims to present a tangible and concrete way of shifting the conversation to the on-the-ground outcome of food access for small-scale farmers. In other words, this report is concerned with the impact of

large-scale agricultural investments upon small-scale farmers, specifically from a right to food perspective. This report will thus apply a right to food approach to the case of Tanzania, where a controversial large-scale agricultural investment initiative (SAGCOT) is taking place in the hopes of being widely replicated throughout the continent.

1.2 Selection of Case Study

► The concern over the impacts of agricultural investment is particularly pertinent in Africa – currently an epicenter of private investment in agriculture – due to how the continent has been presented as possessing an abundance of available land and labor, untapped markets, and other assets attractive to investors (McKeon 2014). According to the World Bank (2013: 2):

Africa represents the “last frontier” in global food and agricultural markets. It has more than half of the world’s uncultivated but agriculturally suitable land and has scarcely utilized its extensive water resources. As Africa’s population, incomes, and cities grow and spur the development of domestic markets, the prospects for agriculture and agribusiness will be better than ever – if Africa can achieve competitiveness. The emergence of dynamic, competitive industries based on agriculture will be central to meeting Africa’s outsized employment and food security challenges.

Africa has thus become the target of a growing number of agricultural foreign investment initiatives by some of the world’s most powerful governments, corporations, and funding institutions, ranging from the Gates and Rockefeller foundations’ Alliance for a Green Revolution for Africa (AGRA) to the World Economic Forum’s Grow Africa initiative (McKeon 2014). Among the most recent is the New Alliance for Food Security and Nutrition of the G8, launched in 2012 and signed by Tanzania, Burkina Faso, Ghana, Ethiopia, Mozambique, Cote d’Ivoire, and newly joined by Nigeria, Benin, Malawi, and Senegal (Feed the Future 2014). In aligning the interests of the G8, African governments, and agribusiness corporations, the New Alliance promises to consolidate and speed up large-scale investment



Photo: Christina M. Schiavoni

Worker beginning a long walk home from Olam-Aviv plantation, Lipokela

across Africa, with the stated aims of boosting agricultural production and reducing poverty and food insecurity (McKeon 2014). One of the key strategies for doing so is through the creation of ‘agricultural growth corridors,’ which encompass entire geographic regions as opposed to a single tract of land (ibid).

Tanzania was among the first three African countries to be involved in the New Alliance for Food Security and Nutrition and is the second country in Africa (after Mozambique) where an ‘agricultural growth corridor’ has been initiated (Paul and Steinbrecher 2013). The Southern Agricultural Growth Corridor of Tanzania (SAGCOT) covers a total area of approximately one-third of mainland Tanzania (SAGCOT 2011), extending from the port of Dar es Salaam through the Southern Highlands of Tanzania to the borders of Zambia and Malawi. According to SAGCOT materials (SAGCOT 2011), the area of the Corridor consists of approximately 30 million hectares, of which 7.5 million hectares have been classified as arable land; reports estimate that 2.1 million hectares are currently under cultivation.¹ In line with the New Alliance, the stated goal of SAGCOT is to ‘benefit the region’s small-scale farmers, and in so doing, improve food security, reduce rural poverty and ensure environmental sustainability,’ (SAGCOT 2015). Yet, SAGCOT has been met with criticism both inside

¹ As this report shows, however, estimates of land use often fail to account for uses such as livestock grazing, foraging, conservation, reserves for future generations, etc., so 2.1 million hectares could easily be a low estimate for the amount of arable land in the SAGCOT area currently under use or allocated for future use by inhabitants.

and outside of Tanzania (McKeon 2014). As at least six additional African countries (and counting) are being considered for the expansion of growth corridors (Paul and Steinbrecher 2013), it is important to learn from the experience of SAGCOT in Tanzania.

Therefore, as Tanzania has been heavily targeted by donor countries and the private sector for rapid expansion of large-scale agricultural investment, this report will utilize Tanzania as a case to examine the impacts of agricultural investment, with a particular interest in SAGCOT, as it currently unfolds. Importantly, the context in which SAGCOT is being implemented is a

context typical of many other African nations in which agriculture is the primary economic sector, with 80 % of the population engaging in subsistence farming (World Food Programme 2014; IFAD 2014). Yet simultaneously, ‘an estimated 1 million people are food insecure while 42 percent of households have inadequate food’ (IFPRI 2012). Given its position as a primary target for agricultural investment on the continent combined with the fact that its population is characteristic of many African nations that are investment targets, Tanzania has been selected as an exemplary case study that has wide-reaching implications.

The Political Economy of Food, Land and Agriculture in Tanzania

➤ As issues of food, land, and agriculture have figured centrally in Tanzania’s economy, culture, and politics throughout history and up into the present, it is essential that any investigation of agricultural investment in Tanzania be grounded in such a context. While detailed accounts of Tanzania’s agrarian history have been given elsewhere (see, for instance, Shivji 1976; Bernstein 1981; Havnevik 2010, Bryceson 2010; and Skarstein 2010) and are beyond the scope of this report, here we will briefly highlight several important historical conjunctures whose influence has shaped Tanzania’s agrarian structure today: colonization, state-led development post-independence, and economic liberalization.

From 1885 until 1961, Tanzania underwent two successive waves of colonization, first by Germany and then by Great Britain. Rwegasira (2012: 31) notes that the earliest forms of ‘land grabbing’ in Tanzania were carried out by the colonial administration, which ‘completely ignored the rights of the native people who occupied their traditional lands under their respective native laws and customs prior to colonial intrusion.’ This dramatic shift in control over land was coupled with shifting land use patterns and relations of production, as agriculture was oriented towards supplying the colonial project with raw agricultural goods,

both through the creation of colonial plantations and the commoditization of peasant agriculture (i.e., an emphasis on production of cash crops) (Rwegasira 2012; Bernstein 1981). As Havnevik (2010) stresses, such structures and power imbalances resulting from the colonial legacy provide

“The truth is said so often that people forget it... Yet it remains true. Agricultural progress is indeed the basis of Tanzanian development – and thus of a better standard of living for the people of Tanzania.”

Julius Nyerere | 1965²

a backdrop shaping the subsequent political and economic choices made by leaders of the Tanzanian state following independence.

continued on page 14

² Nyerere’s speech at the Morogoro Agricultural College, 18 November, 1965, cited in Bryceson (2010: 72).

continuation from page 13

The Political Economy of Food, Land and Agriculture in Tanzania

When Julius Nyerere, the first president of Tanzania (then Tanganyika) and widely known as the ‘father of the nation,’ assumed power in 1961 following the struggle for independence, he identified rural development via agricultural modernization as a key priority for national development. This effort was to be driven by the state, under the paradigm of ujamaa, based on ideals of socialism, self-reliance, and equality. One key strategy at this time was nationalization, in which the state assumed responsibility over agricultural production and distribution, from the supplying of inputs to the purchasing and distribution of goods. This was carried out through a variety of government agencies and parastatal enterprises, including state farms, marketing boards, research bodies, crediting agencies, and input suppliers, a number of which traced their origins to colonial entities (Bernstein 1981). Another, related strategy was villagization, through which rural people were relocated, at first voluntarily and later through the use of force, from scattered settlements into organized, nucleated villages. Stated motivations for the villagization process included facilitating the provision of inputs, technical assistance, social services, and other forms of support by the government, as well as fostering self-help and self-reliance among villagers (Havnevik and Isinika 2010; Bryceson 2010). During this period, land was considered a common resource to be shared among all those who worked it, under the jurisdiction of the president.

In the midst of the villagization process, in 1973, the first international oil shock occurred, initiating a chain reaction that, together with other external as well as internal pressures, wreaked economic havoc on Tanzania’s economy and spelled the eventual decline of both state-led development and “Ujamaa Villages” in Tanzania (Bryceson 2010).³ By the early 1980s, conceding to mounting pressure by the International Monetary Fund, the Tanzanian government underwent structural adjustment and related measures,

ushering in a period of economic liberalization which persists to the present. This has involved a substantial withdrawal of state support for and involvement in agriculture, as well as a withdrawal of state support from social services and infrastructure that had been central to the ujamaa vision. Simultaneously, the private sector has been ushered in to help fill some of these gaps. Such measures have been supported by a host of national policies and initiatives – one of the more recent of which is Kilimo Kwanza (Agriculture First), which emphasizes increased private sector involvement in agriculture. Furthermore, the Land Act and Village Land Act of 1999 provide a legal framework through which land may be transferred from village control to the central government, to private investors (Rwegasira 2012). The drive toward privatization is further bolstered by international initiatives and agreements such as the Alliance for a Green Revolution for Africa (AGRA), the Comprehensive Africa Agriculture Development Programme (CAADP), and the New Alliance for Food Security and Nutrition, among others.

Today, the Tanzanian government is seeking to attract strong interest of private investors by presenting its land as an abundant resource, facilitating individualized land titles for private actors, and encouraging public-private partnerships. This is leading to mounting concerns over land grabbing in the name of food security, energy security, carbon sequestration, conservation, and tourism, among other interests (Locher and Sulle 2014; Massay and Kassile 2014; Gardner 2012; Benjaminsen and Bryceson 2012). In examining and addressing these present challenges, it becomes apparent that some seemingly new trends are not new altogether, but rather are part of an historical pattern.

³ It bears mentioning that there are many competing interpretations of Nyerere’s ujamaa policies, particularly as regards to their strengths and shortcomings, their degree of success, and the reasons behind their eventual decline. Havnevik (2010) provides a helpful framework for understanding and analyzing various competing interpretations.

1.3 The Main Debates: Investment for and by Whom?

► In examining agricultural investment in Tanzania, it is helpful to have a general understanding of the broader debates pertaining to agricultural investment. As mentioned above, the developments of recent years have put food and agriculture back on the agenda, with general agreement by a diversity of stakeholders on the need for greater investment in food and agriculture. Furthermore, there is widespread acknowledgment that small-scale food producers should be at the center of such investment efforts, as emphasized, for instance, in the World Bank's (2007) World Development Report 2008: Agriculture and Development and in more recent reports by the UN (HLPE 2013). Beyond these basic points of consensus, however, is intense debate over what investment in agriculture actually means – what form it should take; who should be driving it (particularly what the role of the state should be within the process); how it should be implemented; and what the desired outcomes are. The crux of the matter is that the lens through which one understands the political economy of agriculture directly shapes the goals, visions, and outcomes of agricultural investment, as well as the debates surrounding it.

One of the most fundamental points of debate concerns what is recognized as investment (Kay 2014). As mentioned above, the most widely recognized form of investment at present is large-scale investment coming from the private sector. This form of investment tends to be associated with the belief that boosted production through technological advances will ensure an abundance of cheap, efficiently produced food in order to meet growing food security demands both nationally and internationally (World Bank 2013). 'Feeding the world' is best done through efficient, vertically integrated systems combining increased production via input-intensive industrial agriculture with the smooth flow of commodities across the global market via an agro-export model (ibid). Industrial agriculture is the preferred agricultural model, with 'improved' seeds and other technological inputs provided by the private sector. Therefore, the targets of investment are generally land and technology, while farmers are mainly looked upon as a source of labor (De Schutter 2011a; Li 2009). As such, a goal



Photo: Jörg Böhling

Industrial farming

is to commercialize and more fully integrate farmers into global value chains by linking them with larger growers and distributors or by transforming them into laborers (World Bank 2007, World Bank 2013). The role of the state is seen as creating an environment that facilitates interaction between private investors and both small-scale farmers and large-holders.

In contrast, others, particularly from within civil society, make the case that small-scale producers are the ones who are mainly responsible for 'feeding the world,' for example, feeding upwards of 80 % of the population in Asia and Sub-Saharan Africa (ETC 2009), and that this is achieved largely through their own investments (McMichael 2014). Thus, a significant but often overlooked form of investment in agriculture are the multiple investments made by farmers themselves, for instance, as they 'maintain soil fertility, select and reproduce seeds and breeds, nurture their lands, forests, eco-systems and water sources, build production, processing and storage infrastructure, share/provide skilled labor, and generate knowledge essential to building resilience to natural disasters and climate change' (CSM 2014: 2).

From this perspective, any additional investment in agriculture should therefore be consistent with the existing efforts of small-scale food producers to foster diverse and thriving local, regional, and national food systems as well as meeting both the needs of urban and rural populations. This view not only values and recognizes the contributions of small-scale farmers, but also protects their right to remain on their land, as opposed to being integrated into the wage-labor economy. The state is called upon to play a proactive role in crafting and implementing public policy toward these ends. Without such intervention, there is the concern that investment in agriculture could end up exacerbating rather than reducing hunger, poverty, and inequality.

In each of the above investment paradigms, the state is recognized as having a role to play in agricultural investment, but is called upon to act in different ways. Historically, the state has tended to play an important role in agricultural investment, for instance in the form of public extension services, subsidized inputs, access to credit, domestic price supports, national marketing boards, and public in-



Photo: Kerstin Lanje/MISEREOR

Farmer proudly shows off his household plot in Lipokela

set of actors that includes the private sector on one end of the political spectrum and social movements on the other. The role of the state is therefore contested within investment debates, and it must be recognized that state actors are not neutral actors in these debates. Understanding that state actors have a choice as to what sorts of agricultural investment they support is important for this analysis.

Awareness of these debates is of value for understanding the ways in which investment is thought about and categorized. For example, the main points of contention above revolve around *who* is doing the investing (i.e., whether investment is private, public, farmer-led, or some combination of the three, as in ‘public-private partnerships’ or what Kay (2014) describes as ‘public-peasant investment synergies’) and *what* they are investing in. While the source of investment need not determine the type of investment, often the two go together. Furthermore, exploration of these debates highlights a second point, which is that not all forms of investment hold equal status, as currently the political environment is skewed in a way that automatically assumes private investment to be *the* form of investment. Thus, references to agricultural investment, unless otherwise specified, tend to be referring to private sector-led investment by default.⁴ Needless to say, these competing approaches to investment are reflected in competing approaches both on the ground and in policy spaces. With so much at stake, exploring how this debate plays out in practice through an empirical case study is among the motivations of this study.

⁴ For the purposes of this report, we use the term ‘investment’ as it is conventionally used, while recognizing that this is a contested concept.

“Each farmer is investing. Farmers should be taken as investors – they are investing in their land, they are investing time, energy, and resources. So they should be respected as local investors or national investors.”

Jordan Gamma | Tanzania Organic Agriculture Movement

vestment in rural infrastructure (Kay 2014). Much of this public investment in agriculture was dismantled or significantly reduced, however, through structural adjustment policies of the 1980s and 90s. Today, in the current resurgence of interest to invest in agriculture, the state is again being called upon. However, it is no longer being called upon as *the* prime actor in investment, but is instead part of a more complex

1.4 Objectives and Outline of the Report

► While this report does not seek to resolve the ongoing debates around agricultural investment, it does have a number of relevant objectives. Firstly, it aims to offer a way forward from the current debates by presenting a *right to food approach* to analyze the impacts of agricultural investment. Specifically, this report applies a right to food approach to the case of Tanzania, addressing the following questions: *How does large-scale agricultural investment impact the right to food for small-scale farmers in the Southern Highlands of Tanzania? And to what extent is SAGCOT likely to support or hinder their right to food?*

The sections below will begin with an explanation of the definition, elements, and benefits of the right to food approach. Thereafter, as a secondary objective, it will develop a conceptual framework – comprised of several key factors that influence the right to food – in order to tangibly identify what makes right to food violations possible. This conceptual framework will then be applied to the case study to assess the positive and/or negative impacts of large-scale agricultural investment on small-scale farmers. By using this framework, the third objective will be to

project what the future impacts of SAGCOT upon the right to food of small-scale farmers in the Southern Highlands of Tanzania may be. This will be done based upon identifying patterns of investment and analyzing documents. In other words, it will examine the extent to which SAGCOT challenges or reinforces the patterns that make right to food violations possible and the potential impact this may have upon small-scale farmers' right to food.

Through our research, we found that the way in which the right to food plays out on the ground for small-scale farmers is shaped first and foremost by the policy environment and thereafter by the nature of investment. Given this, the report draws two main conclusions concerning SAGCOT. First, there is little indication that SAGCOT will alter the precipitating conditions and patterns of investment that enable right to food violations; if anything, it is poised to perpetuate and further institutionalize them. Furthermore, as it is currently designed, there is little to no evidence that SAGCOT will support the Tanzanian state and civil society in actively fulfilling the right to food.

2. The Right to Food



2.1 Defining and Situating the Right to Food

► As the foundation of this report, this section will define the basis and elements of a right to food approach. Firstly, what is the right to food? According to the UN Committee on Economic, Social, and Cultural Rights (CESCR) (1999) General Comment 12, '*The right to adequate food is realized when every man, woman and child, alone or in community with others, has physical and economic access at all times to adequate food or means for its procurement.*' Former UN Special Rapporteur on the Right to Food Olivier De Schutter emphasizes that this is not about a right to be fed, or a right to minimum portion of calories,

but rather a *right to feed oneself* (De Schutter 2014). Feeding oneself can occur through two main channels. Firstly, it can be realized by access to productive resources to produce/harvest one's own food. Secondly, it can be realized through possessing sufficient purchasing power to buy food (ibid). These channels are not mutually-exclusive, meaning that both channels can be – and often are – used to feed oneself.

The right to food is enshrined in international law, including the Universal Declaration of Human Rights of 1948 and the International Covenant on Economic, Social and Cultural Rights of 1976, among other legal

instruments (Windfuhr and Jonsén 2005). It is further enshrined at the national level as a number of states have incorporated the right to food into their constitutions and/or national policies (Golay and Biglino 2013; Cotula 2008). As a legal concept, the right to food imposes binding obligations upon states as primary duty bearers in the realization of the right to food. As such, states are required to *respect, protect, and fulfill* the right to food (De Schutter 2014). *Respecting* the right to food means that in no way should state policies and practices impinge upon it. *Protecting* the right to food means that states must ensure that no entities or individuals violate the right to food of others. *Fulfilling* the right to food means that beyond these first two basic duties, states are required to actively work towards the realization of the right to food. The concept of ‘fulfill’ can be further broken down into two related concepts: to facilitate and to provide (Cotula 2008). Facilitate refers to ‘support(ing) the efforts of individuals and groups to gain access to adequate food’; this could be through steps taken to improve production or enhance knowledge, for example. Provide refers to food provision in instances in which people are unable to access food (Cotula 2008: 16), for instance, due to armed conflict, natural disaster or because they are in detention (De Schutter 2014).

An implication of these three requirements (to respect, protect, and fulfill), is that the state is bound by both negative and positive obligations (Cotula 2008). Accordingly, the fulfill aspect of the right to food is at times referred to as ‘progressive realization’ (Cotula 2008: 15). Violations of the right to food can thus be produced by state action or inaction.

The elements of the right to food that must be ensured by the state include food *availability, accessibility, and adequacy* (De Schutter 2014). *Availability* refers to there being enough food to obtain either through one’s own production/harvesting or through purchasing at markets and shops. *Accessibility* refers to both economic and physical access to food. *Adequacy* refers to food being sufficiently nutritious as well as culturally appropriate. There are a number of tools available to support states in their obligations vis-à-vis the right to food, most notably the Voluntary Guidelines to Support the Progressive Realization of the Right to Adequate Food in the Context of National Food Security developed in 2004 under the auspices of the UN Food and Agriculture Organization (FAO). Of course the efficacy of tools such as these is dependent upon how they are interpreted and implemented (Franco 2008). While the right to food can and has been used to craft policies and tools, it can also serve as a window through which to interpret them.

2.2 A Right to Food Approach

► Now that we have a better understanding of the right to food, why is the right to food a beneficial tool to assess agricultural investment?

The first benefit of the right to food approach is that it is part of a broader rights-based approach backed by international law. According to Narula (2013: 127), this rights-based approach ‘seeks to develop strategies that both build up the capacity of rights-holders to claim their rights and helps ensure that duty-bearers fulfill their obligations.’ Towards this end, the right to food interacts with – and is mutually reinforced by – other human rights, such as rights to productive resources like land and water, procedural rights such as obtaining ‘free prior and informed consent’ when resources are transferred from Indigenous groups, labor rights, property rights,

and women’s rights (Cotula 2008). Protecting these related human rights is thus integral to exercising the right to food. In sum, the right to food’s legal basis provides a framework for conceptualizing the interdependence of the range of rights that shape the right to food.

In this regard, the right to food can be distinguished from the more ubiquitous concept of *food security*, defined as ‘when all people, at all times, have physical and economic access to safe and nutritious food which meets their dietary needs and food preferences for an active and healthy life’ (Windfuhr and Jonsén 2005: 21). While the right to food is grounded in a legal framework that puts primary responsibility squarely upon the state, the term food security is vague in terms of responsibility and accountability

and lacks a binding legal framework (ibid). The legal framework of the right to food provides a basis to hold violating parties accountable.

The second strength of the right to food approach is its vantage point, which, at its most basic, starts from the reality of those who are victims of hunger and the obstacles they face in realizing the right to food (De Schutter and Cordes 2011). Of the nearly one billion people who are hungry, 50% are small-scale farmers subsisting off two hectares of cropland or less; 20% are landless laborers; 10% are pastoralists, fisherfolk, and forest users, and 20% are the urban poor (ibid). That means that roughly 80% of the hungry have livelihoods connected to food production. This paradox is explained by the fact that most are growing crops not for their own consumption but to be sold into markets that are largely outside of their control. Through the right to food approach, the realities of this 80% are reflected, providing ‘benchmarks for evaluating policies and programmes’ (Cotula 2008: 17) and enabling us to identify whether current policies and actions taken by states are concretely benefiting the most vulnerable and food insecure (De Schutter and Cordes 2011).

Analyzing policies from the realities of this 80% – the world’s most vulnerable food producers who are living in poverty – helps explain why so

many measures to end hunger have failed, despite decades of effort. A right to food approach looks beyond aggregate measures such as gross domestic product and average annual income to whether current policies are actually benefiting the most vulnerable and food insecure (De Schutter and Cordes 2011). This is important, because aggregate measurements miss the complete picture and can obscure cases where food insecurity at the individual level is excused, and even produced, in the name of national or international level food security, particularly affecting marginalized groups at the household or community level.

A third benefit of the right to food approach lies in how it challenges prevailing production-based paradigms. These paradigms emphasize increasing global food production levels as the most pressing measure necessary for tackling hunger. While production is an important factor for ensuring the availability of food, at present there is sufficient food in the world to feed every woman, man, and child and yet hunger remains a widespread phenomenon (Holt-Giménez et al. 2009). This is further evident by the fact that the majority of the hungry are themselves producers, thus hunger cannot be simply a matter of production. By placing explicit obligations on the state to fulfill/facilitate people’s

Pear farmers in Kilolo District, outside of Magome village



ability to feed themselves, the right to food approach requires us to look beyond production as a solution to ensuring food access.

Fourthly and relevantly, in challenging production-based paradigms, the right to food approach shifts the discussion from hunger being a technical problem to one that inherently involves questions of power. From a purely technical angle, efforts to increase yields as a way to boost farmer incomes will continue to distract from the fact that transnational corporations set global prices, while small-scale farmers continue to have little or no power over the market or policies impacting them, or the wages they receive for their labor (De Schutter and Cordes 2011). This technical focus obscures the structural inequalities and systems of power involved in central processes – such as land transfers, price-setting, and minimum wage laws – which together strongly impact food access. In reality hunger is – and must be understood as – the culmination of power imbalances and structural inequalities across the food system, from production to distribution. This is reflected in

a right to food approach: ‘A rights perspective is based on the understanding that the realization of the right to food is not only a function of improving the *availability* of key livelihood assets such as food or the means to procure it. It is also a function of institutions and processes that address power imbalances and ensure access to those assets for the poorer and more vulnerable groups’ (Cotula 2008: 17). Since issues of power and control are central to the right to food, a right to food approach involves questions such as: *Who owns what? Who does what? Who gets what? And what do they do with the surplus?* (Bernstein 2010). In this sense we can see how the right to food approach is not only a standalone framework, but interacts with – and is complementary to – other frameworks such as agrarian political economy and political ecology. Asking the above questions illuminates the fact that producers are not hungry because of a lack of food, but because they lack control over political and economic processes – and to that end, we cannot grow our way out of hunger.

2.3 A Conceptual Framework for Analyzing Agricultural Investment vis-à-vis the Right to Food

► Having outlined the basics of a right to food approach above, we will now explore how such an approach may be employed to assess the impacts of specific cases of agricultural investment. In order to do so, we will provide a framework that looks at specific channels through which the right to food may be exercised or violated. This framework is informed by the work of Olivier De Schutter, who has been a vocal advocate of a right to food approach to agricultural investment and has done substantial work in this area. In 2009, De Schutter developed a set of ‘Minimum Principles and Measures to Address the Human Rights Challenge of Large-Scale Land Acquisitions or Leases’ (De Schutter 2009), hereafter referred to as the ‘Minimum Principles.’ These eleven principles ‘presented a clear interpretation of existing international norms applicable to large-scale land investments agreements, with a view to set a baseline for the various governance initiatives that were about to be released by dominant institutional actors’ (Claeys and

Vanloqueren 2013: 194). De Schutter (2011c: 255) has made it clear that ‘these are minimum principles in the sense that ‘a large-scale investment in land will not necessarily be justified even though it may comply with the various principles listed.’

The framework for this report is thus inspired by these Minimum Principles of De Schutter, but also attempts to go beyond the minimum standards that they set, as, according to Narula (2013: 139):

Under international human rights law, states must continually strive to achieve the full realization of socio-economic rights, to the maximum of their available resources, rather than just settling for the bare minimum. This includes ensuring that investments help improve access to and utilization of productive resources, and not simply ensuring that the investments do no harm.

Narula’s point is particularly relevant to the subject of this study in that we are looking at agricultural in-

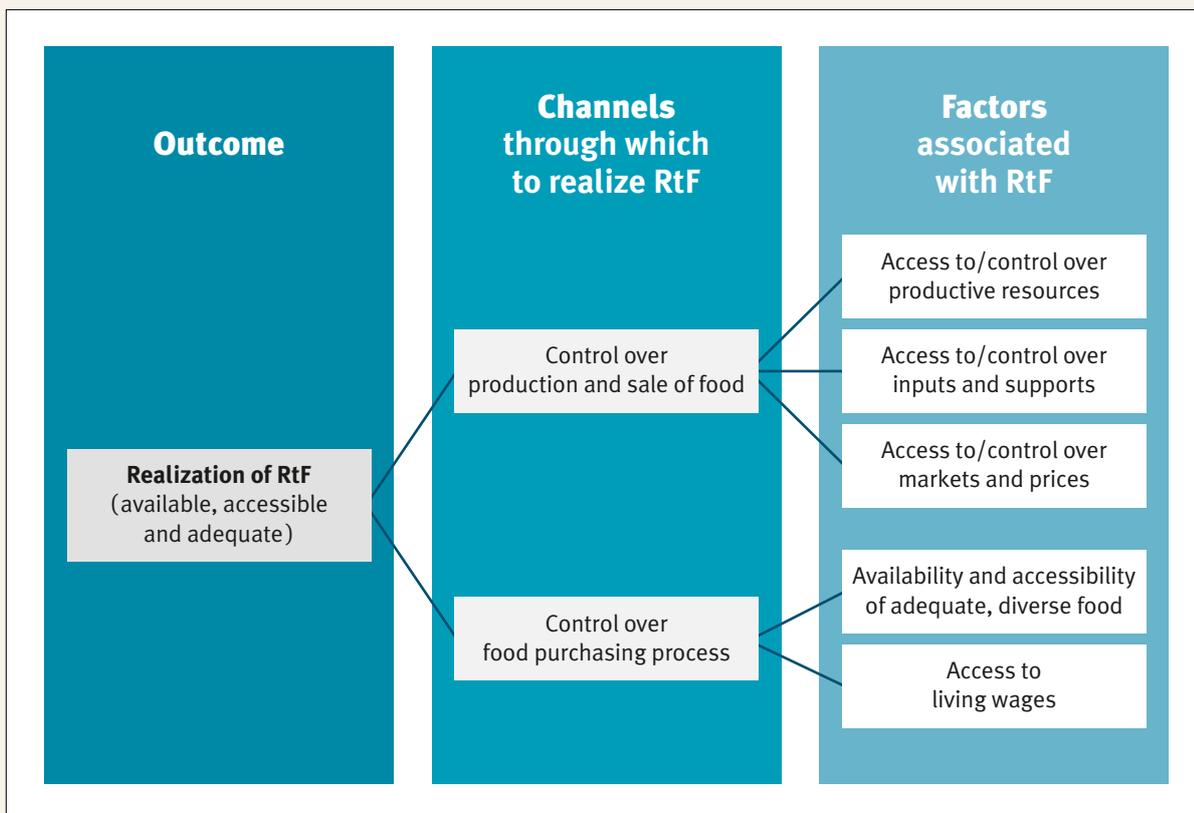


Diagram 1: The channels and corresponding factors shaping the Right to Food (RtF)

vestment that is specifically touted as enhancing food security and supporting small-scale farmers. Thus, in the analysis that will follow, we will look not only at whether or not the right to food is being violated, but also whether or not it is being actively supported. In other words, we will look at the extent to which the right to food is being respected, protected, *and* fulfilled.

2.3.1 Factors Influencing the Channels through which Food is Accessed

Recalling the explanation of the right to food provided above, ‘General Comment 12 states that the right to food may be exercised through direct food production; through income-generating activities... that enable procurement of food; or through combinations of both’ (Cotula 2008: 21). What shapes one’s ability to use one or both of these channels and how do violations of the right to food (i.e., not being able to access these channels sufficiently) become possible? This section will develop the conceptual framework for this report, (depicted visually in Diagram 1 below),

by outlining a set of factors that influence the way in which each of these channels is accessed – and thus the right to food is realized – from the perspective of small-scale farmers. Starting with the assumption that small-scale farmers primarily access food through their own production and harvesting, framing this section from their perspective means that an emphasis is placed upon identifying the factors shaping this ability, and thereafter, the ability to purchase food. Introducing both of these access channels and the relationships between them will set us up to later analyze the degree to which each of these channels is accessible and viable within Tanzania, and the contribution they make to the right to food.

2.3.1.1 Control over Production and Sale

In his Minimum Principles document, De Schutter (2009: 12) reminds us that international human rights law stipulates that ‘no people may be deprived of its own means of subsistence.’ In the case of small-scale farmers, whose subsistence largely depends

upon producing or harvesting their own food, *control over the production and sale* of what they produce is absolutely fundamental to the right to food. Controlling their production and sale enables small-scale farmers to consume what they produce and/or sell the surplus in order to supplement their diet. Below are three factors that influence one's ability to *control the production and sale* of their agricultural products:

1. Access to/control over productive resources

According to Bernstein (2010: 63), 'the minimum social conditions of farming include access to land, labor, tools and seeds.' These are complemented by adequate soil fertility, environmental conditions, and water sources. Together they can be thought of as bare necessities for food production. As such, this factor shapes whether or not one can grow agricultural produce, meaning that when the necessary productive resources are present, then the potential to produce is there, and vice versa. When any one resource is absent, this factor acts as a limiting factor upon food production, and thus potentially hinders the capacity to grow food at all, thereby hindering food *availability*.

For small-scale farmers that rely on their own production as the main source of food, the relationship between the right to food and access to productive resources is closely intertwined (Cotula 2008: 21). In such scenarios, as is typical in much of Africa, accessing and controlling productive resources becomes vital to controlling production and thus to exercising the right to food. This critical relationship is recognized within the Right to Food Guidelines ('Access to resources and assets') and CESCR General Comment 12, which both highlight the importance of improving access to natural resources and land security (Cotula 2008: 21). Based upon this legally-recognized relationship and the obligation to fulfill, the state must not only work to ensure people do not suffer resource loss, but actively work to improve access to such resources (such as strengthening land tenure) so that the right to food – through feeding oneself – may be exercised.

2. Access to/control over inputs and supports for production

Control over production is also influenced by one's access to inputs and supports for production. Sup-

ports for production may include credit, training, technical assistance, fertilizers, technical knowledge, and accompanying technologies. Together, these components shape one's capacity to achieve adequate agricultural production, meaning that inputs are secondary resources to the primary productive resources discussed above. When available, they can further enhance production – helping to fulfill the *availability* and *accessibility* aspects of the right to food. However, their value is dependent upon the first factor: without access to the minimum productive resources, inputs are of little value.

Legal recognition of the importance of such secondary resources is reflected within the obligation to fulfill/facilitate. Article 11(2) of the ICESCR calls for 'the measures...which are needed...to improve methods of production, conservation and distribution of food by making full use of technical and scientific knowledge, by disseminating knowledge of the principles of nutrition and by developing or reforming agrarian systems...' (Assembly 1976).

3. Access to/control over markets and prices

Producing food does not necessarily signify that one's food source is adequately diverse or healthy. Many small-scale farmers must supplement their diet as well as meet other needs by selling their produce in markets. Therefore, access to and control over markets (which also refers to controlling one's prices and thus the sale of one's product) is an important factor that shapes access to *adequate* food sources. Additionally, the infrastructure that is associated with selling one's crops, such as roads, storage facilities, training centers, and community market spaces are also necessary and influential. The issue of pricing is key because farmers, particularly those selling outside of local markets, are generally price takers as opposed to price setters, threatening their ability to have adequate income to purchase food as needed, the second access channel (De Schutter and Cordes 2011). In other words, without an ability to produce an adequate quantity of food, or control their prices, small-scale farmers may lack sufficient access to a living income – which also lies within the responsibility of the state.

2.3.1.2 Control over the Purchasing Process

As indicated above, the right to food can also be realized through the purchase of food through the use of one's own income (either as a wage-laborer or through other income generated). Therefore *control over the purchasing process*, and its associated factors, is critical to accessing food. While a lesser emphasis has been placed here than on the above access channel due to the emphasis on small-scale farmers, it has been included as it importantly reflects the current transformation taking place within agrarian livelihoods globally (Bernstein 2010). The purchasing process encompasses factors such as one's income, food prices, and food access, whose influence upon accessing this channel – and thus the right to food – is outlined here:

4. Availability and accessibility of adequate, diverse/healthy food for sale

Controlling the purchasing process requires that adequate, diverse, and healthy food is both available and accessible. This means that there must not only be a sufficient stock of food physically present, but also that there are stores and markets available through which food can be purchased locally. Furthermore, the available food must be affordable for purchase in sufficient quantities. A variety of measures are necessary to facilitate this. For example, support for local markets and other local infrastructure (including processing facilities), as well as support for farmers to grow diverse and healthy foods, is necessary. Furthermore, creating direct links between farmers and consumers and reducing the role of intermediaries can facilitate prices that are both affordable for consumers and fair for farmers (De Schutter 2011b).

5. Access to living wages

In his Minimum Principles document, De Schutter (2009) emphasizes the importance of living wages for agricultural workers. Living wages are necessary to ensure that laborers have the purchasing power to be able to purchase sufficient food for a healthy diet, while also being able to meet their other basic needs. This is particularly important as former farmers who have been converted into wage laborers are often no longer producing food for their own consumption, and

thus must purchase most or all of their food. According to Lorenzo Cotula's interpretation of the right to food, in the event that small-scale farmers are no longer able to produce their food source because of a loss in resource access, 'the right to food requires that those who lose access to resources be placed at least in the same food-access position as they were before the loss' (Cotula 2008: 28). The implication of this is that the state would be in violation of the right to food if there are insufficient livelihood alternatives for those who have lost resource access and are consequently in a lower food access position than before. In other words, the state must ensure that investment projects involving wage labor are held accountable for providing living wages to their workers, or else the state will be in violation of the right to food.

2.3.1.3 The Relationship between Factors

Due to the complexity and wide range of variety found within agrarian contexts (Bernstein 2010), the impact that each of these factors has upon food access will vary in practice from case to case. At times these factors may overlap, constrain one another, or exacerbate the impact of one another. However, with regard to the access channels, there are some broad trends that can be outlined here. In contexts where the predominant access to food is through production, such as that of small-scale farmers, the relationship between the two channels can be viewed as maintaining an overlapping and potentially sequential relationship. For example, as small-scale farmers lose control over feeding themselves through their own production, they may become more heavily reliant upon accessing food by purchasing it with income generated.

It is important to note, however, that one channel does not preclude use of the other: in reality small-scale farmers may (and often do) access food through combinations of both, dependent upon the season, the crops cultivated, and the nature of the labor positions available, etc. The purpose of this framework, therefore, is not to present an either-or option for how food is accessed, but rather to break down the channels (and their corresponding factors) through which food is accessed into easily understandable processes in order to then understand the factors that make violations of the right to food possible.

➤ 3. Methodology⁵

➤ To assess the positive and negative impacts of agricultural investment on the right to food in Tanzania through a right to food approach, two of the authors – Hannah Twomey and Christina M. Schiavoni – conducted primary research with a number of informants, whilst Dr. Benedict Mongula – who has been working on these issues within Tanzania for the past few years – provided guidance, insight into political

dynamics, and subsequent analysis. Given that the right to food approach emphasizes the reality of the hungry, and that the majority of the world's hungry are small-scale farmers, we chose to focus our research on gathering the experiences and perspectives of small-scale farmers. The focus on small-scale farmers was supplemented by interviews with relevant NGOs and a government official.

3.1 Process

➤ Data collection took place within the Tanzanian regions of Dar es Salaam, Ruvuma, and Iringa over a two week period in March 2014. During this time, we utilized a variety of qualitative research methods, including semi-structured interviews, focus group discussions, and document analysis. We conducted 4 large focus group discussions (ranging from 20-36 people) and 14 semi-structured interviews with individuals or small groups (ranging from 2-4 people). Of the 124 people total interviewed, 108

were small-scale farmers (one of which was also a Village Council member), 15 were NGO representatives, and one was a government official. However, not all present at focus group discussions chose to speak. The average length of interviews (combining focus groups and semi-structured interviews) was 56 minutes. Participants were informed prior to the interviews of the research purpose and the way in which the data would be used, and they provided their oral consent to partake.

3.2 Selection of Participants and Sites

➤ Because of our research question's focus on the impact of large-scale agricultural investments on the right to food, we visited villages proximally situated near large-scale agricultural investment projects, within regions slated for investment as part of SAGCOT plans. Our research included interviewing small-scale farmers within two villages in the Ruvuma region and within two villages in the Iringa region, for a total of four villages. Within the four villages, all of the small-scale farmers interviewed are reliant upon rainfall agriculture, none possessed land titles (which is broadly reflective of Tanzania at large where less than 10% of people hold official land titles (IFPRI

2012)), and very few knew the procedure or had the financial means to obtain one. Because these features are largely representative of Tanzanian small-scale farmers, the majority of whom are vulnerable to changes in the environment and land ownership, we identified these as ideal sites to investigate. Additionally, two of the sites are officially connected to SAGCOT: one of these sites was a part of SAGCOT at the time of the field work and the other has since become part of the SAGCOT partnership.

To provide some context about the four different village sites, we have included a brief background to these sites here.

⁵ For additional information concerning the methodology, such as the methods used, access to sites, limitations and biases, please see the Appendix.

3.3 Background to the Sites

► The first village visited, **Lipokela**, is located within the Songea Rural District in the region of Ruvuma and is comprised of small-scale farmers. Those living in the village access food primarily from what they produce, of which maize is a major crop. According to those interviewed, in 2011, 5,000 acres of land, previously used by people within the village for cultivation, were transferred to the control of a Singaporean coffee investor, Olam-Aviv, which now employs about 1,500 workers on its plantation under what were reported to be questionable labor conditions. Interviewees further reported that Olam-Aviv obtained 1,000 acres of this land after purchasing it from the first investor, who arrived in 1985. It is unclear the process by which the remaining 4,000 acres of land were transferred, however the people of Lipokela unanimously agreed that it was without their consent. At the time of research it was speculated that Olam-Aviv would join the SAGCOT partnership and in fact they became a SAGCOT partner in May 2014.

The second village, **Lutukira**, is also located within Songea Rural District, Ruvuma region. Small-scale farmers living here produce mainly for subsistence, growing a variety of crops including cassava, maize, millet, potatoes, ginger, sunflower, and beans, and sell what they can of their surplus crops. In 2011, a large swath of village land, 50,000 acres – of which interviewees reported that 150 families had previously used for cultivation – was acquired by Montara Continental Limited, which is a subsidiary of the international investment firm, Obtala Limited based in the UK (Montara Continental 2012; RNS 2011). This acquisition represents a complex case due to the various levels of subsidiary companies involved. Based upon our discussions with inhabitants in Lutukira as well as secondary sources, it appears that the land deal was made possible after Montara Continental Limited developed a joint venture with a Tanzanian-based investor, Lutukira Mixed Farm, and together formed Montara Land Company Limited (RNS 2011; Massay and Kassile 2014; Lamberti 2011). In exchange for land access for three years, interviewees reported that the village was promised a school, medical facility, farming equipment, and a solar energy system (as opposed to cash payment)



Aerial view over Songea Rural District

– promises which they report still have yet to be fulfilled. Additionally, while the Village Council stated that they approved a three-year contract, the central government of Tanzania provided Montara with a 99-year lease without village consent, and the final land deal was double the area initially approved by the Village Council (Massay and Kassile 2011).

Magome, the third village we visited, is located within the forested area of Kilolo district, in the region of Iringa. It is comprised of small-scale farmers who cultivate maize, potatoes, and a variety of beans, as well as keep livestock and harvest wood to sell in exchange for food from nearby villages. In 2006, a UK-based company named New Forests Company that has heavily invested in Uganda and Mozambique, requested around 74,000 acres (30,000 hectares) of land within Kilolo (LARRRI 2010; The New Forests Company 2011). However, a survey conducted at the district level found that only 14,800 acres (6,000 hectares) – spanning across 11 villages – were available for transfer (LARRRI 2010). Six of these 11 villages, including Magome, agreed to sell land, although there was lack of clarity regarding the consultation process (*ibid*). This is particularly the case with regard to the final amount of land transferred, which is not located on the company's website, nor could any inhabitant of Magome interviewed provide an estimate. In exchange for the 99-year lease granted to the company, residents of Magome received pay-

ment as well as promises that New Forests Company would ‘support the community in social and economic activities; to give better tree seedlings to villagers; create 10,000 jobs; to give Tsh 300 million every year for social services; to construct an industry to generate electricity (energy); and to engage in the provision of education, health, water etc’ (LARRRI 2010: 29-30). The company’s activities began in 2009, but – according to those interviewed – the promises still have yet to be fulfilled.

Subsistence farming is the main livelihood for the residents of **Muwimbi** village, the fourth site, located in the district of Iringa, Iringa region. They predominantly grow maize, beans, sunflower, millet, potatoes, sweet potato, peas, soya, tomato, and onion. Interviewees reported that their first contact with investors was in 1975, when a local Tanzanian acquired a large amount of land nearby. They said that the village’s relationship with this Tanzanian investor had been largely positive, primarily because the land remained available for the villagers to pass through

and to conduct activities such as foraging for plants, mushrooms, and firewood. They further explained that however, three years ago the land was transferred from the local investor to Green Resources/Sao Hill for cattle and growing livestock feed. While it appears that Sao Hill is a subsidiary of Green Resources – a Norwegian ‘plantation, carbon offset, forest products and renewable energy company’ (Green Resources 2013) – inhabitants of Muwimbi used their names interchangeably, while SAGCOT materials tend to reference Sao Hill as a special investment site (SAGCOT 2011). The exact relationship between the two companies remains unclear. Interviewees reported that this transfer was done without community consent, after which Green Resources received a 99-year lease by the central government. Importantly, this site is further complicated by the fact that there are at least five other investors in the area nearby and these overlapping investments have combined in a way that has exacerbated and concentrated impacts upon communities.

➤ 4. Findings⁶

4.1 Impact of Investment upon Access Channels

➤ Applying the conceptual framework developed above to the four selected villages in Tanzania’s Southern Highlands, this section will outline the impacts of large-scale agricultural investments upon the right to food, by assessing the channels by which people access food and whether access has transformed in the aftermath of large investment projects. It will do so by breaking these channels down into the respective factors discussed above, by outlining how investment has impacted each of these factors and what the implications are for the realization of the right to food and the state’s role within this. Although our interview questions allowed space for informants to discuss the positive impacts of the investments, the feedback we received was largely negative.

These factors will serve to highlight the processes by which violations of the right to food are made possible, so that the subsequent analysis may explain the processes and mechanisms that made this transformation possible.

4.1.1 Control over Production and Sale

As indicated above, one channel through which food is accessed is control over one’s production and sale. The factors influencing this channel include: access to/control over productive resources, access to/control over inputs, and access to/control over markets and prices. How have each of these factors been

⁶ For additional information on the findings broken down by village site, please see the Village Findings Summaries in the Appendix.

“Now the community of Muwimbi is not free – everything is fenced off. We are not feeling good psychologically. There is no more shortcut for our children to get to school – it now takes them much longer and makes them late. This is despite the fact that part of the agreement (with the investor) had been to leave a path for students to pass through and for livestock to pass through. But the area is closed off, and neither students nor livestock can pass through.”

Focus group in Muwimbi

impacted by the current agricultural investment, and with what impacts upon the right to food?

Access to/control over productive resources

A persistent theme that we found across the four villages is that small-scale farmers' control over – and access to – productive resources has become increasingly limited following the arrival of large-scale agricultural investors. As a result of not being able to access essential productive resources, there has been a reduced capacity to grow food, which has also limited the amount of saleable surplus produced. This has negatively impacted the realization of the right to food, as control over one's own production and sale has been constrained.

Of the productive resources outlined in the above framework, we found land in particular to be the primary limiting productive resource. Land has also been the primary resource impacted by agricultural investments, as these investments have distinctly taken the form of land investments. The current land shortages have coincided with newly-arrived large-scale agricultural investments moving onto land previously used by villagers for cultivation, grazing, and/or foraging, often in village areas with pre-existing land pressures.



There are three main ways in which the food access channels have been impacted by large-scale agricultural investments. One way is through the reduction of physical space for the cultivation of crops. The villages of Muwimbi and Magome are largely surrounded by investors. The residents of Muwimbi report being blocked off by six different investors, particularly since the arrival of the Green Resources/Sao Hill investment project linked to SAGCOT. Residents report that some households have enough food while others do not, however for the most part residents do not sell their food, because most only grow enough for consumption. This leaves them with little income to supplement their diet. Scarcity of cultivable land has been exacerbated by migrations over the past ten years into the area, which has increased the population. In Lutukira, in light of the large size of the Montara⁷ investment (reported to be 50,000 acres), the village now faces a shortage of arable land, which villagers stated has led them to travel significant distances to access land. This is prohibitive for some villagers and has raised concerns within the community about land accessibility for future generations.

“We want our land back – to be able to grow. It’s better to remain with land than to be employed on someone else’s land. We don’t want another investor to come.”

Focus group in Lutukira | Songea Rural District

Furthermore, within Lutukira, there were disturbing reports by those interviewed that the Montara investor removed the fertile topsoil and transported it to Morogoro for a horticulture operation, thereby leaving the land degraded. Within Lipokela, the arrival of the Olam-Aviv coffee plantation – situated upon land that interviewees report was cultivated by residents of the village until 2011 – has placed further pressure upon the village’s land access. Families there cultivate around 5 acres for an entire family, although some interviewed do not cultivate any land due to a shortage

of land and/or soil fertility issues. Given that now the Village Council of Lipokela currently has no more land to offer, according to its Village Chairman, there is a severe lack of fertile, cultivable land. Several of the villages (Magome and Muwimbi in particular) have little to no communal land available and they report that relations within the village, between inhabitants and also with the land, have changed, trending toward land conflict, land commodification, and the perception of certain land as a source of evil.

A second way that food access has been altered relates to how investments have blocked access to fields where wild foods or inputs for cooking (like water and fuel) were previously gathered. This was expressed by the women of Muwimbi who used to collect mushrooms and plants for their families; the residents of Magome who can no longer collect firewood in the areas they used to and now must share their water source with the investor; as well as the people of Lutukira who had previously harvested wood for charcoal. In the village of Muwimbi, interviewees report that passageways leading to the river, an important source of drinking



Photo: Kerstin Lanje / MISEREOR

Livestock is an integral part of small-scale farming

and cooking water, have been fenced off by new investors, whilst grazing areas for their livestock have been enclosed, leading to weaker livestock that are prone to illness.

Thirdly, in addition to reducing physical space available to those in the villages, residents report that

⁷ For the purposes of this report, we refer to Montara Continental Limited, and its subsidiary Montara Land Company Limited as ‘Montara investment.’ Additional information concerning this relationship is outlined in the Village Findings Summaries in the Appendix.



Workers in the Olam-Aviv plantation, Lipokela

there have been a range of secondary ‘spillover’ effects, which have critically impacted other productive resources, such as the environment, water access, and labor. These changes may or may not be attributed to the investments. For example, with regard to environmental changes, all of the small-scale farmers interviewed rely solely upon rainfall agriculture and as such their production is particularly vulnerable to shifts in the natural ecosystem. Several of those interviewed expressed that recent changes in the rainy season have caused their production to be less reliable and have made planning more difficult. Within the villages of Lipokela and Lutukira, environmental degradation that residents attribute to deforestation has altered water access and increased strong winds. In both of these villages, people report that deforestation is carried out by investors and villagers alike, who are clearing new land in response to the land shortages. In Magome village, the investor’s patterns of afforestation followed by deforestation – in which trees are planted and then chopped down for timber export on an industrial scale – differ from previous patterns of consumption. Villagers claim that the change has led to an increase of wildlife in the area. One interviewee pointed out that the ecosystem shift has attracted more monkeys, which are eating their

crops. Overall, there was a widespread perception amongst small-scale farmers that there is indeed a correlation between the land investments and a disrupted ecosystem that has impacted their productive resources and thus their food access. While we were not able to verify whether the environmental changes were a result of the investments due to the limitations of the study, a more in-depth study on this topic is warranted.

Similarly, some of those interviewed expressed that decreases in food production were the result of their respective villages’ labor force being diverted to the nearby investment plantations. Within Lipokela for example, the small-scale farmers interviewed expressed that productivity has become an issue throughout the entire village and directly implicated the investor for this. Interviewees asserted that as more and more villagers go to work on Olam-Aviv’s coffee plantation, the village’s labor is diverted away from household food production, generating a village-wide food shortage. This shortage has increased the prices of food, making it less accessible to residents of the village. We inquired to small-scale farmers as to why so many people opted to become laborers on the investor’s plantations, given the poor labor conditions, which are widely known. Villagers

cited lack of sufficient, arable village land and capital, along with lack of opportunities for viable farming, as impetuses for driving people into the wage-labor economy, and that the investor's plantation was the only available nearby option. Although not directly related to the right to food, it is important to mention that within both Lipokela and Muwimbi, the reported disruption of people's livelihoods and the transition toward becoming wage-laborers coincided with feelings of disempowerment, and feeling psychologically unwell as people equated land and access not only with food, but with freedom. Several residents expressed that if given a choice between employment as a laborer and farming independently, they would choose the latter, even if the wages offered were to increase significantly.

Overall we found that the presence of large-scale investors in the areas of these villages heavily shaped small-scale farmers' access to and control over their productive resources, and in doing so, impacted the channels through which they accessed food. In particular, we found through these cases that the movement of labor (from small-scale farming



Photo: Sabine Doriöchter-Sulzer/MISEREOR

do they (the investors) get the land? Do they register themselves as villagers?' Many of those interviewed also expressed frustration at being uninformed. For example, those interviewed within Magome stated that they were not aware of the drawbacks of selling their land and the extent to which they would no longer be able to access it until after it had been sold, until the nonprofit organization, Haki Ardhi, a Tanzanian nonprofit organization focused on land rights, came to inform them of this. However this was after the land transfer had already occurred. Such lack of information arguably is in violation of the state's obligation to protect the right to food.

Similarly to how keeping the public informed falls within the state's responsibilities, and is critical to the protection of productive resources, the creation of effective complaint mechanisms is also important for protecting resources. Our research uncovered that residents of Lutukira and Lipokela have attempted to file complaints and raise concerns about the investments that have impacted them. Some residents of Lipokela stated that they visited their district council to verify how much tax Olam-Aviv is paying and report that they were turned away and told to go back to their Village Council. Additionally, when national leaders (including the Prime Minister) visited the Olam-Aviv plantation, residents state that they were not allowed to speak out or ask questions.

“How do they (the investors) get the land? Do they register themselves as villagers?”

Farmer in Lipokela | Songea Rural District

to wage-labor) must be understood in relation to barriers to land cultivation – whether for reasons of lack of capital or lack of land itself. When lack of land serves as a limiting resource, it has the potential to negatively alter other necessary productive resources, such as labor, and thereby to further constrain the extent of productive resources available.

Critically, the state has not taken appropriate action to help protect people's productive resources, particularly by failing to inform residents of the land transfer process, the consequences of selling their land, or of complaint procedures. We were struck to hear one interviewee in Lipokela who did not understand how investors acquired the land ask us ‘How

The state's protection of productive resources is a critical component to exercising the right to food. This becomes even more important in the absence of (or severely limited) alternative income-generating opportunities to enable the purchase of food, as was the case in each of the four villages.

Access to/control over inputs and supports for production

As stated in the above framework, inputs and supports – including credit, training, technical assistance, insurance, safety nets, fertilizers, and accompanying technologies – can help enhance small-scale farmer's production, but their value varies depending upon the availability of minimum productive resources.

Across all four villagers, small-scale farmers reported that they do not have the inputs necessary to control their own production and produce adequate food for consumption and sale. Inputs and supports for production were perceived as vital and were often raised as an issue by interviewees. The most commonly cited input needs were fertilizer and capital in order to expand their farming productions (e.g., to pay for labor, fertilizer, facilities etc.). Some farmers cited technological needs such as tractors. While one may expect that if one lacks land to cultivate, then inputs such as fertilizer or irrigation equipment are of little use, we found that the reason for the emphasis on inputs is that while each family has access to a limited amount of land, the amount one can produce on the same piece of land could be enhanced through inputs. In other words, the need for inputs to control one's production becomes more critical in contexts of land scarcity.

We found that access to inputs and supports for production was very low, particularly since the government reduced the amount of subsidized fertilizer that it distributes. While the lack of fertilizer was not a direct result of the newly-arrived investment projects, some people perceived that government support has been diverted to meeting the needs of investors over small-scale farmers. Furthermore interviewees stated that the presence of investors has not helped to meet these needs either. In some of the villages where land shortages were not an issue prior to the investment, such as Magome, small-scale farmers

willingly exchanged their land for supports for production, because some viewed the investment as an opportunity to develop technical skills and to boost their incomes to start their own enterprises. This was particularly attractive in the face of what interviewees identified as insufficient publically funded extension services. Residents of Magome were adamant that those working on the investment farm have maintained the status of laborer and have not developed the technical skills they had expected, nor raised what they considered to be sufficient capital to initiate their own investments, as they had hoped that working for the investor would enable them to do.

At the very minimum, states must take actions to ensure that small-scale farmers – particularly within land scarce areas – have access to the secondary resources that they require to improve or maintain their food levels from before investments. Furthermore, states should be working to actively enhance inputs and supports for production.

“Farming is my main source of income, so when I can't sell, I can't afford to send my kids to school or to access services like medical care.”

Farmer in Lipokela | *Songea Rural District*

Access to/control over markets and prices

As diverse and healthy food is one component of the right to food, being able to access markets to sell one's produce and to have a degree of control over the prices at which one sells becomes a particularly important factor shaping the right to food of small-scale farmers. We found that control over markets and the extent of control farmers maintained over their prices varied widely between the four villages. In some cases, such as Lutukira, people sold excess produce to their neighbors and within village markets and were able to set their own prices in these venues. Their complaints, however, revolved around not being able to access larger markets, or if they

were accessible, that they were unable to determine their prices on fair terms and feared being crowded out by the investor, Montara. In Lipokela, however, people sold excess produce outside of the village to businessmen and were often unable to set their prices due to power imbalances between producers and purchasers. In Magome, on the other hand, people claimed that they do not produce enough food to sell, but rather rely upon selling timber in order purchase food from neighboring villages.

While there are different perspectives on the extent to which the state is supporting small-scale farmers in the marketing of their products, more can be done by the state to actively promote this. For

“The productivity of the villages is decreasing. The majority of people go to work on the investor’s land. And what is produced is sold outside of the community. People have less time to spend working on their own land. Instead of producing for their own families and village, they spend their time working with the investor, and in the end the investor takes the product and sells it outside of the village.”

Farmer in Lipokela | *Songea Rural District*

example, selling one’s produce to multiple buyers is important for controlling one’s prices, which in turn are important for accessing diverse food. Part of attracting multiple buyers means ensuring that appropriate infrastructure – such as improved roads, storage facilities, training centers, and community market spaces – are in place, and also ensuring that farmers are well-informed of what constitutes fair

pricing and have support in negotiating fair prices with purchasers.

The Tanzanian state can be credited with serving as a buyer for certain produce through initiatives that purchase agricultural crops – such as maize – from farmers at a higher price than would otherwise be possible. Furthermore, the state has taken a role in building infrastructure, such as improved roads connecting Tanzania’s various regions and districts. However both of these initiatives have had limitations. For example, the NGO Caritas Songea reported that price instability is a major cause of food insecurity for small-scale farmers and that price volatility is subject to factors such as politics, time of year, and transportation costs. They stressed that following a visit by the Prime Minister the previous year, prices rose dramatically for farmers selling to the state as he was able to use his political authority to demand that farmers receive a higher price. This meant that during that year, people sold a greater amount of their produce to the state reserve (between June and July), the effects of which need mentioning. On the one hand, the unreliability of prices caused people to sell a relatively higher portion of their produce when higher prices were offered. This rush to sell contributed to greater food insecurity the following January through March – the most food insecure time of year in the region – because farmers had sold the majority of their produce. Furthermore, there were reports that some of the farmers still had yet to be paid for their produce many months after they had sold it.

Initiatives to build roads, while critical, have not solved the issues of transportation costs (particularly the cost of fuel) and often, these roads do not extend to more remote villages, which remain geographically isolated. This led some of the NGOs that we consulted with to argue that the state is not doing enough to actively promote a positive environment for farmers to sell their produce under fair terms.

4.1.2 Control over the Purchasing Process

Recent transformations in the livelihoods of small-scale farmers have begun to alter the channels through which they access food. As control over one’s production becomes a less viable channel due to the influence of the factors discussed above,

then control over the purchasing process becomes more critical for exercising the right to food. Without a sufficient source of income, and with a loss of necessary productive resources, the right to food is violated. Again we will examine how investment has impacted each of the factors within this channel.

Availability of adequate, diverse/healthy food for sale

Our findings indicate variation with regard to how the availability of adequate, diverse and healthy food played out and impacted food access. In certain instances, we found this factor was limited by the physical stock of food – particularly diverse food – available, while in other instances, the main issue was that of affordability. At times, the scarcity of stock affected affordability, while in other cases, such as that of Lutukira, neither scarcity nor affordability were mentioned as big issues.

In Muwimbi, for example, there was a real shortage of physical stock of food, so much so that residents must sometimes purchase commodities, like rice, in the city of Iringa about 100 km away. The residents of Lipokela, on the other hand, experienced both a shortage of produce and high prices that has made food inaccessible. Those interviewed blamed the high prices on the overall reduced production and stated that at times, farmers choose not to sell in the village at all. Of course the impact that a lack of available food for sale has upon individual households will vary: small-scale farmers who have grown enough to sell may profit more, while those more reliant upon purchasing food as their main access channel may struggle to afford food.

Within these two villages, residents linked the decreased availability of adequate, diverse food for sale to land shortages, which in turn were attributed to the arrival of nearby large-scale land investments. Residents did not see the state addressing the adverse effects of investors or working to ensure that alternative sources of food were available.

Access to living wages

Being able to access capital is crucial for purchasing adequate and diverse food. Not surprisingly, we found that earning a living wage was *the* most

influential factor in shaping one's control over the purchasing process, and thus over how food is accessed through this channel. We encountered several problems that limited people's access to living

“Our food situation has become worse since investors came because we used to cultivate on the land that the investor is now on; we need land to grow more food.”

Focus group Lipokela | Songea Rural District



Photo: Kerstin Lantje/MISEREOR

wages, including 1) the amount of payment people received, 2) the conditions of employment (both the type of contract and the work environment), 3) the timing at which they received these payments, and/or 4) the number of adequate income-generating opportunities within the vicinity.

Based upon interviewees' reports, wage-labor employment in Lipokela presented problematic working conditions with regard to the amount of payment and the conditions of employment. Olam-Aviv employs a large number of people from the surrounding villages, with Lipokela's residents reporting that their village comprises the main source of labor. Those interviewed in Lipokela report that there was no choice in terms of the type of employment: the only employer documented was that of Olam-Aviv and

the only position available there was that of casual day laborer. No one interviewed held an employment contract with Olam-Aviv nor knew anyone who did. Job security was presented as an issue and we were told stories of people injured while working on the plantation who were told not to return, and more commonly, instances of laborers being sent home

“We had wanted (secure) employment, but instead we became laborers.”

Focus group in Magome | Songea Rural District

early with no pay or half a day's pay in the event of poor weather. Laborers report that they earned a flat daily rate of 4,000 Tshs (or about 2 Euro), beginning the work day at 7:30am and ending at 5:00pm, with a 30 minute break for lunch. If what interviewees report is true regarding laborers working 9.5 to 10 hours per day, the wages that they report receiving are below the national minimum hourly wage for the agricultural sector (which stands at 512.85 Tshs/hour as of July 2013 (Wage Indicator 2014)). According to one interviewee, the income they get is so minimal that all of this ‘money ends up in their stomachs’ – often before they even arrive back home from work that day.

In addition to the poor wages and job security, interviewees in Lipokela described a number of disconcerting labor conditions, which we were unable to verify, but should be investigated further. These conditions include little to no toilets for over 1,500 laborers; lack of potable water; sub-standard meals; lack of protection from pesticides or poisonous snakes in the fields; lack of compensation or help when becoming injured whilst working; and a lack of available mechanisms for laborers to file complaints. While inadequate labor conditions are not directly implicated as a violation of the right to food, the working conditions in Lipokela are reported to be so poor, job security unreliable, and the number of alternative income-generating sources so limited, that this would not constitute viable employment with

a living wage, based upon interviewees' responses.

The residents of Magome fared slightly better off with regard to the amount of income that they reported earning (at 5,000 Tshs/day for 8 hours work) for their labor at New Forests plantation, however they complained that the timing of the payment posed an issue for being able to purchase food. Rather than being paid on a daily basis, they report being paid one lump sum after a two week period, and so they often lacked food immediately before payday. Furthermore, while lunch was supposed to be provided at work, laborers reported that it is often not ready until hours after the work day had ended and so people instead use their own money to purchase food. Similar to what the laborers on the Olam-Aviv plantation in Lipokela reported, the type of labor at New Forests was casual labor with no contract. Workers report that there are no toilets or access to drinking water while at work. People expressed frustration that they had been promised employment (understood as work with a formal contract), but instead became laborers.

Within Muwimbi, interviewees reported a number of employment types, including casual labor and employees with a contract with the Green Resource/Sao Hill investor. According to interviewees, those with a contract are employed for a three-year term and employees earn approximately 300,000 Tshs/month, which is three times more than the national minimum wage for the agricultural sector (Wage Indicator 2014). However, interviewees estimated that the number of people employed on such a contract was about 25, only 8 of whom were from Muwimbi. They reported that most people (approximately 100-200) are employed as casual wage-laborers without the security of a contract. They also report earning 3,500 Tshs/day, which is below the national minimum wage (Wage Indicator 2014).

Interviewees reported that Lutukira had very few labor opportunities, despite the large piece of land that is possessed by the investor Montara. While there were reports that initially some residents benefited from employment on the Montara farm, production has since slowed or stopped, and the investor's presence has not been seen in some time. With no other reported labor activities in the vicinity, the access to an income source outside of selling one's produce is low in this village.

In all cases, compounding the impact that low wages and job insecurity has had upon people's access to living wages is that the privatization of land by investors has reportedly removed access to other income-generating opportunities for people, including collecting firewood for charcoal (in both Lutukira and Magome) and keeping livestock (in Muwimbi).

Without access to living wages, the capacity to purchase one's food and realize the right to food is compromised. The state must be implicated here for not enforcing adequate labor standards – particularly ensuring that a living wage, at the very least a minimum wage, is paid by investors – and for not promoting a variety of accessible income-generating activities.

4.1.3 Summarizing the Impact

In summary, our findings indicate several important points. The applied framework allows us to see which factors have most contributed to facilitating or inhibiting food access. Each of the above factors has the potential to positively shape the access channels with which they are associated. Yet we found through our research that following the arrival of large-scale agricultural investments in the area, these factors acted in a way that negatively constrained – rather than facilitated – the right to food.

Access to/control over productive resources – particularly that of land – was the most defining factor shaping farmers' capacity to access food by growing and/or selling their own produce. The state has insuff-

iciently protected these necessary resources, despite the fact that 'where natural resources are the main source of food availability and accessibility, where there are limited off-farm livelihood opportunities, and where the ability of markets to ensure access to food is constrained, then improving access to natural resources is the focus of the obligations concerning the realization of the right to food' (Cotula 2008: 23). Given that land is the main object and target of investment, and that land is a vital resource tied to the right to food, the state's not only complicit but *facilitating* role in enabling land investments to occur calls into question the state's willingness to protect the most critical resource to fulfilling the right to food for small-scale farmers.

Based upon our research, it appeared that the combination of resource loss and the arrival of investors has led people to shift toward the wage-labor economy as a means of generating income and food access. In such scenarios, food needs should be accessed through income-generating activities, however the breadth of options, job security, as well as timing and amount of pay for such activities investigated are highly questionable. This has left people in a precarious food situation, with limited means to access food through their own production or through purchase. Any state action (or inaction) that results in loss of food access, whether by hindering access to necessary productive resources or hindering purchasing power, without the necessary mitigations, is in violation of the right to food.

4.2 Processes and Mechanisms that Make Violations of the Right to Food Possible

► Attributing transformations in food access to the impact of investment overlooks the conditions that allow for investment, in its varying types, to occur in the first place. This section looks beyond whether or not right to food violations are occurring, and instead examines the structural pathways and mechanisms that create the conditions for the right to food to be violated.

We found that, together, the policy environment and type of investment account for the way in which a factor operates, and its impact upon food access.

Specifically, the way in which the right to food plays out on the ground for small-scale farmers is shaped first and foremost by the policy environment. Therefore understanding the precursory role of the policy environment in shaping the likelihood of an investment occurring and the conditions under which it occurs is important. The policy environment here can be understood as the set of attitudes, policy initiatives, legal avenues, and the extent of financial backing that is institutionally implemented by the public sphere within fields related to agri-

culture, rural development and social service provision, as well as labor laws within the agricultural sector. It also includes political conditions such as political alliances (either within the public sphere or between public and private actors) and existing power imbalances (within the various levels of government and between small-scale farmers and the government).

The precursory role of the policy environment in negatively shaping food access through the above factors was a recurring theme expressed by those interviewed. In particular, three pertinent components of the policy environment require further discussion. Firstly, the issue of *who* represents small-scale farmers within the political/policy sphere (and who 'selects' these representatives) must be examined, as these representatives assert authority over decision-making and their supposed 'inclusiveness' has been used to legitimate the growth of large-scale agricultural investments. An important piece of context, as mentioned above, is that global agricultural policy in the past few decades, and particularly since 2008, has placed greater emphasis upon the internationally-endorsed 'food security' rhetoric and trade liberalization, and encouraged larger-scale mechanized agricultural investments as a method for improving food security. This push for large-scale agricultural investment was largely received with open arms by the Tanzanian state, which had been transitioning from a socialist orientation to a neo-liberal, market-based orientation since the 1980s. These shifts in policy have been supported by a number of civil society organizations in Tanzania that claim to represent small-scale farmers, such as the Agricultural Council of Tanzania (ACT) and Rubada, despite the fact that not one interviewed farmer had heard of these organizations. Endorsement by these organizations has been crucial for initiatives like SAGCOT to gain international legitimacy, due to the emphasis that the international community places upon civil society inclusion. However, the issues of representation raised by those interviewed suggest a potential co-optation and utilization of certain civil society organizations, accompanied by an exclusion of others, such as those whose membership is comprised of small-scale farmers themselves, with important consequences for the

ways in which investment is carried out and how, in turn, how food is accessed.

Importantly, issues of representation do not only occur at the national level, but are also prevalent at the local village level. A common theme expressed throughout interviews was the issue of representation and participation within village governance structures, with some citing that it is difficult to voice their opinions in village meetings if one is not a village leader. When they try, their voices are disregarded. This raises concerns that any land signed off by the village council may not have been backed by the villagers' consent, especially in one case of Lutukira, where people claimed that they were paid 2,000 Tshs by investors to attend the initial meeting (LARRRI 2010; Massay and Kassile 2014). The disconnection between the represented and representatives hinders opportunities for small-scale farmers to become involved in shaping the policies that impact them. It also poses challenges as to how farmers are informed of policy changes, investment initiatives, and potential impacts upon their livelihoods.

Secondly, the policy decision to neglect providing necessary social services in rural areas has presented a gaping hole of vulnerability that is exploited through a thickly woven alliance between the public and private sectors. Overwhelmingly, interviewees expressed that deals with investors are made attractive by their promise to fulfill basic social services, due to the lack of social services in these rural areas. In fact, in most of the researched cases, land was sold not for money (or if so, a very small amount); rather what facilitated the ostensibly legal land transfer in all four cases (whether by the Village Council or by villagers themselves) was the promise of hospitals, dispensaries, and schools. In other words, services that should be provided by the state are being used as a negotiating point by investors. This point cannot be overstressed. What this indicates is that the pre-existing policy environment has produced a level and type of vulnerability in which small-scale farmers (or their Village Council members) assess land to be less valuable than the provision of basic social services, with serious consequences for land access.

Thirdly, the type and conditions of investment have been structured by the policy environment in a way that prioritizes large-scale (often foreign) investments

on land, and which seeks to incorporate small-scale farmers into the wage-labor economy (Li 2009). This paves the path for the initial vulnerability produced by the lack of government support and social services to be not only exploited by the investors seeking to control land and labor, but is also exacerbated by them: investors have not only not delivered on their promises, but – according to those interviewed – they have also aggravated land and water shortages, environmental imbalances, and at times, left laborers economically vulnerable and physically unprotected from unhealthy working conditions – the result of which hinders food access. In other words, these investments are built upon and further reproduce vulnerability, leading to a cyclical pattern in which those losing out are small-scale farmers.

In sum, when examining the ‘relations of power and inequality, for contestation, and the violence often used to maintain them’ (Bernstein 2010: 9), we see that this double vulnerability is propped up, and made possible, by a strong alliance between private (usually foreign) investors and food-producing states such as Tanzania. This public-private exclusionary alliance is held together by mutually turning a blind

eye to their respective responsibilities, and by a process of reciprocal legitimation. It operates through the dispossession of control and access itself. As ‘who

owns what’ changes (Bernstein 2010: 22), it sets in motion a cyclical loss of control that impacts ‘who does what,’ ‘who gets what,’ and what happens to the fruits of the labor. Through this alliance, the state’s lack of appropriate action or inaction (whether financial, legal, or service-related) dispossesses people’s control over their resources and constructs the conditions for a certain type of investment to occur, which in turn dispossesses people of access to these resources. Without control over one’s land,

“It’s difficult to raise your voice in village meetings when you are not a leader. Village leaders weren’t fair to offer land to investors without the consent of other villagers.”

Farmer in Lipokela | Songea Rural District

for example, food access becomes problematic. This loss of control and access – over both production and sale as well as over the purchasing process – is what makes possible violations of the right to food. By framing our understanding of the right to food through the notions of access and control (as separate, yet closely related concepts), it illuminates the mechanisms through which one becomes vulnerable to violations of the right to food.

Therefore, for both of the above access channels to be realized, an enabling policy environment that respects and encourages rural livelihoods is critical to the exercise of the right to food. For control over production to be realized, for example, an enabling policy environment that respects, promotes, and encourages small-scale farming livelihoods and protects their productive resources is critical.

Farmer voices concerns over SAGCOT at a consultation meeting in Dar es Salaam village



Photo: Kerstin Lanje/MISEREOR

➤ 5. A Right to Food Analysis of SAGCOT

➤ Given the above findings and analysis of what makes right to food violations possible, this section will take a closer look at SAGCOT, the Southern Agricultural Growth Corridor of Tanzania, and its implications for the right to food in Tanzania. It will look at the interplay between SAGCOT and Tanzania's

policy environment, as well as examine some of the main characteristics of SAGCOT. In addition, it will assess the extent to which SAGCOT is poised to alter the structures that allow for right to food violations and fosters an enabling environment to support the right to food.

5.1 Origins of SAGCOT

➤ First, where did SAGCOT come from? In his preface to the SAGCOT Investment Blueprint, president of the United Republic of Tanzania, Jakaya Mrisho Kikwete, describes SAGCOT as having been born out of the deliberations of the World Economic Forum (WEF) on Africa held in May, 2010 in Dar es Salaam, Tanzania (SAGCOT 2011). This was part of a broader push for the development of 'agricultural growth corridors' across Africa by the WEF and other powerful economic actors, first presented before the United Nations General Assembly in 2008 (Paul and Steinbrecher 2013). Tellingly, it was a global fertilizer company that originally presented the growth

corridors concept before the UN and at subsequent global forums, along with other agribusiness multinationals. This is illustrative of a broader global trend toward private sector-led agricultural investment initiatives, with cooperation and facilitation by the state (McKeon 2014).

This push for private sector-led agricultural investment was received warmly by the Tanzanian state, which as mentioned above, had been transitioning its own agriculture sector in a similar direction in recent years. This transition was solidified in 2009 with the launching of *Kilimo Kwanza* ('Agriculture First'), a vision for the rapid transformation of Tanzania's agriculture sector through the formation of 'public-private partnerships' (PPPs). *Kilimo Kwanza* has been embraced by the Tanzanian government for 'underscor(ing) the critical importance of the private sector participating actively in agricultural production, provision of agricultural inputs, crop marketing and in the agricultural value chain' (SAGCOT 2011: 5). In its blueprint, SAGCOT is described as 'a unique and powerful public-private partnership' (ibid: 9) that 'will be the first major initiative to be launched under *Kilimo Kwanza*, and will establish a model for future agricultural growth partnerships that can be replicated throughout the country' (ibid: 15). The fact that SAGCOT is being looked toward as a model to replicate underlines the importance of placing SAGCOT under scrutiny.



Photo: Kerstin Lanje/MISEREOR

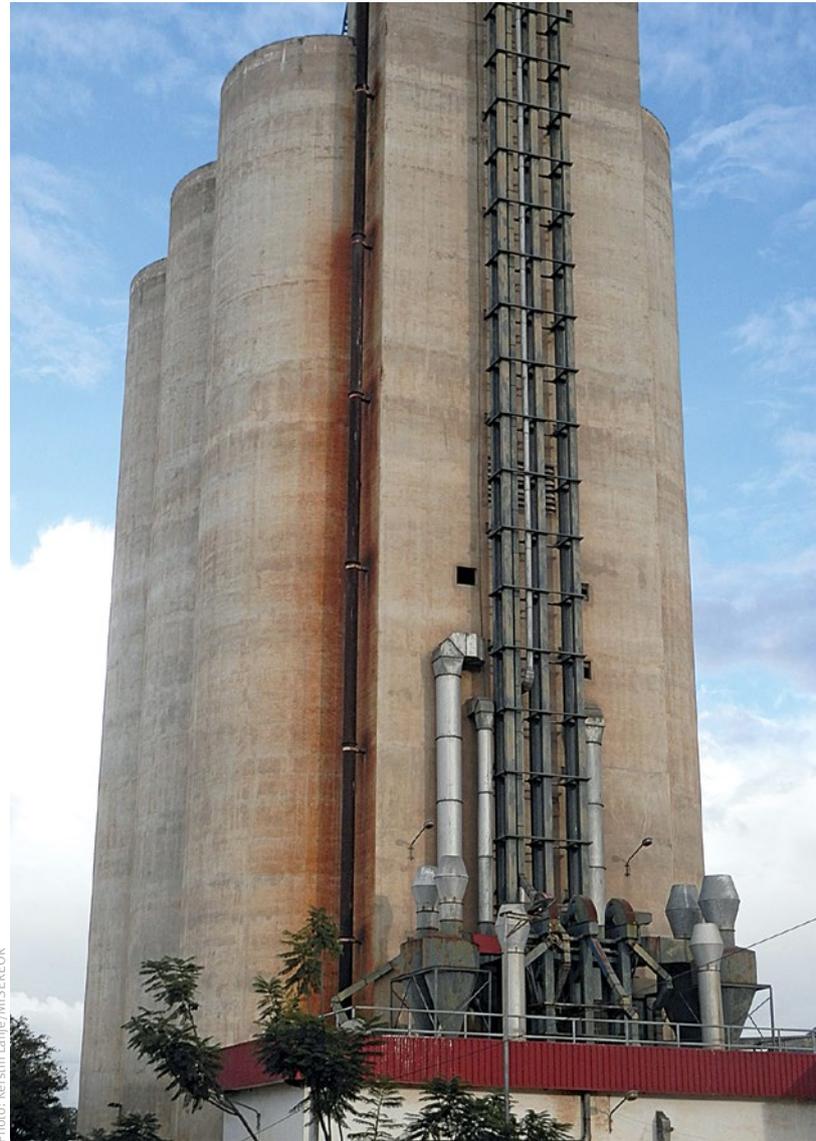
Kilimo Kwanza (Agriculture First) national initiative

5.2 Main Elements of SAGCOT

► The objective of SAGCOT, as stated on its website, is to ‘foster inclusive, commercially successful agribusinesses that will benefit the region’s small-scale farmers, and in so doing, improve food security, reduce rural poverty and ensure environmental sustainability’ (SAGCOT 2014a). A main approach for doing so is the formation of interlinked clusters, defined as ‘geographic concentrations of interconnected companies, specialized suppliers, service providers, and associated institutions’ (SAGCOT 2011: 3). Among the reasons cited for the selection of this particular geographical zone of SAGCOT are high potential for boosted agricultural output, good ‘backbone’ infrastructure such as roads and electricity, and strategic links with regional and international markets (*ibid*).

There are a number of underlying threads of SAGCOT with important implications for the policy environment that it is fostering. These include emphases on 1) the private sector; 2) land investments; 3) boosted production; and 4) the ‘commercialization of smallholder production’ (SAGCOT 2011). First, already alluded to above, is an emphasis on the private sector and on PPPs. Of the 53 partners involved in SAGCOT as of the publication of this report, more than half are from the private sector. This includes both Tanzanian firms as well as well-known agribusiness multinationals such as Monsanto, Cargill, Nestlé, Unilever, and Bayer, among others (SAGCOT 2014b). Other partners include the Government of Tanzania, USAID, and various development agencies and civil society groups both from within and outside of Tanzania. References to creating conditions favorable for the private sector can be found throughout the SAGCOT blueprint.

Second, is the assumption that the vast majority of land in Tanzania currently remains ‘under developed’ and the resulting emphasis on the potential for large-scale land investment. This is to be facilitated through ‘improving national land use planning and tenure arrangements by identifying land belonging to government institutions that could be used for agricultural production, streamlining arrangements for granting secure land rights to investors, and reforming the process which enables local communities to use their land as equity in joint ventures with



State-owned food reserve, Iringa

investors’ (SAGCOT 2011: 46). Third, along with the focus on investment in land is a focus on boosted production, and increased levels of agricultural exports, as a means of alleviating rural poverty.

Finally, there is an emphasis on the ‘commercialization’ of the small-scale farmers of the Southern Corridor, and on their integration into the ‘value chain.’ President Kikwete, in his preface to the SAGCOT blueprint, states: ‘Tanzania’s agriculture is predominantly small holder (*sic*), characterized with very low productivity due to very limited use of modern technology and techniques of production. As a result, therefore, the country’s huge agriculture potential remains unutilized’ (SAGCOT 2011: 4). The implication

is that the model of agriculture practiced by small-scale farmers is inherently inferior to larger-scale, commercialized production and that this model itself is largely to blame for Tanzania's shortcomings in agriculture, as opposed to the constraints facing small-scale farmers. An aim of SAGCOT is therefore to 'incorporat(e) smallholder farmers within commercial agriculture businesses' (SAGCOT 2011: 17). In this

sense, small-scale farmers themselves are not seen as primary targets of investment under SAGCOT, but rather as potential components of larger commercial schemes, such as the proposed investment clusters of SAGCOT.

These four threads are significantly shaping the current policy environment under which investment is being implemented in Tanzania.

5.3 SAGCOT vis-à-vis Food Access Channels

➤ Based the policy elements outlined above, and an understanding of the way in which policy shapes the conditions and terms of agricultural investment, what implications does SAGCOT have upon the right to food for small-scale farmers? Here, we will examine the policy environment of SAGCOT more closely, employing the same conceptual framework used above.

limited prospects for small-scale farmers to be able to grow their operations and for the next generation to access land, potentially jeopardizing the right to food in the future. Perhaps even more significantly, particularly in the case of Muwimbi, close proximity of multiple investment projects was identified by interviewees as having severe consequences in blocking off access to communally shared productive resources that are critical to the right to food such as grazing areas, water sources, and foraging areas, with a disproportionate impact on women.

The case of Muwimbi illustrates that land deemed 'unused' or 'under developed' and thus suitable for investment may in fact be of vital importance to the right to food of those residing nearby. This raises questions regarding SAGCOT's emphasis on investment in 'under developed' land and how such designations will be made. In fact, the potential for increased land pressure, and ensuing conflicts and displacement under SAGCOT, have been cited in SAGCOT's own materials, including its Strategic Regional Environmental and Social Assessment (ERM 2013). One way in which SAGCOT purports to be addressing potential conflicts over land is by encouraging land titling at the village level. However, there has thus far been low political commitment to land titling, as demonstrated by a lack of resources devoted to it and the low number of titles granted. Furthermore, Olivier De Schutter (2011a) warns that titling in and of itself does not guarantee protection of tenure rights, and in fact could help to facilitate land transfers, once land becomes legally recognized. Additionally, as titling tends to emphasize individual tenure over communal tenure, it can lead to conflicts between different groups using the same land, such as farmers and

“Since the investor came for the first time, many more investors are now rapidly coming, so I think that in three more years, there will be no more land for us.”

Farmer in Magome | *Songea Rural District*

Access to/control over productive resources

According to the findings above, among the greatest threats to farmers' access to and control over productive resources is pressure over land exacerbated by the large-scale investment projects examined in this study. As large-scale land acquisitions by (mainly foreign) private investors continue to be a major thrust of SAGCOT, it can be expected that land pressure will continue to intensify under SAGCOT. Of particular concern is the strategy, central to SAGCOT, of clustering multiple investment projects in close proximity to one another, given what was witnessed in two out of the four villages examined in this study, Magome and Muwimbi. In both cases it was reported that being surrounded by multiple investment projects severely

pastoralists, and could serve to reinforce existing inequalities (*ibid*). As related to the right to food, then, land titling cannot be seen as a panacea, but as a potential tool, of which the risks of implementation must be carefully assessed and monitored. Beyond land titling, it is unclear what measures are being planned under SAGCOT, if any, to address increased land pressure and ensuing conflicts that are likely to occur. If adequate measures are not taken, the result would be a violation of the right to food.

Other productive resources of concern vis-à-vis SAGCOT include water, seeds, and labor. In addition to the risk of farmers being physically cut off from common water sources, another issue related to water is the major emphasis SAGCOT places upon increased irrigation for commercial agriculture (SAGCOT 2011), which will create increased pressure upon already fragile aquifers. This is particularly problematic, given that several of the villages examined in this study already cited increased pressure on water sources due to large-scale investment projects involving irrigation schemes. Regarding seeds, many of the farmers interviewed in this study counted their ability to save seeds from one season to the next as fundamental to their ability to grow food and feed their families. In the SAGCOT blueprint, however, the practice of saving seeds is frowned upon as being associated with low productivity, with an emphasis placed on distribution of ‘improved’ seeds instead. While increasing farmers’ options of available seeds could in theory support their right to food, SAGCOT’s emphasis on improved seeds raises at least two concerns in this regard. One is the potential for farmers to be discouraged, or even prohibited, from saving and exchanging seeds through the development of new regulatory frameworks, as are currently being promoted by the G8’s New Alliance for Food Security and Nutrition (Paul and Steinbrecher 2013). Secondly, while saving seeds helps to safeguard food availability from one season to the next, commercial seeds must be purchased each season. Thus, once dependent on commercial seeds, if a farmer finds herself in a position where she cannot afford to purchase seeds, in the absence of safety nets, her right to food may be violated. This is a very real concern given the extremely limited financial resources of the majority of farmers interviewed in this study.

In follow-up conversations in October 2014 with several of the NGO representatives that we had interviewed in March, including those from Caritas Tanzania and the Tanzania Organic Agriculture Movement, we learned that Tanzania’s seed laws were in fact in the process of being revised. This was happening very quickly and very quietly, with little input from civil society. Furthermore, the proposed changes reflected what had been their worst fears over severely restricting the ability of farmers to save and exchange their own seeds. They also mentioned that changes to Tanzania’s land laws appear to be on the horizon. These developments are still in progress as this report goes to print.

“Now there are land conflicts between villagers because we see that land has become very valuable. It used to be that we shared land with each other and borrowed from friends. After investment, this has changed as we now compete against each other. Everyone has their own little bit of land and that’s it.”

Focus group in Magome | *Songea Rural District*

Finally, among the most important productive resources of small-scale farmers is their own labor. As seen above, while some investment projects may bring new employment opportunities, a farmer’s labor is finite, and thus working for an investor could compromise his ability to grow food for his family. If this is not compensated for by a living wage that allows him to purchase adequate and sufficiently diverse healthy food – a problem that we found in several of the villages investigated – then this would constitute a violation of the right to food. When SAGCOT promises 420,000 new jobs in its blueprint (SAGCOT 2011: 7), it is unclear whether any potential loss of labor on family farms has been accounted for, as such labor is not typically recognized. Furthermore it is unclear

what mechanisms will be used to ensure that employment is meaningful and in line with international labor standards.

Access to/control over inputs and support for production

As seen above, obstacles faced by small-scale farmers in accessing inputs and other necessary supports for production serve as a major constraint to their realization of the right to food. Among the aims of SAGCOT is to provide small-scale farmers with inputs, credit, and technical assistance, mainly through connecting them to larger commercial operations via 'outgrower' schemes, a type of contract farming model (SAGCOT 2011). While this plan could potentially help to address some of the barriers faced by the farmers interviewed, it raises several issues with regard to the right to food. First, while the private sector can and should do its part to support the right to food, in no way should this be considered a substitution for the role of the state in carrying out its legal obligations to not only respect and protect, but also fulfill the right to food. According to De Schutter (2011b: 6-7) in his report on contract farming:

Guideline 2.6 of the Voluntary Guidelines on the right to food recalls the duties of the State where poverty and hunger are predominantly rural. It is expected that States, for instance, will provide technical assistance to farmers through public agricultural extension services, ensure access to reliable and assured credit for small-scale farmers at reasonable rates and help to create basic price support mechanisms for small-scale farmers. Contract farming should not become a driver of the privatization of extension services, or serve as an excuse for Governments to neglect their duty to support farmers with the provision of public goods, since it is precisely the most marginalized farmers who would suffer from the retreat of State support.

De Schutter (*ibid*) goes on to make the critical point that from a right to food perspective, the state must actively work to support those who are most vulnerable and marginalized by ensuring that supports and services are both accessible to them and specifically targeted to their needs. There is no reason to believe that the private sector will do the same, as it is generally not in its economic interest

to do so, and for this reason, the most resource-limited, marginalized farmers tend to be overlooked in contract farming and similar arrangements. As related to SAGCOT, an important question is whether any arrangements are in place to reach the farmers who are most in need of support, as opposed to those who are most attractive to investors and best positioned to work with them. Similarly, will farmers who are well-situated within the proposed SAGCOT 'clusters' be better able to access various services, because of their closer proximity to them, than those who fall outside or on the margins of them?

Secondly, there is the question of what kinds of inputs will be provided via SAGCOT and what degree of say farmers will have on this matter. According to a representative of the Tanzania Organic Agriculture Movement (TOAM) (interview 24 March 2014), many networks of small-scale farmers in Tanzania are opting for ecological inputs that are locally available, both for their greater affordability over synthetic inputs as well as for their sustainability, as synthetic inputs have been found to degrade the soil, harming the agro-ecosystems upon which small-scale farmers depend for their production, and hence their food security. Those engaged in promoting alternative agriculture practices throughout Tanzania frequently see their efforts undermined by donor-driven initiatives coming from outside of Tanzania that have not adequately consulted with the farmers impacted, and they fear that SAGCOT will be no different. By many indications, including the fact that SAGCOT is backed by some of the world's most powerful seed and agricultural input companies, such as Monsanto and Syngenta, there is reason to believe that a particular model of agriculture (i.e., that which is most profitable for the private sector) will be promoted by SAGCOT to the exclusion of others, leaving farmers with few options.

Access to/control over markets and prices

As described in the findings above, the majority of farmers interviewed in this study had little to no access to viable markets where they could sell their surplus production, when available, for fair prices. This was also a point emphasized by the TOAM representative, based on extensive work with small-scale, limited resource farmers throughout Tanzania: 'Some researchers are going to farmers promoting improved



Fresh fruit and vegetable roadside market on the way to Dar es Salaam

varieties. The farmers are saying for what? And the researchers are saying for increased yields. But the farmers are saying that they still have crops from last year that they haven't been able to sell. How will increased yields help them?

This quote by the TOAM representative emphasizes the point that boosted production in and of itself may do little to help small-scale farmers if they are unable to access markets and receive fair prices for what they produce. SAGCOT seeks to address the barriers faced by small-scale farmers in accessing markets through connecting them with larger operations, as mentioned above. Indeed, throughout SAGCOT materials, there is an emphasis on synergistic relationships between small-scale and large-scale operations, in line with what Olivier De Schutter (2011a) has characterized as a 'coexistence scenario' of agricultural investment. According to De Schutter, there are a number of important considerations regarding this approach, as related to the right to food. Most fundamental is the issue of power differentials between small-scale farmers and larger enterprises, placing small-scale farmers in a weak bargaining position and making it difficult for them to negotiate fair prices and otherwise defend their rights. Also, due to the economies of scale that large-scale operations are able to reach, and the fact that social and environmental costs are generally not reflected in the prices of their products, large-scale operations can easily out-compete smaller ones if targeting the same markets, creating the risk that 'small

farmers will either be driven out or will only subsist under conditions of extreme poverty' (ibid: 547).

De Schutter notes that some of these potential risks may be averted through 'appropriate contracting schemes.' This appears to be in line with the proposal of SAGCOT that smaller operations be connected to larger ones via 'outgrower' schemes. However, De Schutter also warns that contractual agreements do not necessarily address the issue of power differentials, and therefore, 'States must control long-term arrangements between investors and buyers and between farmers and producers to prevent the risk of abuse or, where abuses do occur, to ensure that effective remedies are available' (De Schutter 2011b: 6). Furthermore:

As part of their national strategies for the realization of the right to food, Governments should create an environment enabling the development of local markets benefiting small-scale farmers and the creation of a range of options for connecting small-scale farmers in rural areas to urban consumers. The more farmers have alternatives for accessing markets, the stronger their position will be in negotiating the terms of agreements with private entities for contract farming or joint ventures. (ibid: 19)

A key point of De Schutter, of relevance to SAGCOT, is that contract farming may be able to be carried

out in such a way that supports the right to food, if properly regulated and if complemented by specific policies in support of small-scale farmers. However, even so it should not be considered the only marketing option for small farmers, but part of a diversity of options, since the more alternatives small-scale farmers have for accessing markets, the stronger of a position they will be in to receive fair prices, and realize their right to food.

Availability and accessibility of adequate, diverse/ healthy food for sale

Another issue related to the proposed ‘outgrower’ schemes of SAGCOT is their impact on local availability and accessibility of food in the villages of the Southern Corridor. De Schutter (2011b: 7) notes, for instance, that ‘contract farming may divert agricultural production towards cash crops that, while potentially increasing revenue for some producers, may also lead to local food price increases, as less food would be produced for local consumption, with the risk that food would become unaffordable for the poorest in some communities.’ This is a common risk found in farming communities that do not consume what they produce (as they produce for export), and consequently do not produce what they consume (but must purchase it). In order to avert this, SAGCOT would need to include strong provisions to ensure local availability and accessibility of food through measures such as the support of local markets. Yet the major thrust of SAGCOT, including in its desired outcomes by 2030, is to serve ‘regional and international markets’ (SAGCOT 2011: 7) with little mention of strengthening local food availability.

A report released by REPOA (Research on Poverty Alleviation), one of the organizations consulted for this study, echoes these concerns with respect to SAGCOT:

At present, Tanzania is (on a net basis) nearly self-sufficient in food production and thus relatively insulated from the variability of world markets. The desired objective of greater integration of Tanzanian agriculture into global food markets is based on the idea of offering domestic producers the opportunity to profit from international shortages. Yet this also necessarily implies that domestic

consumers become more exposed to international variability in food prices... Because such a large percentage of household income in Tanzania is spent on food, food price fluctuations are serious business, both economically and politically. (World Bank 2013: 2)

In other words, SAGCOT’s apparent bias on export markets over local markets therefore risks contributing to violations of the right to food by failing to secure against global price fluctuations. Furthermore, this focus on export markets could weaken the ability of the Tanzanian state to actively fulfill the right to food, given that, ‘(t)he development of small-scale local and regional markets seems to be the most promising avenue towards the realization of the right to food in many developing countries where rural poverty is widespread’ (De Schutter 2011b: 3).

Access to living wages

While the proposed ‘outgrower’ schemes of SAGCOT are premised on the ability of small-scale farmers to continue working on their own farms, they are also premised on these being connected to larger operations – ‘nucleus farms’ as well as processing and distribution facilities (SAGCOT 2011) – that will inevitably require local labor. As mentioned above, among the goals of SAGCOT is the creation of 420,000 employment opportunities, but little detail is provided as to the nature of these opportunities (such as the terms of employment, job security, labor standards including pay, etc.). In order for the employment generation efforts of SAGCOT to support the right to food, those maintaining their own operations would need to be guaranteed fair prices, as addressed above, and those working on plantations and other wage-labor jobs would need to be guaranteed a living wage.

According to Anker (2011: 5), the idea of a living wage, enshrined in international human rights law by the International Labor Organization (ILO) and other bodies, ‘is that workers and their families should be able to afford a basic, but decent, life style that is considered acceptable by society at its current level of economic development. Workers and their families should be able to live above the poverty level, and be able to participate in social and cultural life.’ As described above, several of the investment sites

visited had labor conditions in violation of the human right to a living wage, and thus also in violation of the right to food, among other labor standards violations. The most egregious example was found in Lipokela, based on accounts of the workers on the plantation run by Olam-Aviv, which has recently become an official partner of SAGCOT. It is important to note that when questioned about the alleged human rights violations on the Olam-Aviv plantation in Lipokela, a district-level government official (interview 19 March 2014) expressed that he was well aware of the situation, but that his hands were largely tied in terms of being able to take any action, which he attributed to

government officials at his level in general not having sufficient power over such matters. It is of particular concern that a company known by local government to be violating a number of human rights, including the right to a living wage, would be able to join SAGCOT without these violations first being addressed. This does not bode well in terms of the other employment opportunities created through SAGCOT being required by the state to ensure a living wage and other basic human rights. Employment creation in and of itself will not address food insecurity and poverty, as SAGCOT purports to do, if it does not guarantee living wages and other social benefits.

5.4 Summarizing Remarks on SAGCOT and the Right to Food

► Having employed the conceptual framework developed for this study to examine SAGCOT through a right to food lens, it appears that there is little indication that SAGCOT will alter the precipitating conditions and patterns of investment that enable right to food violations; if anything, it will perpetuate and further institutionalize them. Furthermore, as it is currently designed, there is little to no evidence that SAGCOT will support the Tanzanian state and civil society in actively fulfilling the right to food.

At the crux of the matter is that the poverty alleviation and food security goals of SAGCOT appear to be premised on a number of questionable assumptions. These include that the challenges faced by small-scale farmers can be addressed through boosted production and linkages to larger operations in order to reach regional and international markets. However, boosted production and market linkages will do little to help small-scale farmers if they do not have adequate bargaining power and the ability to defend their rights, including the right to food, supported by regulatory frameworks that are adequately enforced by the state.

Furthermore, the proposed arrangements of SAGCOT have the potential to directly decrease the production of food for local consumption. This could hypothetically be compensated for through increased imports, but the question of how Tanzanians, particularly the most vulnerable populations, would be protected against increasingly volatile global food

prices remains to be addressed. This is a fundamental question, given that this is the very issue that gave rise to the food price crisis of 2007-08. There is also the question of how equitable distribution would be ensured, again particularly in terms of reaching most vulnerable populations. To reiterate the basis

“Investors should deliver on what they promised; then from there, we could all come together, sit and decide on the future of the land.”

Farmer in Lutukira | *Songea Rural District*

of the right to food, as stated above, all people must be able to directly produce food for themselves and their families and/or have sufficient income to purchase food (assuming it is available, accessible, and adequate). Proper protections do not appear to be in place under SAGCOT to ensure that the most basic conditions necessary for realizing the right to food are in place.

Finally, even if each specific concern related to SAGCOT vis-à-vis the right to food were individually addressed, there is the overarching issue that there do not appear to be sufficient mechanisms in place

on the part of the Tanzanian state to guarantee the right to food, under SAGCOT or in general. If the right to food were set as a priority of the Tanzanian state, then the state would necessarily need a well-articulated and well-coordinated plan to achieve the right to food, with any proposed investors adhering to and supporting this plan. In the absence of such a plan, what exists instead is a patchwork of different policies and plans, some of which directly contradict

each other, and many of which are at the whims of different donors and other actors (Cooksey 2013). This is an issue given that, as it stands, it appears that investors are taking the lead while the state is following, and with those at the local government level largely powerless. This is paving the way for serious violations of the right to food, and multiple steps backward in efforts toward the fulfillment of this fundamental right.

➤ 6. Conclusion

➤ This report has sought to shed light upon the impacts of large-scale agricultural investment on the right to food of small-scale farmers in the Southern Highlands of Tanzania, particularly in light of plans for the rapid expansion of investment throughout the region under SAGCOT. Our findings indicate numerous violations of the right to food associated with specific

potential right to food violations, based on the plans detailed in its own blueprint and related materials, as well as initial assessments that have been conducted.

By developing a conceptual framework based on control and access as determinants of the right to food, we were able to show how a lack of control and access makes violations of the right to food possible. Specifically, this framework enabled us to understand and analyze the findings in each of the four sites in relation to the way that vulnerability is reproduced by a policy environment that deprioritizes rural livelihoods and the type of investment, and how these two feed off of each other. To remove these barriers that enable the right to food violations to occur, the state must take an active role in: 1) building a policy environment that protects small-scale farming livelihoods and their access to and control over productive resources; 2) providing relevant and accurate information to communities; 3) ensuring that small-scale farmers are accurately represented and included in policy-making; and 4) – perhaps most critically – in ensuring basic social services are provided to rural communities, so that investors are not able to use this lack as a negotiating tactic that results in the devaluation of land.

Placing this into the current context of SAGCOT, it bears noting that numerous interviewees, from individual farmers to village leaders to a number of the civil society representatives, expressed that they were not against SAGCOT in principle – that

“Because the population of our village has increased and we don’t have any land that can feed the population, we would like to ask investors to give back some part of the land that they have so villagers can be able to use it once again.”

Focus group Muwimbi | Iringa District

investment sites that we examined and raise broader concerns over the current investment climate in Tanzania via-a-vis the right to food – namely that the necessary regulatory frameworks and accompanying mechanisms are not currently in place to protect, respect, and fulfill this right. Furthermore, there are numerous flags raised by SAGCOT concerning

is, they were not against the idea of an infusion of agricultural investment in the region, which they agreed was sorely needed. Their concerns lay in the nature of the investments that will take place (which connects back to the investment debates outlined above), as well as a lack of engagement on the part of SAGCOT leaders with the many communities that will be directly impacted through SAGCOT, or with the organizations that work most closely with these communities. This latter concern is of particular relevance from a right to food perspective, which emphasizes the needs of those most vulnerable. In the case of SAGCOT, those most vulnerable are the rural communities of small-scale food producers of the Southern Highlands, and they seem to have been largely bypassed thus far, during SAGCOT's planning and early implementation phases. This calls into question whether SAGCOT is in fact intended to serve their needs. Indeed, it could be argued that if SAGCOT were to be carried out in such a way that supported the right to food, it would need to come from a very different starting point. That is, it would need to be grounded in the realities and needs of the small-scale farmers it is purported to support. This missed opportunity of SAGCOT to be grounded in an approach that supports the right to food is captured well by Jordan Gamma of Tanzania Organic Agriculture Movement (TOAM):

For me, they are not taking the right strategy to achieve food security, which would be to start with the household. The households should be enabled and capacitated to produce for food security. Nobody feeds you – you feed yourself. Only where land is not available to the citizens does the government need to take that responsibility... But in places where there is land, farmers just need support – for example marketing – marketing is a huge challenge in Tanzania, even for our major crops like cashews. Another major challenge is storage. So to address food security and other problems, there is the need to get beyond talking and planning and dreaming and simply act. So for me, smallholder farmers must be at the heart of the solution. I call upon the government and other actors to think about how do we invest to make sure that these farmers are actually able to pro-

duce for themselves and also to sell some of what they produce...

Gamma's quote reminds us of the oft-overlooked duty of the government, in this case the government of Tanzania, not only to respect and protect the right to food, but actively work to fulfill this right, as part of the progressive realization of the right to food described above. In each of the four village sites examined, when asked about their needs, assets, and visions, the small-scale farmers interviewed had no shortage

“If we had a choice between cultivating that land ourselves or being employed by the investor, we would cultivate our own land and not be laborers. Even if Olam raised the wages (up to 10K Tsh), we are not ready (to give in). We would rather have our own land – we value our freedom – we would advise the government to remove investors.”

Focus group Lipokela | Songea Rural District

of responses. And yet, as Tanzania is on the cusp of what is planned to be a dramatic transformation of its agricultural sector, with major social and economic implications both inside and outside of Tanzania, those who in theory should be the key protagonists of this process have largely been left out of the picture. As we have attempted to demonstrate here, this is highly concerning from a right to food perspective and does not bode well for SAGCOT, or for similar investment initiatives across Africa and beyond. As Gamma adds, ‘Africa is being seen as a breadbasket for other continents; the World Bank, G8, and others are saying we should take this opportunity, and the government is in agreement...but is it an opportunity or a curse? In 50 years, will people have water and land?’



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Appendix

A Methodological Considerations

Further information on the research methodology used is detailed below.

A1. Selection of Research Methods

As outlined within the report (section 3), the research methods used included semi-structured interviews, focus group discussions, and document analysis. Given potential concerns about power dynamics between researchers and interviewees, we assessed semi-structured interviews to be an appropriate method to use with small-scale farmers for a number of reasons. Their flexible/free-flowing structure provided interviewees with a degree of control over the direction of the interview and allowed space for interviewees to voice their opinions, concerns, perceptions, challenges, and experiences. This is particularly important for marginalized groups that have been excluded from policy that directly impacts them. This method also allowed for a more in-depth exploration of the complexity of issues surrounding the relationship between investments and the right to food – directly contributing to our research question. Focus groups, on the other hand, enabled us to review the perceptions that arose within semi-structured interviews within a larger group, allowing us to contextualize the issues discussed as isolated or situate them as reflective of more generalizable, structural issues. Focus groups were also carried out in a semi-structured way to allow for differing perceptions to be explored and for participants to drive discussions within the groups themselves. Document analysis included examining land sale contracts, as well as government documents, such as official SAGCOT materials, as well as academic journal articles, helped us to contextualize the information that we received through interviews.

A2. Access to Sites

The data collection period was preceded by a two-day consultative meeting organized by Tanzanian civil society groups which took place in Dar es Salaam, which served as an initial access point. There we connected with the farmers organization, MVIWATA

Ruvuma, whose staff played a crucial role in negotiating access to the selected communities, in linguistic interpreting, as well as contextualizing the relevant political issues. MVIWATA Ruvuma had previous connections with the villages of Lipokela and Lutukira in the Ruvuma region. Within Iringa region, MVIWATA Ruvuma also played a crucial role in connecting us with another organization, Caritas Iringa, who served as an access point into villages there.

Within each village, sampling for participants was at random. Participants for semi-structured interviews were selected through snowballing, in which one member of the community would introduce us to neighbors or other community members, who in some cases would then introduce us to others. Focus groups were conducted in community spaces where those interested in participating were free to come and go. Thus participants were self-selected.

A3. Limitations and Biases

There were several important limitations that shaped the outcome of our data collection. Firstly, the fact that all data collection took place within a two week period severely limited the study with regard to the number and depth of interviews, as well as the number of villages we could visit. Importantly, the time limitation prevented us from expanding the study to examine the impact of these large-scale agricultural investments on neighboring villages to see if food availability and economic activity had been impacted at a more regional level.

A second large limitation was the fact that, at the time of the research, only one of the large-scale agricultural investments studied was associated with SAGCOT (that of Green Resources/Sao Hill within Muwimbi). Within Ruvuma the local District Counselor of Songea did not know of any initiated SAGCOT projects. This is because SAGCOT has yet to be implemented at a mass scale, (but already since the data was collected Olam-Aviv – the investor within Lipokela – has become a SAGCOT partner). Therefore, in order to make this study more generalizable, we examined large-scale agricultural investment projects more broadly for their implications on the right to

food and utilized document analysis to generalize the extent to which these investment patterns can be expected to be reinforced or altered within the implementation of SAGCOT plans.

Thirdly, our race and socio-economic class as researchers were apparent and it may have shaped the answers we received. Concerned that participants may agree to partake because they believed that we were able to directly influence state policy or get their land back, we attempted to curb this misconception by explaining up front the purpose of the research as well as the limits of our capacity to influence policy or reverse land deals. However, at times it became evident that even toward the end of interviews, participants were not always clear as to the degree of power we possessed over changing the outcome of land deals. This may have altered what participants were willing to share with respect to any positive impacts of investment on their lives.

Fourthly, as already discussed, we were largely dependent upon connections and linguistic interpretation of MVIWATA Ruvuma. This was crucial, as it would have been very difficult to access these communities as outsiders, and to build the necessary trust in such a short span of time. However, this also poses several limitations. First is the limitation that MVIWATA's involvement could have contributed to bias in the interviews. To mitigate this, as described above, interviews were conducted based upon who was available upon our arrival to each village, and thus the interviewees were not pre-selected by MVIWATA. Still, there was the risk that MVIWATA's linguistic interpretation may have inadvertently highlighted certain points over others. Finally, the presence of a Village Council member in the vicinity of one of the semi-structured interviews potentially influenced the outcome of that discussion.

On a more general point, as discussed by Locher and Sulle (2014) as well as Massy and Kassile (2014), data collection on land issues in Tanzania presents many challenges, ranging from a lack of transparency, lack of knowledge of villagers, unavailable data, as well as conflicting data expressed by various sources of information. For example, it is common

to find conflicting information between newspaper articles, villager testimonials, and/or investor websites. Therefore, after consulting many sources, whilst maintaining a particular focus on the voices of the small-scale farmers interviewed as that aligns with our methodology, we have presented here the cases as we understand the sequence of events and impacts. However our report should be read and used with the understanding that a lack of clear, accessible data has been a limitation.

A4. Structure of Interview Questions

Questions for semi-structured interviews were divided into five main sections and were guided by a right to food approach in which perspectives of small-scale farmers were placed at the forefront. The *Background/Context* section provided a glimpse into the necessary context of the individual participant's lives, identifying prior and current modes of food and land access, as well as access to inputs, credit, and markets, and the extent of government support received. The *Process* section focused on the character of investments and processes by which land was transferred from the village level to investors, including the interactions between farmers and investors, the nature of contracts, village meetings, issues of consent, and accessibility of complaint channels. The *Impact* section was designed to assess changes over time since the arrival of large-scale agricultural investments with regard to people's access to resources, livelihoods, food access, the environment, and views of investment. We questioned interviewees about both the positive and negative impacts of the investments. The *Knowledge* section assessed the breadth of knowledge by farmers over key policy and others matters related to their own protection, such as the land titling process, price setting, bargaining, other potential investment models, and SAGCOT itself. The *Needs/Visions* section provided space for farmers to discuss their investment needs required to transform their visions into reality, and to compare what type of support is needed with what is currently being provided.

Interview Questions (one-on-one interviews)*	
Context & Background Information	1. What is your approximate age? How large is your household size?
	2. How large is the land that you cultivate? How many people/households use the land? Who owns the land?
	3. For how long have you and/or your family cultivated the land? How did you come to gain access to the land?
	4. How do you access water for cooking? For irrigation?
	5. How do you feed your families? (i.e. from money generated or from crops grown?) What proportion of food (if any) do you grow for household consumption? For sale?
	6. What do you grow? What are your approximate yields? What are your income generating crops?
	7. What do you eat? How would you rate your food quantity and food quality?
	8. Have you experienced food shortages within your household? Within the community? If so, are there ways to get help if you or someone in your community does not have enough food? Are there any food reserves in your community?
	9. Do you save seeds? If not, how do you get seeds? How do you get other inputs?
	10. If you own your land, what are the benefits to controlling your own land? What is difficult about it?
	11. Are you employed by anyone other than yourself? If yes, how much do you earn?
	12. If you sell your crops, where and to whom do you sell? Who decides the price of your crops?
	13. How do you access credit? What are the available options? What are the interest rates?
	14. How does the government support you?
	15. What are your main concerns right now related to food, land, and agriculture?
	16. Is there any land that is not allocated for use at all in your community?
	17. Are you a member of any organizations? (ANSAF, ACT, etc.)
Processes & Interactions with Investors	18. Are you in any contractual agreements with purchasers (i.e., contract farming/out-grower schemes)? If so, for how long? What is the nature of the agreement? How satisfied are you with this arrangement? How secure do you feel?
	19. What interactions have you had with investors? With government officials? What was the nature of that interaction? If investments were discussed, how was agricultural investment presented to you?
	20. Are you familiar with SAGCOT? Were you involved in any consultative processes prior to the launch of SAGCOT? Prior to the launch of an investment in your community? If so, can you tell us about what was discussed? Were promises made, and if so, which?
	21. Were any alternative options explored?
	22. What is the role of your village councils in dealing with agricultural investment? If/when village assemblies meet to discuss a possible investment, are you informed of the main issues beforehand?

Interview Questions (one-on-one interviews)*	
23. Is there a complaint mechanism available at the village council level if you disagree with a decision made regarding agricultural investment? How comfortable and capable do you feel to use it?	Processes & Interactions with Investors
24. What positive impacts, if any, have resulted from agricultural investments near your community?	Impact of Investments
25. What negative impacts, if any, have resulted from agricultural investments near your community?	
26. How does what you grew 10 years ago compare to today?	
27. Have there been specific changes to your food, land, and/or environment since the investment began near your community? Has the proportion of food that you grow for household consumption changed since the investor arrived? Has your access to food become better, worse, or stayed the same since the investor arrived? Have there been changes in food prices? Have there been changes in the physical environment? Has your access to water changed?	
28. Do you know anyone that has sold and/or lost their land? If so, then what do they do now?	
29. Within the context of changes, how have you adapted or resisted? How many people do you know that have moved away/to the city?	
30. Do you hold a land title? Do you know how to title your land? Do you view land titling as a positive or negative thing?	Knowledge Assessment
31. Do you know how to engage in contract farming and/or other schemes with investors? Are you aware of your rights?	
32. Do you know how food prices are set and by whom (how much control do producers have, if any, in setting prices)?	
33. Do you know how to bargain with investors, including what leverage you may have? What do you consider to be your strengths as a farmer?	
34. What do you think a good contract looks like, if at all? What obligations do you think an investor should have? (i.e. providing a market, stable prices, paying taxes, unable to leave whenever they want, etc)	
35. What did/do you know about SAGCOT?	
36. What is your vision for the future (what would you like to see)? What, if anything, do you need to fulfill that vision? Do you think the nearby agricultural investment and/or SAGCOT project supports this vision?	Visions & Needs of Farmers
37. (If they are familiar with SAGCOT) What are your expectations of SAGCOT?	

* Please note that, because we relied upon translators to translate these questions into Swahili, the exact wording of these questions differed during interviews

The format for focus group interviews was similar, though it followed a less structured and more informal flow, allowing for new questions to arise based upon what respondents chose to speak about.

B Information on Interviews

Village	Interview date	Number of focus groups and length of time	Number of individual interviews
Lipokela	17 March, 2014	Focus group #1 20 people, 0:53 hours	Interview #1 - 1:33 hours Interview #2 - 0:36 hours interview #3 - 0:38 hours
Lutukira	18 March, 2014	Focus group #1 21 people, 1:00 hour	Interview #1 - 1:08 hours Interview #2 - 0:51 hours
Magome	21 March, 2014	Focus group #1 36 people, 0:45 hours	Interview #1 - 0:12 hours
Muwimbi	21 March, 2014	Focus group 25 people, 1:10 hours	N/A

Table 1: Interviews with Small-scale Farmers

Key informants	Interview date	Number of people interviewed and length of time
Caritas Dar es Salaam	24 March, 2014	2 people, 1:00 hour (estimate)
Caritas Iringa	20 March, 2014	2 people, 2:00 hours (estimate)
Caritas Songea	20 March, 2014	3 people, 1:30 hours (estimate)
MVIWATA Ruvuma	15 March - 20 March, 2014	6 people, ongoing consultation
TOAM (Tanzania Organic Agriculture Movement)	24 March, 2014	1 person, 1:36 hours
Repoa	25 March, 2014	2 people, 0:45 hour (estimate)
CAST (Centro per un Appropriato Sviluppo Tecnologico)	19 March, 2014	4 people, 1:00 hour (estimate)
Muvi (Muunganisho wa Ujasiriamali Vijijini)	19 March, 2014	2 people, 1:00 hour (estimate)
Recordia	19 March, 2014	1 person; 0:45 hour (estimate)
District Commissioner	19 March, 2014	1 person, 0:30 hour (estimate)

Table 2: Interviews with Key Informants

C Village Findings Summaries

Please consult the following matrices (page 55 - 58) with the understanding that it represents our best attempt to consolidate the pieces of information gathered, which – as outlined above within the research limitations – was gathered within a context

of ambiguity and lack of clarity. Therefore the data presented here should be read not as conclusive facts, but rather can be read as starting points for further investigative research to build upon.

Village name and location (region, district, ward)

Lipokela village

located within Ruvuma Region, Songea Rural District, Mbige Muhalule Ward

Village Population

1,899 (NBS 2012 Village report)

Main crops grown by small-scale farmers

Maize, soya beans, cassava, beans, and sunflower

Investor name (*SAGCOT partner)

Olam-Aviv*

Size of land affected by land deal

5,000 acres

Brief description of investment project

Large-scale coffee plantation, reportedly employing around 1,500 laborers from the surrounding area

Anticipated benefits of investment by residents

It was unclear what benefits the residents of Lipokela had expected prior to the investor's arrival. This is because many of those we spoke to made it clear that they had not consented to transfer 4,000 acres of the land to the investor in the first place and therefore negotiations of promises had not taken place. In fact, a common theme expressed throughout interviews was the issue of representation and participation within village governance structures, with some citing that it is difficult to voice their opinions in village meetings if you are not a leader. Therefore, because of the lack of consent, our discussions with farmers did not center as much around unfulfilled investor promises as they did around what they perceived an invalid investment itself.

Summary of the impacts of investment upon small-scale farmers

The perceived impacts of this investment were some of the most problematic that we documented, while the sentiment expressed by interviewees was some of the most upset that we encountered. Based upon the reports of those interviewed, there appear to be a number of types of rights violations – closely wrapped up with the right to food – that have occurred following the Olam-Aviv investment.

Firstly, in addition to procedural concerns interviewees reported regarding consent and how land itself was transferred, it is questionable whether laborers are earning a “living” wage or whether these are in fact poverty-level wages. Based upon their reports, for nearly 10 hours of work (from 7:30am - 5:00pm with only a short break for lunch), laborers receive a low pay of Tshs 4,000 (or about 2 Euro) – which divided into an hourly wage is below the national minimum wage per hour worked in the agricultural sector. The pay was considered far too low to accrue any savings and most families spent the money the same day they received it. Beyond these minimal wages, job security – including the lack of employment contracts and the ease with which laborers could be dismissed – was raised as an issue and one that directly related to people's ability to secure food.

Secondly, the working conditions that laborers were exposed to were also concerning. Reports included: the lack of toilets for over 1,500 laborers; lack of potable water; sub-standard, or molding lunch food made in kitchens where rats could be seen; lack of protection from pesticides, sun, rain, or poisonous snakes in the fields; lack of compensation or help when becoming injured whilst working; long working hours; and a lack of mechanisms or processes for laborers to complain.

Thirdly, those interviewed report that as productivity within their village decreased because of the investment, serious food shortages. They attributed this to 1) labor shortages at the household level 2) food being sold outside of the community 3) land access issues and 4) environmental impacts. It was reported that as people work more on Olam-Aviv's coffee plantation, their labour is diverted away from household food production, generating a food shortage. They link this to increased food prices making food less accessible to villagers and encouraging producers at times to sell their food outside of the community. Interviewees report that the village has no more land to offer and the land that people do cultivate is insufficient for an entire family. The environmental degradation caused by deforestation (allegedly by both investors and villagers, although we could not verify this) has decreased water access and increased strong winds.

In sum, inadequate pay, inadequate job security, poor working conditions that include a lack of sanitation, protective gear, medical care for on-the-job injuries, sufficient breaks amidst long working hours, as well as a decreased access to land and decreased household food production were all impacts viewed by the community as linked to the arrival of the investment.

Community testimonials

“Before arrival of the investor, life was good; we used the land and we invested a lot in it.”

Participant within a focus group in Lipokela, March 17, 2014

“Investment threatens our survival and denies us freedom; I do not see any benefits.”

Participant within a one-on-one interview in Lipokela, March 17, 2014

“When there are problems between investors and villagers, the investor may call a meeting in the community, but there are never meetings to discuss positive issues and proposals.”

Participant within a one-on-one interview in Lipokela, March 17, 2014

Village name and location (region, district, ward)

Lutukira village

Ruvuma Region, Songea Rural District, Mkongotema Ward

Village Population

2,282 (NBS 2012 Village report)

Main crops grown by small-scale farmers

Cassava, maize, millet, potatoes, ginger, sunflower, and beans

Investor name

Montara Continental Limited formed a joint venture with **Lutukira Mixed Farm Limited**, thereby establishing the Tanzania-based **Montara Land Company Limited**. Furthermore, Montara Continental Limited operates as a subsidiary of **Obtala Resources**.

Size of land affected by land deal

50,000 acres

Brief description of investment project

Large-scale agricultural plantation slated to grow ground nuts and sunflower for biofuels production, however there has been limited crop production.

Anticipated benefits of investment by residents

People within the village report that they were promised a school, medical facility, farming equipment, and a solar energy system in exchange for the investor's access to the land for a three year period and that these promises were made instead of a cash payment. In the end, villagers report that the central government of Tanzania granted Montara Continental Limited a 99-year lease, despite the villagers' agreement to a three year lease.

Summary of the impacts of investment upon small-scale farmers

Thus far, residents of Lutukira report that Montara has shown no signs of fulfilling any of its promises to the community in terms of the school, medical, facility, etc. They say these promises were its only form of "payment" for the land. They report that the impacts of the investment are predominantly negative, with inhabitants citing both psychological as well as economic harm and noting that there have been differentiated impacts (with some being more directly affected than others).

Most directly, and immediately following the land deal, interviewees report that 150 families who previously used the land were no longer able to access it. At the same time, soon after Montara began its operations, some inhabitants benefited from employment. However, due to the large size of the plantation, interviewees report that many men left home and stayed elsewhere to work on the land, at times leading to broken families as these labor-migrants found new wives. More recently, most of the land has been lying fallow and there are allegations that fertile topsoil has been removed and brought to Morogoro, where Montara has a horticulture operation. Some of the original 150 families have begun to re-access the land, now that the investor's presence has diminished, however there are claims that the soil quality is poorer than before.

There are reports that due to the large size of the investment, the village now faces a shortage of arable land, leading many people to travel a significant distance to access land to grow their food and raising concerns about land accessibility for future generations. Meanwhile, people report that their actual investment needs have not been fulfilled, such as access to inputs, access to capital to expand their farming operations, local infrastructure, irrigation needs (due to poor water access) as well as access to markets. Interviewees report that they are currently not able to sell all of their extra crops, and that the prices they receive for them have gone down. The fear of being outcompeted by future investors has caused some to consider leaving the agricultural sector in favor of other work.

Also, it was reported that much of the land occupied by Montara had previously been collective land and was used as a source of income (through selling wood and charcoal for example) to pay for medical expenses and other needs. Now this source of income is gone, some people state that they have had to forgo necessary medical treatment.

Many villagers are angry about the investment, and have tried various complaint methods. Some claim to have consulted a lawyer (who belongs to the district council and is thus free of charge) regarding the failure of the investor to fulfill its promises. However, after organizing a village committee to investigate the terms of the investment further, the committee went to their district lawyer, only to find the investor's lawyer there. The villagers reported that the two lawyers started speaking in English at one point – what they perceived as an effort to exclude them – and the decision ended up being in favor of the investor. Villagers felt this raised suspicion of the government's corrupt role within the investment and fears that the government may be benefiting directly from the investment.

Community testimonials

"The investor took a very large piece of land and took the good soil to Morogoro and the land is now useless."

Participant within a focus group in Lutukira, March 18, 2014

"Montara is taking our opportunities away – coming in with an interest in agriculture – people like me can't compete – I am thinking of moving out of agriculture and going into other work."

Participant within a one-on-one interview in Lutukira, March 18, 2014

"Before investment, land was used by villagers – for growing food and making charcoal. Through charcoal, we would get money and pay school fees for our children. When the investor came, we were not allowed to access the land in these ways and this has impacted our ability to provide for our children."

Participant within a focus group in Lutukira, March 18, 2014

Village name and location (region, district, ward)

Magome village

Iringa Region, Kilolo District, Kidabaga Ward

Village Population

1,127 (NBS 2012 Village report)

Main crops grown by small-scale farmers

Maize, potatoes and a variety of beans

Investor name

New Forest Company

Size of land affected by land deal

The exact size of the land deal is unclear. According to the New Forest Company's website, 1,500 hectares (or around 3,700 acres) of trees had been planted as of March 2011. The actual size of the land deal is likely to be larger than this area.

Brief description of investment project

Tree plantation (called Lukosi Plantation), designated for pine and eucalyptus.

Anticipated benefits of investment by residents

In exchange for a 99-year land lease granted to New Forest Company, inhabitants of Magome report to have received payment as well as certain promises. According to the LARRRI (2010: 29-30) report, these promises called upon the investor to: 'support the community in social and economic activities; to give better tree seedlings to villagers; create 10,000 jobs; to give Tsh 300 million every year for social services; to construct an industry; to generate electricity (energy); and to engage in the provision of education, health, water etc.'

Summary of the impacts of investment upon small-scale farmers

Many inhabitants had had expectations of using this investment to boost their incomes so that they could start their own businesses after a year or two. However, they do not feel they have received the technical skills, nor raised the capital to initiate their own investments. Furthermore, while the company's activities began in 2009, residents report that its promises have not been delivered.

Beyond this, there have been a variety of reported impacts relating to environmental and labor standards, food access, and land access. Some – but not many – of those we interviewed in Magome work as laborers. They report earning about Tshs 5,000 for 8 hours of work, which is the same as the local rate for working on a neighbor's farm. The laborers interviewed report that there are no toilets or access to drinking water while at work and overall there was a sentiment that the area's water sources were insufficient and had worsened over time. Although villagers said that food production had not changed significantly since the investor arrived, the fact that they are paid only once every two weeks poses problems for their food access. Another issue raised was that the afforestation has attracted more wild animals (such as monkeys), which eat their crops. Land access is also a problem. Villagers could not indicate how much land was transferred to the investor; they stated that their village was surrounded by investors and they are no longer able to access the land for firewood. They were adamant that a land shortage had resulted.

Villagers expressed that they want their land back and that wish they had been more informed of the consequences beforehand.

Community testimonials

"At the time, we thought the money was sufficient, and we also thought that we could still access the land, but now things are very difficult - we are surrounded by investors - we can't access any land"

Participant within a focus group in Magome, March 21, 2014

"Now there are land conflicts between villagers because we see that land has become very valuable. It used to be that we shared land with each other and borrowed from friends. After investment, this has changed as we now compete against each other. Everyone has their own little bit of land and that's it."

Participant within a focus group in Magome, March 21, 2014



Housing huts in Kilolo District, outside of Magome village

Village name and location (region, district, ward)

Muwimbi village

Iringa Region, Iringa District, Lumuli Ward

Village Population

2,374 (NBS 2012 Village report)

Main crops grown by small-scale farmers

Maize, beans, sunflower, millet, Irish potato, sweet potato, peas, soya, tomato and onion

Investor name (*SAGCOT partner)

Green Resources/Sao Hill* plus five additional investors in the surrounding area

Size of land affected by land deal

We were unable to gather conclusive data concerning the land size affected.

Brief description of investment project

Large-scale agricultural plantation designated for livestock and livestock feed (especially maize and soya).

Anticipated benefits of investment by residents

Similar to the above case of Lipokela, the circumstances under which the investors came to acquire the land are unclear and inhabitants claim that the transfer occurred without their consent. Therefore, they did not have many expectations or promises that they discussed. However, one important assumption on the part of the inhabitants was the right of passage and the continued ability to access land for foraging as well as for passage. This assumption was based upon past experience with a local investor.

Summary of the impacts of investment upon small-scale farmers

As a result of this investment, land that had formerly been accessible to the community became fenced off, which resulted in a host of problems. First, women report that their families' nutritional needs became threatened as they no longer had access to the plants and mushrooms that they had previously foraged from the land. The also report that their children must walk a much greater distance to school since they can no longer pass through the land, and thus are often late and risk higher absence rates. Similarly, it was reported that passageways leading to the river, an important source of water, have been blocked off. Another significant reported impact of the enclosure of the land is that passageways used for leading livestock to pasture have been blocked, greatly reducing access to land for livestock grazing. As a result of inadequate grazing, people claim that the livestock are weaker and more prone to illness. They state that these circumstances are exacerbated by the fact that there are five additional large investors nearby the village. Inhabitants feel that they are completely blocked off by investors.

Additionally, it was reported that a sharp increase in population (primarily due to migration), combined with the enclosures has led to a serious scarcity of land, thereby threatening food production. They linked the lack of room for the community to expand with the out-migration youth in search of land or other opportunities elsewhere. Inhabitants also discussed the psychological impacts that the lack of access has had upon them. The community of Muwimbi does not feel free they say, and that they and their livestock have become "illegal". They report feeling unwell psychologically and would prefer an investment model in which they could still access the land.

While the reported impacts of the investment have been largely negative, a small number of villagers have reportedly benefitted from employment. Interviewees reported that the total number of people employed under contract (a three-year contract) is around 25 (with only eight people from this village), who earn about Tshs 300,000/monthly. Most people, they stated, however are employed as casual laborers without contract; around 100-200 people are employed through this method and earn Tshs 3,500/day. Overall village perceptions of the investors (even by some it has employed under contract) are that it is a "source of evil".

Community testimonials

"It's a humiliation - the villagers can see the land not being used, but we cannot use it."

Participant within a focus group in Muwimbi, March 21, 2014

"Now the community of Muwimbi is not free – everything is fenced off. We are not feeling good psychologically. There is no more shortcut for our children to get to school – it now takes them much longer and makes them late. This is despite the fact that part of the agreement (with the investor) had been to leave a path for students to pass through and for livestock to pass through. But the area is closed off, and neither students nor livestock can pass through."

Participant within a focus group in Muwimbi, March 21, 2014

Olam International response

1. Overview

Olam always seeks to create value for the communities in which we operate and the Misereor report is therefore of great concern to us, particularly given its focus on food security which, as outlined in our 2014 Corporate Responsibility & Sustainability Report, is one of our key material (focus) areas. From the CEO down, we consider the Licence to Operate granted by our local communities across the world to be the key to sustainable business when building long-term agricultural assets. Without this collaboration, we risk vast amounts of capital, so it is quite simply not in our interests to disenfranchise these essential stakeholders.

We have responded in detail to the issues raised by Misereor as a result of their March 2014 focus group and three interviews with residents of Lipokela village.

The Olam coffee investment in the Songea District is a registered subsidiary company in Tanzania named as Aviv Tanzania Ltd. For the purposes of this report we will refer to the company as Olam Aviv.

Recognising issues

Whilst we believe that our evidence shows that we have genuinely always acted in good faith, we do recognise that historical issues prior to Olam's involvement may have been frustrating for some Lipokela villagers (particularly the ten households who did not purchase land with their compensation money from the resettlement – see page 5) and that the construction of key facilities on the plantation did not happen as quickly as had been hoped – detail of which is explained below.

We also recognise that despite having a detailed Stakeholder Communication Plan as per IFC Standards, not enough community engagement was undertaken between 2011 and 2013 to ensure a detailed understanding amongst all of the villagers (although this has since been remedied as can be seen below). This was primarily due to there being a delay in the plantation development and we acknowledge that during this period villagers were not given enough information as to how the plantation would come to benefit the community.

We believe two other key reasons contributed to dissatisfaction in 2013/14: Southern Farm had previously met with Lipokela in 2011 and committed to giving coffee plants free of charge and to building a dispensary but this community pledge did not happen. After purchasing the plantation rights in 2011, Olam Aviv met with the Village members and we assured them that these commitments would be upheld. However, again the projects were delayed although for valid reasons:

a) Dispensary

Working with the Village Development Committees, Olam Aviv has created Long-Term Sustainable Development Plans (LTSDP) for Liganga, Lusonga and Lipokela into which Olam provides US\$3,000 per year per village. The villagers decide on the projects to be funded ensuring a sense of ownership. For example, the village of Liganga elected to provide solar lighting for its school while Lusonga purchased desks. However, the dispensary for Lipokela is additional, arising from the verbal pledge made by Southern Farm. Olam Aviv committed to uphold the pledge, working with the District Government, a local NGO Shipo and the community all contributing. Olam Aviv is providing US\$34,000 towards the dispensary – the greatest contribution.

Unfortunately, the construction of the dispensary in Lipokela had been delayed for two reasons:

- We established that National Law does not permit the building of a dispensary so we have now committed to constructing a primary health centre which is currently underway.
- Key to the success of LTSDPs is the contribution of all stakeholders including the community themselves so that they have

ownership of village developments. After signing the Memorandum of Understanding there was a subsequent disagreement with Lipokela about the level of their contribution. This was resolved and construction has now continued. See Appendix 1.

- Aviv is also supporting the renovation of the village office, providing solar lighting and a computer. In the meantime 1,000 mosquito nets have been provided to workers and their families staying in nearby villages, and medical surveillance (including voluntary HIV testing) is provided for workers. See also Appendices 2 and 3 on World Malaria Day and World AIDS Day.

b) Outgrower programme

Olam also recognises that the outgrower programme did not accelerate as quickly as hoped due to availability of high quality plants and that we did not communicate this sufficiently. This led to confusion among the villagers as to whether the programme would really take off. In 2012/13 we were only able to distribute 64,000 plants free of charge. In the period up to April 2015 we had 833 farmers registered and provided 163,330 plants. Our target for August 2016 is 380,000. The number of training sessions in Good Agricultural Practices in the period ending December 2014 was 135 and at April 2015 was 364.

Rejecting allegations

Whilst we recognise the above issues, we do not accept the statements levelled at Olam Aviv regarding poor labour conditions, particularly around wages, working hours, potable water, health & safety and grievances. We do accept that due to problems in identifying a suitably qualified constructor for the buildings, the permanent kitchen and toilet blocks were delayed so we only had a temporary kitchen and toilets available. However, 100 permanent flushing toilets with 40 sinks have almost been completed and, whilst we have had a temporary kitchen, we have provided free lunches. There have been no rodent issues. All construction will be completed by July 2015.

Relationship with Lipokela village today

As of 28 May 2015, we believe that we have good relations with the community of Lipokela evidenced through the Songea District Council Crop Production Report for Lipokela from 2010 to 2014 (Appendix 4).

A lack of consultation

As a global agri-business with supply chains for 44 products, Olam has over 1,060 Corporate Sustainability & Responsibility (CR&S) staff operating at ground level delivering farmer and community services. At a global level, our Head of Corporate Responsibility & Sustainability Chris Brett has many meetings and update sessions with our stakeholders from customers to banks to NGOs. Their perspectives and input then helps to inform our strategy, and where any issues have been identified we have, in many cases, joined forces to address them together to form practical community based partnerships, do refer to our website for further information: <http://olamgroup.com/sustainability/>

Whilst we acknowledge that Misereor has given us a right to reply to the report, we are highly disappointed that we were not given an opportunity to meet with the researchers and authors in March 2014 and show them the plantation, nor provide responses the allegations in the months that directly followed. Such dialogue would surely have benefited the community at the time rather than delaying for fifteen months. Indeed, to publish a highly critical report fifteen months after the initial investigation, with our response only in the annex, seems somewhat disingenuous. As it stands, we are pleased to demonstrate that we have made significant progress

on our commitments and plantation development as a matter of course, and not in response to external investigations.

As this report is extremely concerning to us we will be communicating immediately with our stakeholders upon its publication. The most important stakeholders are, of course, the Lipokela villagers and we will be discussing the report findings with them as soon as we are permitted to do so. Whilst it is absolutely right to ensure that a landscape and its communities can manage the impact of foreign direct investment, we hope that the Misereor report does not dissuade other international or Tanzanian enterprises from providing economic opportunity in the region.

2. Why Olam established a coffee plantation in Tanzania

East Africa is well known for the quality of Arabica coffee that it produces. Tanzania is the 19th largest producer of coffee in the world with production of over 50,000 metric tonnes of green coffee, 70% of which is Arabica. 95% is produced by smallholders with land plots smaller than 5 hectares. As a consequence farming techniques, investments in high yielding seeds and fertilisers, and ultimately the quality of the produced coffee beans are below par. As one of the world's largest buyers of coffee, Olam implemented a business strategy whereby a large-scale plantation (approximately 2,000 hectares or 5,000 acres) near Lipokela village in the Songea region of Tanzania, would help to catalyse additional volumes by supporting surrounding smallholders through an 'outgrower programme'. Such support includes the provision of good quality seedlings and farmer training. This helps to expand economic prosperity and also helps transfer of learning and sharing of best practices on agronomy issues to small growers in the region. Such a model was praised by The Rockefeller Foundation for Olam's rice 'nucleus farm in Nigeria in 2013.

3. Response to specific allegations in the Misereor case study on Olam Aviv

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Blurred image of a worker captioned: „Worker beginning a long walk home from Olam-Aviv plantation, Lipokela“

Recognising that transportation was an issue for some, in March 2015 we purchased a truck suitable for safely transporting the workers after getting a licence from SUMATRA (Transport authority of Tanzania). It can accommodate 64 people and supports all the villages. This truck respects all international safety rules allowing 64 workers to sit safely (seat belt, fire extinguishers, hard body-work, first AID kit etc). Total cost of the body itself was more than US\$7,000 to ensure best safety practices. In addition, the truck has been equipped with galvanised tanks of a capacity of 1,700L to transport potable water to where workers are working in the field.

Section: 3.3 Background to the Sites

The first village visited, Lipokela, is located within the Songea Rural District in the region of Ruvuma and is comprised of small-scale farmers. Those living in the village access food primarily from what they produce, of which maize is a major crop. According to those interviewed, in 2011, 5,000 acres of land, previously used by people within the village for cultivation, were transferred to the control of a Singaporean coffee investor, Olam-Aviv, which now employs about 1,500 workers on its plantation under what were reported to be questionable labor conditions. Interviewees further reported that Olam-Aviv obtained 1,000 acres of this land after purchasing it from the first investor, who arrived in 1985. It is unclear the process by which the remaining 4,000 acres of land were transferred, however the people of Lipokela unanimously agreed that it was without their consent. At the time of research it was speculated that Olam-Aviv would join the SAGCOT partnership and in fact they became a SAGCOT partner in May 2014.

The Olam Aviv concession is located 46km west of Songea town and 3km from Lipokela village centre, adjacent to the Ruvuma River which forms a boundary on two sides of the concession. As of 28 May 2015 we employ 1021 people, 11% of whom (112 people) are

from Lipokela village. We cover the points on labour conditions in response to Section: 4.1.2 Control over the Purchasing Process. Olam is indeed a partner in the multi-donor SAGCOT initiative.

The granting of land for plantation purposes took place many years before Olam's arrival. It is our understanding that the timeline below was followed, but we cannot take responsibility for the accuracy of this account:

- In 1987 Southern Farm had acquired the land in two phases - 1,000 acres, known as Block A and 4,000 acres, known as Block B following negotiations with the Lipokela village committee.
- Between 1987 and 1994 Southern Farm conducted agricultural activities but then operations ceased, effectively abandoning the land while maintaining its ownership. Seeing that it had been abandoned, local people began to cultivate some areas of the plantation.

In May 2011, wishing to get the land ready prior to sale, Southern Farm agreed a compensation and resettlement process with the District Land Officer for those families who had been cultivating the land. The Songea District Land Office began visiting Lipokela to contact village leaders and people who were settled and/or farming in the concession area. After multiple visits, a resettlement and compensation process was jointly conducted with district and village government.

- In July 2011 Olam purchased 1999 hectares (5,000 acres) with clear title deeds from Southern Farm Ltd.

Olam Aviv contracted a respected consultancy called Proforest in 2012 to conduct due diligence on the land to ensure all local rights and environmental impacts had been respected by the previous owners. Various extracts from their report follow:

Proforest consulted with a number of the villagers and heard "Southern Farm bought just 1,000 acres from Lipokela village and that leaders benefited from this sale. However they believed that the remaining 4,000 acres was only negotiated with the village leaders". Proforest states in the report that it was "able to view meeting notes from 1985 which show that negotiations with Southern Farm for acquisition of Block B (the 4,000 acres) took place with at least 18 members of the village council. However, it may well be that the discussions over the concession allocation did not go before the village assembly, possibly because the negotiations occurred before the passing of the Land Act of 1999 which recognizes the power of the village assembly over village land decisions."

Approved copy of the Certificate of Occupancy and the Village Executive Committee meeting can be found in Appendices 5 and 6 respectively.

Section: 4.1.1 Control over Production and Sale

Within Lipokela, the arrival of the Olam-Aviv coffee plantation—situated upon land that interviewees report was cultivated by residents of the village until 2011—has placed further pressure upon the village's land access. Families there cultivate around 5 acres for an entire family, although some interviewed do not cultivate any land due to a shortage of land and/or soil fertility issues. Given that now the Village Council of Lipokela currently has no more land to offer, according to its Village Chairman, there is a severe lack of fertile, cultivable land. In addition to the information given in the above response, we offer the following extracts from the Proforest Environmental & Social Impact Assessment conducted in 2012:

"Of those people who came from Lipokela (10 consulted during assessment) all of them began activities in Block B in 1998-1999 and most of those, for bustani or "gardening" activities. They saw that the area in Block B, referred to as Ruchili, was flooded and made a good site for gardening from May to November during the dry season. During the resettlement process, in collaboration with District officials, it was decided that resettled people would have a right to five acres of land in Lipokela village if they wished to settle and remain in Lipokela."

"During the scoping visit Proforest was able to consult with several of the people who were compensated. They said that in

2011 the District asked them to leave. Some were working there for more than 10 years and did not feel they left Block B “by choice” and that the amount of compensation was not sufficient. Several of those consulted also said that since they left Block B, they have not yet been able to acquire new land because of a general land shortage in Lipokela village. However, after follow up consultations with more people it appears that most of those individuals either do have land or have left Lipokela village.”

“Most of the compensation was paid in November 2011. However there were some people who were not present during the surveys and valuation exercise and later reclaimed compensation. In response to this, another round of surveys, valuation and compensation was conducted by the District Land Office in March and April 2012. In total 77,599,067.53 TZS15 was paid to 113 people and they were given a 30 day appeal period after compensation was paid. Though the compensation process was initiated and driven by Southern Farm Ltd. with Songea District Land Office, Aviv (Olam) was also involved to some degree as evidenced from the fact that an Aviv manager signed copies of 93 compensation payments.”

“Regarding resettled people from Lipokela village, most of them had houses and farm in Lipokela, they established farms in the concession to maximize production as the soil there was very fertile for growing maize and vegetables. Therefore following compensation these people went back to their former farms. During discussion with resettled people, most of them said they were not living in the concession. Usually they were going to the concession for farming and back to their homes in the village. Three among the resettled people from this village are currently working for Aviv coffee project and are generally satisfied with the project.”

Olam Aviv understands that 40 families settled in Lipokela. Of the 40, about 30 families used the compensated money for buying land. The remaining 10 families appear not to have bought any land in 2012 with their compensation. To understand more about this issue (without breaking confidentiality of this report) we interviewed two people on 27th May 2015 as follows:

Resettled resident Dominic Komba did not buy land with his compensation money. When interviewed on the 27th May he said he felt that production has come down as his land area had decreased from 10 acres to 4. His family of 11 are depending on agri income. He was unhappy that the Village Government did not give additional land as assured.

We then interviewed Anthony Ngaponda who bought land in 2012 with his compensation funds. He is the ex Village Chairman of Lipokela and now also works for Olam Aviv. He said that his overall production of food crops has gone up due to higher income received due to employment in AVIV. He also said that they could afford to buy fertilisers on time and could hire workers for cultivation.

Section 4.1.1: Control over production and sale

Within the villages of Lipokela and Lutikira, environmental degradation that residents attribute to deforestation has altered water access and increased strong winds. In both of these villages, people report that deforestation is carried out by investors and villagers alike who are clearing new land in response to the land shortages. Although Olam Aviv is not named in this paragraph, we stress that we have not engaged in deforestation activities. On the contrary, we have carefully prepared the land leaving native trees standing and planting more trees on the farm. A buffer zone runs near the Ravuma River (60 metres), the Valley (10/20 metres) and the hills. It has been planted with native trees protected by the Forest Resource Management Act (100 Dalbergia; 2,175 Breonadia; 150 Syzygium Kumini; and 75 Padocarpus).

In addition, to reduce irrigation, Olam Aviv has inter-planted 50,000 shade trees alongside the coffee. These trees will create a microclimate for growing coffee by reducing evapotranspiration.

Evidence that no deforestation has occurred as a result of Olam Aviv's development is available on the ForestWatch website. The coffee plantations will, in fact, be eventually net-positive in terms of reforestation compared to past land cover.

Section: 4.1.1 Control over Production and Sale

Similarly, some of those interviewed expressed that decreases in food production were the result of their respective villages' labor force being diverted to the nearby investment plantations. Within Lipokela for example, the small-scale farmers interviewed expressed that productivity has become an issue throughout the entire village and directly implicated the investor for this. Interviewees asserted that as more and more villagers go to work on Olam-Aviv's coffee plantation, the village's labor is diverted away from household food production, generating a village-wide food shortage. This shortage has increased the prices of food, making it less accessible to residents of the village. We inquired to small-scale farmers as to why so many people opted to become laborers on the investor's plantations, given the poor labor conditions, which are widely known. Villagers cited lack of sufficient, arable village land and capital, along with lack of opportunities for viable farming, as impetuses for driving people into the wage-labor economy, and that the investor's plantation was the only available nearby option. It is difficult for Olam Aviv to comment on land availability given that the compensation and reallocation process was led by the district government on behalf of Southern Farm. Due to the length of process and the land coming under Olam ownership we have provided testimony to the claims to ensure that they are fulfilled. What we have been able to do, however, is to help the community increase productivity in a number of ways which suggest that labour on our plantation is not the only option:

Coffee outgrower programme:

As of 28 May 2015 we have registered 833 farmers (655 male and 178 female) of which only 36 from Lipokela. The others are from villages of Lipanga, Litisha, Nacahegwa and Matomondo. The main issues to the lack of take up in Lipokela seems to be around unwillingness to pay for inputs such as fertiliser on a soft loan¹. This is despite Olam Aviv pledging to distribute three million plants to 2,000 farmers, at no cost over a 5 year period, as well as opening a 5 month credit line of approximately US\$25,000 to support improved yields of food crops like maize with inputs such as fertiliser. We should also highlight that outgrowers are not obliged to sell to Olam – they can sell to any buyer they choose. We hope to gain their loyalty through the provision of plants, training and by paying a fair market price. The coffee outgrower programme development is also supported with a grant from DEG as part of their commitment to community development.

Sesame intercropping:

In addition all farmers are offered the opportunity to introduce sesame intercropping. This year, 1,300kg of sesame seeds were distributed to all our coffee outgrowing farmers (of this 36 Lipokela farmers opted in, receiving 30kg). The harvest is currently being purchased by the Olam sesame team at a fair market price – sesame is a fast-generating alternative crop.

Bee-keeping:

In 2014, Olam Tanzania signed a memorandum of understanding (MOU) with National Beekeeping Supplies Limited (NBSL) to develop sustainable beekeeping in the Kagera and Ruvuma regions for a period of two years. The initiative aims to create an income generating activity to improve the livelihoods of outgrowers by uplifting the major obstacle of capital availability to invest in their individual coffee farms. Under the agreement, NBSL will supply a minimum of one hundred top-bar type hive apiaries as an initial platform for the training and adoption of sustainable modern rural bee keeping practices to a minimum of 735 households. The project will also utilise the initial 100 beehives as a platform for capacity building of

¹ Contract with Yara for fertiliser 'soft loan':

a. The terms of payment is split as follows: 30% of the value ordered is paid within 15 days of delivery and the balance to be paid within 150 days after goods delivery. Default is only 8% if we don't pay after 5 months.
b. Free training and consultation. No interest charged for 70% of the value of fertiliser for 5 months.

carpenters in the targeted villages to continue the manufacturing of top-bar hives for the expansion of modern beekeeping practices. The advantages of this programme are numerous:

- Economic: increase in crop pollination, hence, an overall increase in coffee yields and quantity while securing sustainable volumes of coffee from Outgrowers linked to the project;
- Environmental: reduce chances of wildfire and deforestation as well as increase insect diversification and population in the region;
- Social: beekeeping requires relatively low capital investment, low intensity in terms of labour but very income generating activity for households

Supporting rice farmers:

In 2014 we began raising awareness amongst rice farmers slightly upstream of the Aviv plantation about the support that Aviv can provide to improve yields and make irrigation systems more efficient, particularly given the risk of climate change impacts. The Government is now due to register all rice farmer associations to deliver water use permits and we will have a scoping visit from the International Rice Institute in August (dry season) to determine the lines of actions for the future and improve water use efficiency for paddy irrigation. We also take this opportunity to draw attention to two documents on food prices and productivity:

Food Price Comparison:

This document was compiled by Aviv in May 2015 having consulted with a number of food stall holders. Although it can be seen that foods such as beans, rice and small fish have increased somewhat, other foods rest at the same price as 2014, while both tomatoes (tins) and sesame have decreased.

Food Type	Year 2014 Per kg T.Sh		Year 2015 Per kg T.Sh	
	Songea	Lipokela	Songea	Lipokela
Maize flour	1000	850	1000	850
Beans	1800	1500	2000	1500
Soybeans	1000	800	1200	1000
Banana	12000	8000 per bundle	12000	8000
Kerosene	2000	2200TSH per Lt	1900	2200
Cooking oil	3000	3500 per Lt	3000	3500
Rice	1800	1600	2200	1800
Beef	6000	6000	6000	6000
Chicken	12000	10000 each	15000	10000
Pork	6000	5000	7000	5000
Fish	8000	Rarely sold	9000	Don't know
Small fish	3000	3500	3000	4000
Tomatoes	4000	3000 per tin	3000	2000
Sesame	2800	2600	2000	1800
Sweet potatoes	3000	2000 per bucket	4000	2000
Charcoal	12,000	8,000/bag	15,000	10,000

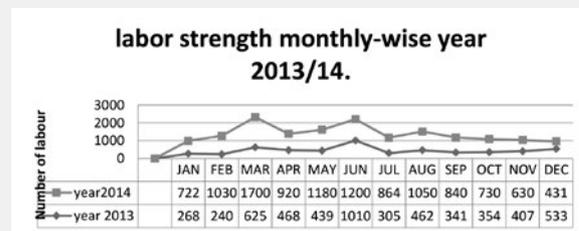
Crop production trend:

In order to inform our response to this report, we also asked Songea District Council to undertake a crop production report for Lipokela from 2010 to 2014. The full report is attached as Appendix 4 but it concludes a rise in production:

1.6 SUMMARY OF PRODUCTION TREND IN THE VILLAGE FOR 5 YEARS (2010-2014)

Data analysis of the crops had shown the significant of food crops production as in the table below. For instance the production food crops has shown to increase by 23.4% from 2010-2014 with the increase of 18.9% hectareage of cultivation. For the cash the analysis show the production has increased by 72.3% with an increase of 61.9% hectareage of cultivations. The analysis shows, the predominant food crops which are produced in large per cent are maize which contribute for 21% of the total production, cassava contribute 12% of the total production, banana contribute 24.5 of the total production, paddy contribute 13.2% of the total production and sweet potatoes contribute 26.5% of the total production. For cash crops, sunflower contribute 40.4% of the total production for the cash crops and soybeans contribute 34.8% of the total production for the cash crops.

Our records also demonstrate that we do not restrict our plantation workers from returning to their farms at key times of the food crop cycle (i.e. November to February). To fulfil our needs in this period we hire a bus to bring workers from Songea town (45kms):



Section: 4.1.1 Control over Production and Sale

The residents of Lipokela on the other hand, experienced both a shortage of produce and high prices that has made food inaccessible. Those interviewed blamed the high prices on the overall reduced production and stated that at times, farmers choose not to sell in the village at all.... Within these two villages, residents linked the decreased availability of adequate, diverse food for sale to land shortages, which in turn were attributed to the arrival of nearby large-scale land investments.

We recognise that in March 2014 there may still have been some disquiet amongst Lipokela villagers as to the viability of the out-grower programme and other benefits brought by the plantation. But we believe significant improvements have been made in the 14 months that followed. In addition to the points made in the response above, we also reference this paragraph from the Songea District Council Crop Production Report for Lipokela from 2010 to 2014 (See Appendix 4 for full report).

1.8 OBSERVATIONS PRODUCTION TREND SITE SURVEY

The site survey in the village to assess the production trend in the village has shown that, most of the Lipokela residents had positive attitudes on the production trends in the village and most of the pointed that; production recently had gone up due to increase of per capital income as a result of secured wages from Aviv farm, agricultural trainings conducted to farms from various institutions such as Caritas, Aviv and the Government. The questionnaires of 50 household showed, 126 people are available in household as manpower for the sample size taken and 26 out of 126 are working in Aviv. Most of people interviewed were found to have an average of at least 6 acres land per household for farming where the household with big land was a household with 25 acres land and the household with small size land was a household with 1acre. As it has been shown in the above analysis the most crops grown by many farmers are the same as the one's found to contribute in large per cent in the total production. Most villagers commented on the most income generating activities in the villages are small businesses along the road and in the Aviv farm, house rents for the immigrants who have come to work in Aviv and farming activities including livestock keeping and wages from Aviv wages. However some villagers, pointed out on the outstanding challenges like low purchasing power to buy agricultural inputs especially fertilizers, unreliable rainfall due to climatic weather changes and outbreak of destructive rodents/rats especially 2014/2015.

Section: 4.1.1 Control over Production and Sale

Our research uncovered that residents of... Lipokela have attempted to file complaints and raise concerns about the investments that have impacted them. Some residents of Lipokela stated that they visited their district council to verify how much tax Olam-Aviv is paying and report that they were turned away and told to go back to their Village Council. Additionally, when national leaders (including the Prime Minister) visited the Olam-Aviv plantation, residents state that they were not allowed to speak out or ask questions.

We cannot comment on the actions of the district council but we have never forbidden anyone from speaking out. The visit of the Honorable Prime Minister in 2014 was organised by the District Commissioner who asked the Ward Executive Officer, Salama Mpunda, to speak on behalf of all stakeholders and she was very positive about the investment.

At Olam Aviv we also have devised a detailed communication plan in line with IFC standards for all the villages / stakeholders around our plantation. Part of this plan is the Grievance handling system under which any member of the community can file a complaint or raise concern with our Company (The Grievance Resolutions Mechanisms and Procedure). We employ both a full time

social communicator as well as an outgrower officer to maintain constant dialogue with the communities.

In 2014 ten meetings were held in Lipokela Village with the Village Leaders, Chairman, VEO, Executive Committee present. Some of meetings were inclusive of all villagers.

The main concerns (which are being fully addressed) were: 1. Construction of dispensary 2. Improvement of food on the farm 3. Transportation for workers. 4. How to better communicate the 6 themes in the Stakeholder Communication Plan to ensure full understanding:

The themes are:

Theme 1: Understanding Coffee Production

General explanation of Aviv itself and then covering all steps of the coffee growth, all the way from land clearing to consumption.

Theme 2: Certification in Coffee Production

Addressing a simple and understandable definition of sustainability and its meaning for coffee production, to ensure economic viability, environmental and social responsibility.

Theme 3: Workers Rights and Duties

Covering an exhaustive list of the rights any worker should have while working for Aviv as well as the duties anyone is obliged to respect when being with Aviv

Theme 4: Environmental Awareness

Giving a general overview of what the conservation/protection of the environment means.

Theme 5: Community & Indigenous People Rights & Duties

Similar to Theme 3, a comprehensive list of the rights of the communities which the company will respect while developing the farm, as well as the duties involved.

Theme 6: Long-term Sustainable Development Plan

This last theme refers to the local social development strategy the company intends to implement together with the villagers.

In addition, each village has a Village Development Committee to develop together with Olam Aviv a Long-Term Sustainable Development Plan which aims at fixing a rolling 3-year development strategy in each village. Each year is dedicated to the implementation of one project undertaken in collaboration with the villagers to develop community ownership in village development. Olam Aviv contributes US\$3,000 per village per year.

Olam Aviv strictly adheres to all tax requirements.

Section: 4.1.2 Control over the Purchasing Process

Based upon interviewees' reports, wage-labor employment in Lipokela presented problematic working conditions with regard to the amount of payment and the conditions of employment. Olam-Aviv employs a large number of people from the surrounding villages, with Lipokela's residents reporting that their village comprises the main source of labor. Those interviewed in Lipokela report that there was no choice in terms of the type of employment: the only employer documented was that of Olam-Aviv and the only position available there was that of casual day laborer. No one interviewed held an employment contract with Olam-Aviv nor knew anyone who did. Job security was presented as an issue and we were told stories of people injured while working on the plantation who were told not to return, and more commonly, instances of laborers being sent home early with no pay or half a day's pay in the event of poor weather. Laborers report that they earned a flat daily rate of 4,000 Tshs (or about 2 Euro), beginning the work day at 7:30am and ending at 5:00pm, with a 30 minute break for lunch. If what interviewees report is true regarding laborers working 9.5 to 10 hours per day, the wages that they report receiving are below the national minimum hourly wage for the agricultural sector (which stands at 512.85 Tshs/hour as of July 2013 (Wage Indicator 2014)). According to one interviewee, the income they get is so minimal that all of this 'money ends up in their stomachs'—often before they even arrive back home from work that day.

We do not accept that we provided poor labour conditions in March 2014 nor do we today.

Wages:

We follow the Tanzania Labour Act for working hours and for paying wages. As per the minimum wage ACT, the wage for Agri workers is 3825 T.Sh per day and we are paying 4000 T.sh per day. We employ workers for 8 hours per day and lunch break is one hour (hence total of 9 hours). The reporting time is 7.30 AM and dispersement time is 16.30 hours. The copy of the Labour Inspector's report from June 2014 is Appendix 7. In some cases, workers are employed for overtime for a short period after 16.30 hours. In this instance they are always paid 500 T.Sh per hour (see attached document for tractor workers' overtime: Appendix 8). While we only have a temporary kitchen we are providing meals free of charge. Once the new kitchen is completed (July 2015) we will provide subsidised meals.

Job security and opportunity:

Given agriculture is dependent on the season we do have to employ many casual workers but all of our employment processes are in line with Tanzanian law and International Labour Organization guidelines. Our records show that in 2014 there were only 3 days when we had to send workers home due to inclement weather – each time they were paid half a day's wages.

In Lipokela Village, in February 2014 we employed Venanth Komba, Anthony Ngaponda (Ex Chairman), Benedict Ngaponda and Fannk Lupindu as Permanent Supervisors. Attached is a sample contract in Appendix 12. Two were farmers before preferring to be engaged in employment and two were recruited after they gained the Gen Agri Certificate.

In addition to the poor wages and job security, interviewees in Lipokela described a number of disconcerting labor conditions, which we were unable to verify, but should be investigated further. These conditions include little to no toilets for over 1,500 laborers; lack of potable water; sub-standard meals; lack of protection from pesticides or poisonous snakes in the fields; lack of compensation or help when becoming injured whilst working; and a lack of available mechanisms for laborers to file complaints. While inadequate labor conditions are not directly implicated as a violation of the right to food, the working conditions in Lipokela are reported to be so poor, job security unreliable, and the number of alternative income-generating sources so limited, that this would not constitute viable employment with a living wage, based upon interviewees' responses.

Sanitation:

We accept that at the time of the Misereor survey the construction of the permanent toilet blocks had not yet begun due to challenges in finding a suitable contractor in the rural area of Lipokela Village who met our contractual standards. The contract was for all buildings not just the toilets.

As per WHO policy we are building one toilet in every 0.5km distance and one toilet for every 20 workers, equating to 100 toilets which includes 4 sinks in each toilet block (40 in total). These will be completed by July 2015. The toilets are separate for men and women and are flush types with each having an independent septic tank for wastewater treatment.

We also highlight however, that in the interim, as the plantation has developed, we installed temporary toilets: 18 by 2014.

Water:

We have a water purification (UVR) treatment plant on the farm with a 5,000 litre capacity and water is supplied every day to workers and to the kitchen. It has 5 different treatment mechanisms: flocculent, chlorine, sand filter, coal, UV and water tests done quarterly shows potable characteristics. This investment of more than US\$5,000 in total is located right in the middle of the farm.

The workers' truck has been installed with a water tanker with a capacity of 1,700 litres.

In 2015 we will construct a wet mill in which the wastewater will be treated by anaerobic and aerobic methods to ensure the quality of the effluent exceeds WHO standards.

In terms of irrigation we have developed an Integrated Water

Resources Management Plan which has a dynamic multi-scenario water model that we have shared and has been endorsed with other stakeholders in the Ravuma River basin. These include the Ministry of Water, Dutch development financier FMO, German Development Agency, GIZ Tanzania Water Division and the St Agnes Chipole Mission who operate a hydro power plant.

In 2015 Aviv is seeking to achieve Alliance for Water Stewardship verification to formally demonstrate responsible use of freshwater across the entire operation.

Kitchen:

Further to the contractor delays mentioned previously, the design for the canteen has been finalised and will be built in four months (priority was given to the buildings housing fertiliser, pesticides etc). The employees will be able to participate in subsidised prices. As of now we have a temporary canteen and are providing free lunches (Ugaly and Maharage) to all workers. Hygiene is maintained in the canteen and to date we have not received a single complaint. We have a separate chemical store as per standards and ensure that the quality of food is maintained.

Health & Safety:

Activities requiring Personal Protective Equipment (PPE) are clearly identified in our Standard Operating Procedures (SOP). These SOPs are then clearly displayed for all workers to see at the farm. In the case where the SOP does require PPE, we ensure our workers are safeguarded from pesticide, and fertiliser applications by providing chemical filtering masks, goggles, aprons etc. We provide field workers with good quality sunhats as protective wear, and gum boots where there is risk. We have chosen to purchase from South African suppliers to ensure better quality at a cost of US\$25,000.

We also have a Health & Safety Committee, as well as 12 First Aid Practitioners trained by the US Occupational Health & Safety Administration at a cost covered by the company.

Health insurance:

We provide legally mandated health insurance for all enrolled people. By law, casual workers are not eligible for social security contribution.

However, being a large agri operation, there have been some instances of accidents on the farm. We maintain an Accident / Incident Report which clearly shows all accidents on the farm and what actions were taken. In 2013 we recorded 33 incidents which included headaches, malarial treatment (please see our supporting documents on malaria and HIV prevention Appendices 2 and 3), and one snake bite. It also included one major incident – Bosco Nyoni whose case study is below. In 2014, we recorded 11 incidents which included minor ailments and insect bites. In 2015, we have had one major injury and six minor incidents.

Every employee injured in such accidents has been properly treated and attended to. An example of this is Bosco Nyoni, who was seriously injured while riding motorbike out of the working hours and Olam Aviv assisted him for all medical treatment. He was paid a salary during the leave period and was also re-employed as a Supervisor on the farm.

Grievance:

It must also be noted that we have a Workers' Committee and all members are at liberty to express their views. We also keep a complaint box where issues can be raised anonymously, but we have not received a single complaint in this way. A Plantation Workers Union has been set up after proper consultation with workers. This now has 86 members.

Taking on board the above evidence we do not accept that we have poor labour standards within the Olam Aviv operations.

Section: 5.3 SAGCOT vis-à-vis Food Access Channels

As described above, several of the investment sites visited had labor conditions in violation of the human right to a living wage, and thus also in violation of the right to food, among other labor standards violations. The most egregious example was found in Lipokela, based on accounts of the workers on the plantation run by Olam-Aviv, which has recently become an official partner of SAGCOT. It is important to note that when questioned about the alleged human rights violations on the Olam-Aviv plantation in Lipokela, a district-level government official (interview 19 March 2014) expressed that he was well aware of the situation, but that his hands were largely tied in terms of being able to take any action, which he attributed to government officials at his level in general not having sufficient power over such matters. It is of particular concern that a company known by local government to be violating a number of human rights, including the right to a living wage, would be able to join SAGCOT without these violations first being addressed.

We are not able to comment on remarks made by a third party in March 2014 but we believe we have open and honest relationships with all Government officials as well as other stakeholders around our farms in the villages of Motomondo, Liganga, Losonga and Serikano. We have taken on board a number of the issues raised as detailed in the responses above. As mentioned before, we have a very open grievance handling process and any stakeholder is free to complain or raise a concern with the Company.

Friday 29th May 2015

NFC response

The New Forests Company (NFC) is disappointed in the false and malicious claims the Misereor report has made about the company and outlines the truth below.

NFC's Investment Philosophy

NFC believes that socially responsible private sector investment and consensual land acquisition done on the basis of willing-buyer, willing-seller is one of the most effective ways to drive rural development and poverty alleviation in Africa. Specifically, we believe the development of a sustainable forestry industry in a country that is tragically dependent on the importation of tens of millions of dollars of timber every year has enormous positive social, economic and environmental benefits, including: the creation of hundreds of long term sustainable jobs; producing local value added products to meet local demand including electrification poles for expanding the grid, construction timber, and renewable energy generation; growing the country's natural resource base; import substitution; growing the governments tax and revenue

base; protecting the environment diversification of the economy; the development of small and medium enterprises through cluster industries; and many more.

While it is definitely important to consider the smallholder farmer benefits of investments, we wholeheartedly disagree with the thinking that any land acquisition in Africa is automatically "land grabbing." This thinking is deeply destructive to much needed economic development on the continent, contemptuous of African governments and their sovereignty, and akin to neocolonialism that keeps Africa in poverty and in a dependency syndrome.

NFC's land acquisition process has been highly consultative, democratic and pursued over a long time frame – completely opposite to what the report claims is "lack of clarity regarding the consultation process." If Misereor had included the company, the government or village leaders in its "research," this would have easily come to light. Over eight years, the company has complied with a deeply democratic process including dozens of village meetings and village parliament meetings where attendees

have agreed resolutions to sell land to NFC. Every member has signed minutes of the meetings (copies available on request). We have also gone through lengthy approval processes at district, province and national level including the Ministry of Lands and the President himself. Furthermore, on the basis of willing-buyer, willing-seller, NFC has paid compensation to every willing seller at the maximum provided for under Tanzanian law. NFC has now paid over USD \$1,157,000 for 7,759 hectares to 325 people (averaging \$150/ha, and over \$3,560/person) – a price that is one of the highest in rural Africa. NFC's area constitutes less than 1% of the land area of Kilolo district, estimated at 788,100 hectares. With a population of about 218,000 people in 51,000 households, there is over 3.5 ha/person or 15.5 ha/household still available (2012 census). Furthermore the small piece of land held by NFC provides more employment per acre than any other agricultural enterprise in the district.

Irresponsible "Research" Methods

Many of the factually incorrect claims that Misereor includes in its report are a result of extremely poor "research methodologies." In drafting the report, Misereor only spoke with smallholder farmers and NGOs and did not attempt to get any information from the companies or the government (except 1 official), a gap that demonstrates both bias and a lack of integrity. Also, the full extent of contact that the Misereor "research" team had with any of NFC's community stakeholders amounted to less than 1 hour with 36 people from Magome village, only one of twelve villages and tens of thousands of people that border our plantations and form part of the NFC family of stakeholders.

Social Investments

NFC has more than lived up to our promises to deliver tangible social investment in social and economic infrastructure in partnership with our neighbouring communities. This commitment to the highest levels of social responsibility is a core part of our business model. Despite the fact that, as a sustainable forestry business, we have made financial losses every year of our last eight years in Tanzania as we plant our trees, we are proud to have spent more than Tsh 300 million per annum funding social projects in health, education and income generation. NFC has been repeatedly praised by community members, district officials, national officials, and other stakeholders for being a critical development partner and one of the best catalysts for social and economic change in the district and region.

These investments were chosen by the communities through our Participatory Rural Appraisal that determines their greatest needs. They include:

- Magome doctors' accommodation
- Kising'a Maternity Ward and latrine block
- Isele Dispensary and latrine block
- Lundamatwe Primary School teachers' accommodation
- Kidabaga Primary School double classroom block and latrine block
- Madege Secondary School girls' dorm, with kitchen, dining, latrine & shower blocks
- Lundamatwe Secondary School girls' dorm, with kitchen, dining, latrine & shower blocks
- Mazombe Secondary School girls' dorm, with kitchen, dining, latrine & shower blocks
- Lundamatwe bore hole
- Tree farming outgrowers scheme with over 50 community associations
- Bee keeping and honey production support
- Support to Village Savings and Loan Associations

Job Creation

NFC continues to believe in the wise adage: "give a man a fish and he eats for a day; teach a man to fish and he eats for a lifetime." We have seen that job creation – especially long-term, sustainable



*Kising'a Maternity Ward and Latrine Block (above)
Isele Dispensary (below)*



Madege S.S. (above) and Magome Doctors' Accommodation (below)



Lundamatwe Girls' Dormitory

jobs in rural areas – is one of the best ways to empower individual pride, promote self-sufficiency and eradicate rural poverty. NFC has directly created approximately 590 rural jobs in Tanzania to date, not including the jobs the small and medium enterprise cluster industries have generated. Since NFC will be in these areas for the long-term and 100% of our labourers come from our neighbouring communities, we are happy that these communities can rely on their jobs indefinitely. Almost every worker employed by NFC also has a small holding where their family cultivate food crops, so NFC's wages just contribute further to their food security. Contrary to the Misereor report, NFC last year paid our labour Tsh 5,500 a day which will increase to Tsh 6,000 this year. More importantly, NFC has publically committed to doubling wages in Tanzania by mid-2019, voluntarily transferring further value and wealth creation from our shareholders to our workforce and our neighbours in the wider community.

It is true that NFC does not pay our labourers daily because that would be extremely costly and arduous to administer, reducing the wages we could afford to pay. Instead, we pay every two weeks. We hope that as our labourers' wages increase, so will their savings and access to credit so that we can move to monthly payments – as is the norm - and further train our labour in financial management.

Health and safety is also something that NFC takes very seriously in relation to our labour. We take all the guidelines set out in the Forest Stewardship Council principles very seriously, including: personal protective equipment; incident reporting; safety training, protocols and procedures; incident reporting; first aid, etc. We also realize that HIV has comparatively high prevalence rates in our district of Kilolo, so we partner with local service providers to offer volunteer counselling and testing once a quarter to our labour and surrounding communities.

The Misereor report falsely claimed that community members are no longer able to access firewood from the plantation. However, NFC's Lukosi plantation went through an external auditing process and is Forest Stewardship Council certified. This external audit report states: Non-timber forest products (NTFP) are assessed and agreement over use identified in consultation with local communities and regulating authorities. The main NTFPs used by local people are thatching grass, honey, medicinal plants, mushrooms and bush meat. (Odendaal, 2015)

Land Acquisition

In Tanzania, the land acquisition and compensation procedures are defined by the Lands Acts 4 and 5: an application is submitted to the Village Governments and subsequently forwarded to the Village Assemblies (effectively village parliaments) for discussion. Every decision must be minuted and each member must sign or thumbprint any decisions and resolutions. In the case of the Lukosi plantation, some of the villagers volunteered to release land for forest plantation. The proposal was also discussed by the District Council and a consensus reached to allocate land for NFC's forest plantation project.

This was followed by the technical report which was prepared by the district staff on the availability of land. The District Team also did a preliminary demarcation of the area in each village. A total area of 14,704 ha was identified in ten villages. The Village assemblies approved the proposals of NFC. Negative and positive potential impacts were identified during the Environmental Impact Assessment and NFC's participatory rural appraisal (PRA) process. Once identified the 14,704ha of land had to be approved directly by the President of Tanzania and then gazetted nationally giving all stakeholder groups a period to make objections. Thereafter, NFC had to secure land titles within the gazetted area in another round of community and district consultations, surveying, valuation by the government valuers, compensation, approvals by district, provincial councils, then approval by the Ministry of Land, further gazetting of the title and finally a lease issued by the Tanzania Investment Centre.

The process is long and cumbersome with considerable village, local, district, provincial and national consultation and debate at every stage of the process. Each process of land acquisition takes many years, and can be rejected at any time.

NFC started land acquisition in Tanzania in 2006. Forestry operations began in 2009. The company maintains and manages a grievance process with all our stakeholders and a list of community complaints and grievances since 2011 is available. The complaints mainly refer to the delay of compensation payments. All grievances have been settled, to date, though the process of grievances arising and being resolved is ongoing.

Our land negotiations started in the southern areas, in close proximity to the Lukosi River and periodical compensation exercises were conducted from October '09 through August '11, up to a point whereby we could justifiably apply for occupancy title on a reasonable size of plantation area – 2,416 ha. The title was approved in March '12 under the titles called Farm 972 and farm 975.

From there onwards it was decided to move further north into an area called Kising'a, where more villages were willing to volunteer their land for the investment and to be compensated. Good negotiations took place and again, periodic land compensation exercises were conducted until Jul '11 - up to a point whereby a reasonable plantation area could be considered for occupancy title. Title application started in late 2012 for this area now called farm 973 – 3851 ha. To date the title has not been approved; however at the time of this report the documents for the finalization of title for farm 973 were to be presented to the Zonal Land Commissioner's office for final approval.

Within the East African context, New Forests has experience with compensating for Land in Tanzania. New Forests has paid an average of Tsh 100,000/acre in compensation for approximately 19,000 acres. In return for compensating, New Forests receives virtual freehold title (for a period of 99 years) with an annual rent payable to government.

"This is the highest price currently paid in the market at the event of selling and purchasing parcels of land. In this case we have adopted Tshs. 100,000/= per acre." (Section 3.4 of the Kilolo District Valuation Report for Compensation)

The Tanzanian Land Act of 1999, while not offering specific prescriptive rates for compensation, describes the fair and adequate compensation method in the following way:

"According to the Land Act (numbers 4 & 5/99), market value of the real property is to be based on comparative method evidenced by actual recent sales of similar properties or by use of the income approach or replacement cost method where the property is of a special nature and not saleable." (<http://faolex.fao.org/docs/pdf/tan28341.pdf>)

Likewise, there are allowances made for compensation of those who had occupied land illegally, whether governments had implicitly or explicitly condoned such occupation:

"The payment of compensation for rights that are not legally recognised may be a difficult policy question given the variety of cases that exist. In many such cases, people may be regarded to deserve compensation and an alternative place to settle if the land they occupy is to be used for a public investment project. For example, residents of an informal settlement who have only informal rights to their land and homes may be considered to be entitled to assistance, particularly if they are poor and had no alternative possibility for accommodation. The case may be especially compelling if the government has recognised or implicitly condoned in some manner the existence of the informal settlement." (<ftp://ftp.fao.org/docrep/fao/011/i0506e/i0506e00.pdf>)

In order to navigate the intricate land acquisition process, we have hired a dedicated team of people responsible for land acquisition, who work closely with the Community Development Officer (CDO) on community consultations and regular meetings at the District.

The process, as has been followed by New Forests thus far, is outlined below:

- Introduction to Land through TIC and the MP for Kilolo, Honourable Peter Msola
- Identified potential Land in Kilolo district in 2006
- Formal Application to the Minister for Planning, Economy and Empowerment on 22nd June 2006
- Village Council Meetings and Village General Assemblies to approve the Land meetings done on 18th October 2006 (villages included: Kidabaga, Idete, Isele, Magome, Kising'a, Ukwega, Ipalamwa, Makungu, Lulanzi, Lyamko, Kimala and Kiwalamo).
- District Executive Committee to approve the application for land on 27th October 2006
- Obtained TIC certificate of Incentive No. 01226 in 2007
- Commissioner for Lands/Minister /President for Approval early 2008
- Transfer of Village land to General land 90 days. Government gazette on the 14th March 2008
- Preliminary survey on 14,700 ha, but land released to NFC at this stage decreased to 5,013ha. MP for Kilolo held negotiations with two villages who released 1,050ha (Kising'a) land over and above the 5,013, making it 6,063.
- Of the 5,013 only transfer of 4,800ha of village land to general land 90 days government gazette on the 21st August 2008
- Valuation process of Land by the Njombe district valuator for assets and crops in 2008
- Conducted a full EIA for the Kilolo development in 2009
- Some villagers changed their minds, resulting in a decrease of land to be released
- Compensation to five villages (In the year 2009): Magome, Kidabaga, Isele, Idete, Ukwega and Kising'a.
- Final survey for 4,800ha (of the 5,013), Survey Plans submitted to the Director of Survey and Mapping in Dar es Salaam in March 2010. The very first gazette application of 14,700ha was attached to this application.
- A second valuation exercise for land had to take place, because the first valuation was not fully accepted by all farmers. Crops and other properties (in 2010)
- Survey Plans not Approved. Required to resurvey by use of Differential GPS or Omnistar GPS whose accuracy is high. Follow up with Iringa Regional surveyor started in July, 2010
- Approval of the Survey plans by the Director of Survey and Mapping in Dar es Salaam on the 6th September
- Gazette of the Farms for 30 days (Farm No. 972 and 975) on 21st October 2011
- Payment of premium to the District Council which is 15% of the value of land. Land value in Kilolo is TZS 100,000 per acre.
- Preparation of the deed documents by the District Land Authorized Officer in August 2011
- Approval of the title deed by the Commissioner for lands in Dar es Salaam in 27th January 2012
- Deed documents forwarded to the Executive Director of Tanzania Investment Centre: February, 2012
- Deed Documents forwarded to Zonal Land office in Mbeya for endorsement by the Zonal Land Commissioner: February 2012
- Registration of the Title deed at the Zonal Land office in Mbeya: February 2012
- Deed documents taken to TIC for handing over to the Investor
- Deed documents received by New Forest Company (Derivative right of occupancy)

- For Farm 973 a slightly different approach is taken due to the introduction of a new system. District Land Allocation Committee to discuss the application first and then it is forwarded to the National Land Allocation Committee to approve the application. This is currently holding up the process. The documents are still at the Ministry of Lands waiting for the appointed Zonal Land commissioner to approve.

NFC has conscientiously followed the land laws of Tanzania throughout the whole process which involves significant consultation at all levels from community members to the President of the country. It is categorically irresponsible to suggest NFC's land acquisition process was in any way "land grabbing," suggesting a quick, mal-intended, fraudulent process.

Economic Impact

In addition to the 590 rural jobs NFC has directly created and the hundreds more generated through its cluster industries, NFC is proud of the multiplier economic impacts it has had. NFC has injected \$5.2 so far this year into Iringa's economy by purchasing goods and services from local small and medium enterprises. NFC has also saved the country of Tanzania \$11m to date on imports by substituting foreign electricity transmission poles with local, high quality ones. NFC is opening a saw mill in 2015 that will create a competitive source of locally produced, high quality, affordable, value-added timber products for the local market. It plans to use the biomass "waste" from the mill to generate energy, increasing Tanzania's much needed supply of renewable energy. NFC is also 100% compliant in its taxes; as a growing investment, the tax revenues it pays to the government are increasing every year, a reliable income stream that the government can count on to begin offsetting its reliance on foreign aid. NFC is proud of its model of private sector led growth and its role as a partner to the government in achieving its social and economic development goals while conserving its environment.

Conclusion

Visionary African leaders want to break free from dependency on charity and the patronising paternalistic attitudes of NGOs and donors. This freedom would end the indebted, powerless, hand-out culture and drive Africa's future through economic growth the promotion of a private sector led entrepreneurship. This is not possible without model investors like the New Forests Company, leveraging foreign capital to lay the foundations of tax revenues, job creation, and locally produced, value-added products that will help these economies thrive.

"The notion that aid can alleviate systemic poverty, and has done so, is a myth. Millions in Africa are poorer today because of aid; misery and poverty have not ended but increased. Aid has been, and continues to be, an unmitigated political, economic, and humanitarian disaster for most parts of the developing world,"
Dambisa Moyo

"The cycle of aid and poverty is durable: as long as poor nations are focused on receiving aid they will not work to improve their economies....the discussion we should be having: when to end aid and how best to end it"
President Paul Kagame.

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