

Large-scale land investments diversification and conflict trends in Mozambique

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Abstract

Mozambique is a naturally endowed country and for this fact it has, like many other developing countries, seen in the last decade a renewed interest in its natural resources by foreign investors. Additionally, Mozambique has also undergone on a path of land reforms after its independence producing what has been considered one of the most progressive and participative Land Laws in Africa. Nevertheless, there have been registered cases of conflicts between Large-Scale Land Investors and the communities affected by this investments. This paper will provide an overview of the characteristics of these conflicts related to different types of land investments. It is centered in the role of the State as the land manager due to its high discretionary power for land allocation and expropriation and as such it argues that these conflicts are deeply rooted in the fragilities of the government's implementation and monitoring of the existing laws. It also calls for a more thorough comparative analysis of the impact of each type of investment to understand how the diversification in large-scale land use can be harmonized to work towards a better land governance and a more positive socio-economic contribution of these investments to the country's development.

Keywords: land conflicts, large-scale investments, investment diversification, land governance



1. Introduction

Mozambique is a developing country with great potential for economic growth. It is naturally endowed with 80 million hectares of land of which 36 million are arable land. Sources diverge on the state of occupancy of this land, while some argue that less than 10% is being used for rainfed agricultural activities, governmental sources argue that 16million hectares are already occupied. The country also has vast forests which in fact is one of the targets of the largest types of investments in terms of area occupied.

Some of the factors that make Mozambique an attractive destination for such type of investments are as follow: a plateau area that covers 55% of the country, located mainly in the west and north region which has the best agricultural land including open forests, dense subtropical and tropical rainforests and savannah. This land is very fertile and proper for rainfed agriculture. In terms of Land availability, there's 80 million ha in total of which 27 million are dense forest; 16 million are open forest, 1million are forest plantations and tree crops, 10million ha are mixed forest and cultivation and 14 million are bush, savannah and pasture and 6 million are for cultivation. The occupied land includes: 17million ha for parks and other protected zones, 10million ha delimited to communities, 3 million ha already allocated to investors and in terms of agricultural potential: 36 million ha is potentially arable, 12 million to 19 million ha is potentially available for agriculture, forestry and cattle and 6 million ha is being cultivated and 7 million ha is available for investment (Hanlon and Mittal 2011). Besides the well known agricultural potential, in the last two decades, there has been discovered a great potential for mining. Mozambique's soil is rich in mineral resources being the most notably reported aluminium, oil, natural gas, coal, gemstones, gold and heavy sands. These resources can be exported through its development corridors in the north, central and south regions with access to six neighboring countries or through the vast coastal access to the Indian Ocean using its three main ports in Nacala, Beira and Maputo, located in the three main regions of the country. Like other African countries, Mozambique also has a demographic potential, a population of 29,495,960 habitants according to the World Bank (2018), mainly young and fast growing but yet in proportion to its total area Mozambique still has a relatively lower population density of 37.51/Km² (LANDex 2019). The southern African region has enjoyed a comparatively peaceful environment which has promoted the increase of economic activities. There are many factors that have been favorable for economic growth and human development. However, despite all of its potential, the social indicators are still in an unsatisfactory level.

Facing these challenges, the Mozambican government, encouraged by international financial institutions and donors, has been promoting a policy to attract foreign investment in Land and Natural Resources. Particularly in the areas of forestry, agriculture and mining. This policy is not new, it has been promoted since the implementation of neo-liberal reforms of decentralization, privatization and promotion of a market economy but it was the global phenomenon of food and fuels crisis as well as environmental concerns that has been mobilizing countries, specially the developed large economies to

secure the access to these resources in the global south. As a result of this global rush, developing economies in Asia, Latin America, and Africa have been receiving since 2007/8 an increasing amount of foreign land investments. Mozambique has been one of the major receiving countries but it faced challenges in terms of its level of preparation to negotiate these deals and ensure that they would properly meet the State's expectations of development. Considering that the majority of the population resides in the rural areas and has low levels of formal education it was important to promote policies that would not create a system of exploitation and drainage of resources without creating local benefits which would further impoverish the people and potentially lead to civil unrest. It was with this in mind that the land law was reformulated in a participatory process that involved all of the major stakeholders. The current land law and land policies aim to promote a sustainable and participative use of natural resources that ensures the protection of the people, specially those who do not possess a formal land right from being dispossessed and meet the development agenda. Nevertheless, the existing legislation has not yet been able to prevent cases of conflicts between investors and communities, being the most prominent the ones related to the largest concessions in terms of hectares that affect multiple communities, some of which have to be resettled. The main question of this paper is **what are the causes of land conflicts between the different types of land investors and communities in Mozambique and what can be done to reduce them?**

2. Objective

This paper aims to bring a combined data from multiple sources of the large scale land investments in Mozambique, its characteristics and an analysis of the impact of these investments in the affected communities by assessing the causes of conflicts. It also aims to reinforce the importance of an integration strategy for the maximization of dividends from these diversified investments.

3. Methodology

To answer the main research question of this paper, the author conducted desk work, consulting existing legislations, policy papers, books, scientific articles, and news articles as well as structured in depth interviews with key informants such as government officials, scholars, representatives of civil society organizations.

Initially, a general overview of the evolution of land governance and its main drivers in Mozambique will be presented, secondly, this paper will bring an overview of the large-scale land investments with information collected from different databases such as landmatrix, Grain, Oxfam and The Oakland Institute as well as research and policy papers. Subsequently it will be presented some of the cases of land conflicts related to different types of land investments and its causes followed by a discussion of the findings.

Some of the main concepts that will be used are Land, Large Scale Land Investments, Local

Communities and Land Conflicts. The UN defines land as:

‘a delineable area of the earth’s terrestrial surface, encompassing all attributes of the biosphere immediately above or below this surface including those of the near-surface climate, the soil and terrain forms, the surface hydrology (including shallow lakes, rivers, marshes and swamps), the near-surface sedimentary layers and associated groundwater reserve, the plant and animal populations, the human settlement pattern and physical results of past and present human activities’ (FAO n.d.).

For the purpose of this research Large Scale Land Investments will be defined as any land concession agreement that surpasses 1000ha, any concession equal or bigger than this area needs approval from the Provincial Government. But particular attention will be given to land deals bigger than 10,000ha since it is ruled by the Mozambican Land Law these deals have to be approved by the council of Ministers. It will be used the definition of local communities provided by Mozambique’s 1997 Land Law in which they are:

‘a group of families and individuals, living in a circumscribed territorial area at the level of locality or below, which aims to safeguard the common interests through the protection of areas of habitation, agricultural areas, whether cultivated or fallow, forests, sites of cultural importance, pastures, water sources and areas of expansion’ (Government of Mozambique 1997).

The term land conflicts will be used to refer to tensions between communities and investors in the form of violent or non violent disagreements which can be manifested through acts of boycott, pacific demonstrations and verbal or written complaints presented to the investors.

4. Evolution of Mozambique’s land policy and its main drivers

There are many internal and external dynamics that have shaped Mozambique’s Land Policy to become what it is today, considered one of the most progressive and participatory land laws in Africa. Land Law in Mozambique has been both reactionary and proactive to existing challenges at the time but also drawing from foreign examples, responding to ideological shifts and international pressure.

During the colonial era, across the continent, various tenure systems were set in place with nevertheless some common strategies implemented by the colonial administrations, among them were: the dispossession of indigenous people of their land and their resettlement to confined unproductive lands, the implementation of a hut tax to be paid by the indigenous people, the allocation of vast areas of fertile land to white settlers and concessionaire farming companies, the introduction of forced labor

in cash crops¹.

Vast areas of plot were given to foreign companies for the development of plantations in the central and northern areas of Mozambique during the colonial period. Hence, the memory of expropriation for foreign investments to explore the land that should belong to the people is still new, thus the suspicion of new foreign direct investment in land.

While some of the policies were abolished right after independence, some others were inherited by the newly created states, particularly, the attribution of local administrative power to traditional or indigenous leaders and the recognition of customary land rights of the indigenous people (Mamdani 1996, Takeuchi 2014, Benjaminsen and Lund 2003). Benjaminsen and Lund (2003) defend that the legal pluralism that is prevalent in Mozambique and other countries is not an amalgamation of European law and traditional pre-colonial customs but a strategic selection of certain traditional customs while reinventing others, rendering customary law as a product of colonization.

Interestingly, after independence, the Mozambican government took a strong stance against all customary institutions and authorities as well as private entities, revoking the previous land tenure system and nationalizing all of the land and its natural resources through the Constitution of 1975. The total state ownership of land has remained in the following constitutions of 1990, 2004 and the 2007 amendment. However, throughout the years, the land law has seen some updates. The first post-independence Land law adopted in 1979, stated that the land was exclusive property of the state and it could not be sold, rented, mortgaged or subjected to any further type of alienation. This policy was adopted in a period where the government, a one party-state followed a Marxist-Leninist orientation, thus the justification for the nationalization of the land was aligned with the State's policy of collectivisation of the means of production through the creation of state farms and communal villages (Lunstrum 2008), similar to the policies implemented in the Soviet Union.

The government aimed to introduce reforms that would lead to the creation of a socialist state. However, this plan was challenged by the fragile economic situation inherited, the lack of qualified personnel, as well as the lack of capital. This situation was aggravated by the civil war that lasted 16 years, from 1986 until 1992. By the end of the civil war, the State was already undergoing major structural changes mainly influenced by the Peace agreement and the ideological shift initiated by Mozambique's negotiations with the Bretton Woods Institutions for financial assistance for post-war reconstruction. The combinations of these two factors resulted in an ideological shift in political, economic and social policies-to a more neoliberal orientation. These events set the path for Mozambique to become a multiparty state, decentralized, with a market oriented economy. Furthermore, there was a reverse in the nationalisation policies to privatisation of State owned enterprises and the ending of the

¹ Indigenous people were forced to abandon their lands and move to unproductive and dry lands and work in force labor called *Chibalo* in cash crops, a prominent case was the labor intensive cotton production in Mozambique.

state owned farms and communal villages. Another important development in this phase was in regards to the land tenure system. In 1997 a new Land Law was adopted with much acclamation due the national public consultation prior to its adoption. It can be said that the public participation in the land law reform was a result of the institutional reforms in the context of democratization and peace-building. Myers (1994) mentions several examples of land issues that emerged in post-independence period related to: land grabbing by the elites for speculative purposes, land disputes between displaced people and natives, overlap of land use concessions granted by different public institutions, disputes over historical occupation and lineage rights, and fears of land scarcity and class stratification. This issues were contrary to the governments vision of the ‘labor of the land as a universal means for the creation of wealth and welfare as the right of the entire Mozambican people²’ and particularly in such a fragile period of post-war reconciliation and state reconstruction, the rejection of the freehold or private ownership could be seen as a conflict prevention strategy to reduce social unrest. As mentioned by Benjaminsen and Lund (2003), when dealing with land issues, there is a confluence of multiple agendas that can cause socio-political tensions and require negotiation. Furthermore, Takeuchi (2014) mentions that the privatization of land was not a policy implemented right away in the newly independent African States, most governments extended their control to the customary lands. He also adds that the socialist ideology contributed to reinforcing the policy of national control over land because it was fiercely against the promotion of private property rights.

While in some countries the implementation of land redistribution reforms aimed to promote the increase tenure security to people who have been victims of social injustice, in Mozambique the monopoly over land ownership is also justified as a protection of peoples rights, in which land is a collective asset of the people of Mozambique, managed by the government. This idea is inspired by a marxist-leninist perspective of a classless society.

The new 1997 Land Law incorporated the right of use and improvement of the land (commonly called DUAT-*Direito de Uso e Aproveitamento da Terra*) and recognized the right of occupancy in good faith to individuals who have been residing in the land for a minimum of 10 years as well as customary land rights to rural communities. It also allowed the transfer of land-use titles and its infra-structure through inheritance or sale. Individuals and collectives cannot own the land but for residential purposes they have indefinite right of occupancy, for economic activities there is a lease concession of 50 years that can be renewed. And communities with customary rights can request the delimitation of their land which renders a certificate of occupancy that can be followed by the formal lease title called DUAT. This 1997 Land Law is seen as a compromise between proponents of privatisation and those more concerned for the fate of the rural poor (Lunstrum 2008).

Since 2010, the Land Law has been under revision through an inclusive platform for dialogue by the

² Republic of Mozambique, 1979 Land Law, art. 1 no.3

stakeholders called the Consultative Forum on Land where issues of institutional capacity, inclusive participation in the decision making process, tenure security, access to financial credit in the rural areas among other issues are being discussed. The government, with the help of international donors and local NGOs has implemented a national campaign for Land Delimitation and Titling of 5million units called ‘Secured Land’ (*Terra Segura*) (MITADER 2019).

4.1. Timeline of the legal framework for land governance

- 1975 First Constitution
- 1990 Second Constitution
- 1995 National Water Policy
- 1997 First Land Law
- 1998 Rural Land Law
- 1998 Forestry and Wildlife Regulation
- 1999 Forestry and Wildlife Law
- 2002 First Mining Law
- 2002 Forestry and Wildlife Regulation
- 2003 Decree No. 1/2003
- 2004 Third Constitution
- 2006 Urban Land Regulations
- 2007 Amendment of the 2004 Constitution
- 2014 Second Forestry Law
- 2014 Second Mining Law No. 20/2014
- 2015 Decree for Mining No. 31/2015
- ▼ 2015 Decree for Petroleum No. 34/2015

5. The large scale land investments in Mozambique

5.1. Drivers behind the investment boom

The Neoliberal Agenda for Land Reforms has been accompanied by an avid interest in foreign land investment. There has been a shift from private land investment domestically to now becoming a transnational phenomenon. From the 1980s to present days there has been registered globally a race for foreign land that has been welcomed by the the wave of democratic and neoliberal reforms in course in the developing countries and particularly in regards to the agricultural sector and the land tenure system. A catalyst for this so called ‘scramble’ for land was the 2007/8 food, fossil and financial crisis with the price spike that revealed the urgency of ensuring global food security (Nalepa 2011). But contrary to this argument is the fact that the majority of the land investments go to other activities such as forestry and logging, biofuel production, mining, tourism and others (Nolte *et al.* 2016, Gironde and Golay

2016). It also can't be discarded that some investments are for speculative purposes since there have been registered many cases of approved land concessions that remained unoccupied for many years and resulted in the termination of the lease³. Whilst there have been registered land deals in many countries across the globe there are some patterns worth noticing. First, the majority of the transnational land deals target developing countries and Africa in particular has received the biggest share of foreign investors, the most targeted countries have high hunger index, the agricultural sector plays an important role for the economy, there is relative high population density and tenure security is low (which leads to competition and potential conflict) and most of the investors are private enterprises (Nolte *et al.* 2016). In the earlier stages, it was the low population density and information gaps in terms of the real availability of arable 'no-mans land' that made African countries such an attractive destination for investment. Some scholars have stated that this view was an overestimation and in fact even though agricultural production was low and small sized, there were parcels of land that were in fact inhabited or considered private or communal property, regardless of the legal rights status of their occupants.

5.2. Characteristics of the land investments

Cross country comparison has shown a strong correlation between weak tenure security and land deals and this could be explained by the fragility of the land governance and the opportunity to acquire concessions of large areas at a lower price with less contestation by the local communities due to their weak and informal land rights (Arezki *et al.* 2011, Deininger 2013, Anseeuw 2012, Nolte *et al.* 2016). According to Pauline E. Peters (2013) in Subsaharan Africa eight countries in particular have seen a boom in foreign agricultural investment namely, Sudan, Ethiopia, Kenya, Tanzania, Mozambique, Ghana, Mali and Madagascar. Of the southern africa region, Mozambique⁴ (63.5%), Madagascar (71.1%) and South Africa (79.8%) have the most arable land in proportion to the total land area comprising more than 50% of the countries total area (World Bank 2019). This is one of the factors that puts Mozambique and Madagascar in the top 20 global list of the targeted countries for large-scale land investments. According to Glover (2016), from 2004 to 2009, land concessions were given to 405 projects in a total land area of 2,670,000 hectares. And according to data from LandMatrix (2016) there were 60 land deals that reach areas as large as 1,500,000 hectares in Mozambique.

³According to some observers, some 90 percent of coastal land has been allocated as provisional DUATs. Van Den Brink, Rogier J. E. 2008

⁴ Despite the amount of arable land there's low productivity in the he agriculture sector, it contributes to 26.6% of Mozambique's Gross Domestic Product (GDP) but absorbs 75% of the total labour force, source: African Development Bank (2019) Southern African Economic Outlook

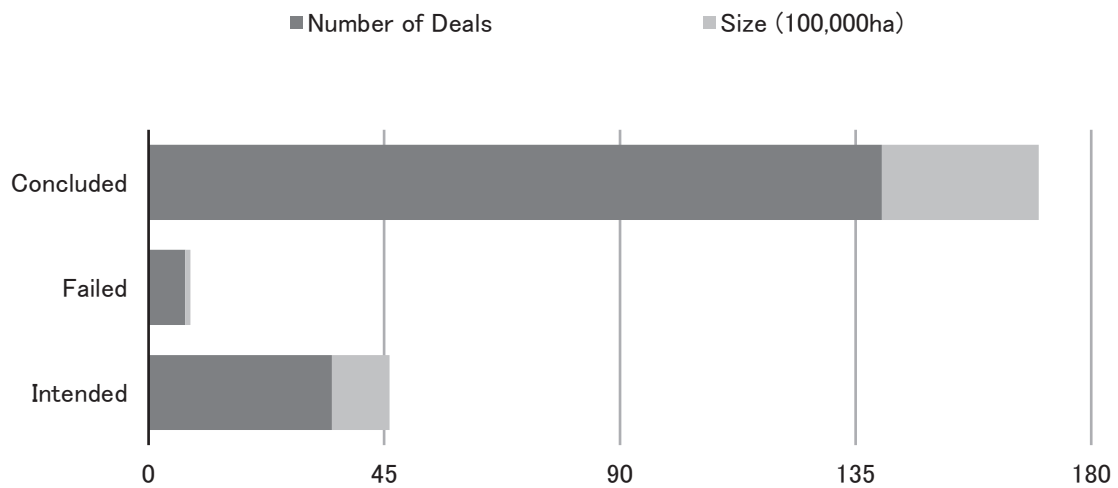


Figure 1. Status of Land deals and size

Source: LandMatrix 2019

Table 1. Land Deals by Type of Investment and Area occupied

Investment Type	Size	Number of Deals Concluded	Number of Deals Not concluded
Multiple Intention	1,920,556 ha	39	6
Timber Plantation	825,728 ha	9	1
Logging/ Management	505,465 ha	6	2
Livestock	226,736 ha	12	17
Tourism	217,500 ha	4	1
Conservation	200,000ha	1	0
Food Crops	147,451 ha	37	5
Biofuels	146,115ha	15	1
Mining	85,200 ha	4	0
Non Food Agricultural Commodities	49,465 ha	15	0
Carbon Sequestration/REDD	30,000ha	1	1
Forestry Unspecifid	1000ha	3	0
Total	4,369,216 ha	146	34

Source: LandMatrix 2019

The government of Mozambique has welcomed foreign investment in large scale agriculture to promote economic development. But questions arise in terms of how these investments fulfill the expectations of socio-economic development. For once, there is a dichotomy in terms of the common rhetoric pro-investment that links the development of the agricultural sector as a key factor to economic growth and to tackle food insecurity that prevails in many developing countries. As table 1 shows, although the majority of the land deals are for food crops, these are not the biggest deals in terms of area requested. Studies (Oxfam 2011, Nolte *et al.* 2016, Nalepa 2011) have shown that many of these agricultural investments are non food crops, such as biofuels and cut flowers, and the ones that are food crops are mainly for export and not to feed the domestic markets. An Oxfam report shows that in Mozambique, where household acute food insecurity accounts for 35%, only 7% (32,000 of 433,000 hectares) of the land deals made for agriculture between 2007 and 2009 were meant for food production (Oxfam 2011). As shown in figure 1, data from the Land Matrix further substantiates this information, Timber plantation and logging combined, with only 15 deals, occupy 1.3 million hectares. Biofuels, a non-food crop has also been a highly invested commodity with 15 investments occupying 146,115 hectares almost the same land area of the food crops and this combined with non-food crops (49,465ha) confirms that food production is not the priority of these land investments.

There is a larger concentration of agricultural investments in the Nacala Corridor as well as Zambézia Province, the biggest concentration of forestry investments is in the provinces of Manica, Zambézia and Niassa, which are the most fertile areas in the country, the cluster of investments in minerals are Tete, Manica, Nampula and Zambézia, investments in gas are in the province of Inhambane and Cabo Delgado and finally heavy sands investments are located in Nampula and Gaza Provinces.

6. The causes of the conflicts between investors and communities

The causes of these land conflicts can be divided in two main parts: the first one has to do with the existing conditions or the weak state preparedness to receive large scale-investments such as the lack or poor knowledge among the stakeholders about the land law and other legislations that regulate land use, not only by the communities but also by government officials which leads to gross oversight of policy implementation procedures, private interests in the approval of concessions, poor information among all stakeholders of occupancy status of lands and lack of a deep study of the impact of the investment.

The second part, and the most salient, has to do with the interaction between the investors and the communities, mainly: how the role of communities are perceived by the investors and here lies the relevance of tenure security, the promises of socio-economic development that the investor conveys to the community as part of its Social Corporate Responsibility but also related to the allocation of profit revenues for community development which also involves the State and should in practice be decided with the participation of the communities involved and finally the implementation of these promises in a satisfying timeframe. For a better understanding of these causes, a compilation of cases of conflict will

be presented the table bellow and will further be discusses in detail.

6.1. Weaknesses in institutional capacity to reinforce tenure security

6.1.1. Lack of information

Despite the existence of an information law, many land deals are not made public by the government. Some prominent cases are reported in the news but others don't reach the public. This renders communities unaware of the law and the crucial information about the investments to make an informed decision of wether they should or not approve the land concession with consideration for their tenure and livelihood security.

6.1.2. Oversight of required procedures

Most of the conflicts reported and mentioned in studies begin with the faulted community consultations. It is regulated by law that regardless the final decision making entity, the council of ministers, the provincial government or the local administrator, there has to be done a community consultation before the DUAT concession deliberation is done, this is not simply for informative purposes but in this process communities theoretically are given the right of vetoing the implementation of the project. However, there has been many cases of improper or no community consultation done prior to the DUAT attribution. Nonetheless, few cases have been presented in formal courts. Few prominent cases that have been taken to court and reported in the news are the case of Anadarko Company sued by the Mozambican Bar Association (OAM 2019), asking for the revocation of the DUAT given to carry a 20 billion dollars gas exploration project in the province of Cabo Delgado. Within the claims in the lawsuit are improper consultation, fraudulent minutes of community consultation and lack of public participation in the resettlement process.

6.1.3. Land registration and political interests

Nalepa (2011) and Peters (2013) mention the documentation of 418 cases that overlap between approved land concessions to investors and delimited communal lands that correspond in total to 1.4 million hectares. This shows an administrative weakness of the Mozambican government in terms of land mapping and registration or a deliberate intent to not prioritise the rights of the communities. Castel-Branco *et al.* (2001) mentions that, in the process of privatisation, 'In some cases, 'traditional' community claims-to land and natural resources-were ignored in the scramble to dispose of state farms'. The relation between government and rural communities has historically been clouded with tension and beyond economic motivations, political factors have also played a role in the decision-making of the transfer of land use rights. Takeuchi (2018), Aminaka (2018) and PESA (2018) argue that the current land law has strengthen the State's control over rural societies and that in this process the land tenure security of communities that supported the opposition has been weakened. It is not enough that

communities have their rights protected if there is no registration that they are occupants of that space⁵. This is one of the factors mentioned as a reason for the delay in the land concessions. But this also means that to be diligent, communal land delimitation needs to be expedited which consequently results in a flawed implementation of the required procedures for land transfer from the communities to the investors being the community the weakest stakeholders this process ends in their disadvantage.

6.2. Weaknesses in the investor-community interactions

6.2.1. Idle land due to speculation

The major deficiency in state management of land use is manifested in the low monitoring capacity of the exploration plans. As a consequence, Investors usually ask for a larger size than what it is actually needed to carry the project. It has been argued that this is done due to lack of resources to explore the total area or for speculation purposes due to the commoditization of the land in international markets. Many investors end up successfully acquiring large concessions of land, dispossessing former occupants but keeping the land idle. In consequence, the former occupants end up trespassing and reoccupying this land which then becomes a cause of conflict with the legal occupants as has been reported. A national campaign was launched by the Ministry of Land and Rural Development to claim back idle land by revoking or reducing the DUAT from the investors who requested an area larger than 1000ha during the years of 2009 and 2012 and did not fully implement the exploration plan. The target is to reclaim 1,000,000ha (one million hectares) by the end of 2019.

6.2.2. Resettlements and the disruption of the way of living

There is a lot of expectation related to the implementation of a large-scale investments in somewhat remote areas. With governmental backing and promises of economic development the public perception is that these investments will improve the quality of life, create infrastructures, jobs and a market. However, it has been proven that there is a frail connection between the implementation of large scale investments and rural development. A second point is that not all communities have the same economic activities, in some areas most members practice small scale agriculture but in some areas, near the coast some community members are fishermen or do other types of activities such as artisanal mining. These diversity is not always accounted in the resettlement plans and consequently there are cases of disruption of the way of living without the creation of satisfying alternatives that effectively create an improvement in the affected communities lives. Thirdly, besides the economic perspective, there is a social dimension that should also be accounted. Communities have their own particular social interactions and historical facts that creates proximity within them and creates emotional attachment to the land. There are family

⁵ In fact, the majority of the population in Mozambique resides in lands to which they do not have formal titles. In face of this concern the legislation accepts a lease based on occupation for more than 10 years. Most of the rural communities have this type of land right but this is not formalized in paper.

cemeteries, sacred trees, forests and mountains to which they are forced to part. And when there is a lack of satisfactory compensation this factors contribute for the refusal to leave the area.

6.2.3. Expectations regarding socio-economic impact

Civil Society Organizations have been very vocal about the impact of the large scale investments in terms of job creations due to the fact that the local workforce usually does not have the technical skills that are needed to carry out the project. In the case of agricultural projects, they are mechanized and require low human labor in a context where there are many community members who have worked their entire lives in rudimentary agriculture lacking the skills to use the machinery introduced by the investors. Similar happens to mineral exploration, an area that also requires low human force and more specific technical skills. Therefore, to create jobs it is necessary to invest in skills development and education and without legal enforcement not all investors have the initiative to focus in job creation.

The social responsibility of investors was not regulated and therefore, it was a voluntary initiative by the investors in negotiation with the communities. In this situation, the communities had less bargaining power due to the fact that there was no legal obligation by the investors. It was only in 2017 that the government created a Guide on the Implementation of the Corporate Social Responsibility Policy for the Extractive Mineral Resources Industry (Ministerial Order 8/2017, of 16 January 2017).

6.2.4. Environmental Issues

Some large scale investments, particularly related to mineral extractions can inevitably cause a certain level of pollution and diversion of natural resources available for the residents of a certain area such as forests and water. When people affected by the environmental impact of this projects are not resettled to areas with improved living conditions this too can be a source of conflict. There have been reported man-made floods in Angoche, Nampula province caused by the mining exploration of Haiyu Company, pollution caused by the coal exploration by Vale in Moatize, Tete province.

Table 2. List of Conflicts related to Large Scale Land Investments⁶

Investor Year	Type of Investment	Area Occupied Location	Causes of Conflict
ProSavana 2011	soybeans, cotton and maize	700,000ha Cabo Delgado, Niassa, Nampula, Zambézia and Tete	Contestation by civil society because of lack of transparency and public participation began before the project implementation. The Mozambican Bar Association condemned the government of Mozambique for not making information available about this project.
ProSavana 2011	soybeans, cotton and maize	700,000ha Cabo Delgado, Niassa, Nampula, Zambézia and Tete	Contestation by civil society because of lack of transparency and public participation began before the project implementation. The Mozambican Bar Association condemned the government of Mozambique for not making information available about this project.
Malonda Foundation	forestry	285,591ha Niassa Province	Non inclusive community consultations.
Green Resources 2009	forestry and carbon sequestration	126,000ha Niassa Province	Dissatisfaction with consultation and temporary jobs.
Tectona 2007	cellulose, eucalyptus, teak and carbon sequestration	66,000ha Zambézia Province	Only 500ha were used, communities wanted to claim the back the land. The project was cancelled.
Montepuez Ruby Mining 2011	minning rubis and emeralds	36,000 ha Cabo Delgado Province	Human rights abuses through: police torture of illegal miners, famine, burns houses and there is no development in the community (no electricity, no piped water and no resettlement)
Chikweti	pine and eucalyptus	30,000ha	Government reported that the company was occupying additional 32,000ha illegally and without compensating the communities, negotiating only with the community leaders regulos givin them and their relatives preference in job offerings. Residents set fire to the companies plantation, sent cattle to graze in the area and chopped down trees. 12 people were arrested in these incidences.
Pro Cana	sugar	30,000ha in 2007 and revoked in 2009 Gaza Province	Community did not agree with the resettlement proposal and refused to leave. Only 800ha were used. The project was abandoned in 2008.
Vale 2007	coal	23,000ha Tete Province	One person was fatally shot by the policy during protests against the fencing of an area of mineral concession given to the company in Nhatchere, Moatize, Tete Province.
Wanbao Grain and Oil 2011	rice	~20, 234 ha	No consultation and Compensation. Community protested by marching from the company's office to the governor's office.
Hoyo Hoyo (Quifel) 2012	sunflower, sesame and soybeans	20,000ha Zambézia Province 8,000ha Tete Province	Unfulfillment of promises to provide compensation and resettlement
Jindal 2013	coal	17,600ha Tete Province	538 families in 5 communities need to be resettled. Delays in the Resettlement led to complains of risks to the residents health due to sound pollution and contamination of the water and soil.

⁶ Compilation by the author from multiple secondary sources mentioned in the references.

Investor Year	Type of Investment	Area Occupied Location	Causes of Conflict
Emergem 2007	jatropha	2,000ha in Gaza 15,000ha in Inhambane Province	297 workers were not paid and were then laid off in 2010. The labor Ministry intervened and the company was fined to pay 136,000USD.
Kenmare 2007	heavy sands	15,240ha Nampula Province	Improper consultation in the initial phase, disagreement over labor conditions and exploration activities in sacred places to the community.
AgroMoz	soybeans and rice	2,100ha extended to 9,000ha Zambézia Province	Dissatisfaction with the compensation amount. Health complaints due to aerial spray of pesticides.
Anhui Economic Construction 2014	heavy sands	10,840ha Gaza Province	Poor fulfilment of investment plan. Promised infrastructure (factory, health center, school and others) was not created and only 150ha were used and communities protested. Lack of community consultation, deforestation and environmental degradation.
Aviam	jatropha	10,000ha Nampula Province	
Ntacua 2014	cellulose, eucalyptus and pine	9,500ha Zambézia Province	
Cabo Delgado Ports 2014,	construction of gas and oil logistics.	8,000ha Cabo Delgado Province	Communities Insatisfaction with the compensation offered and resettlement and lack of access to drinking water.
Sasol 2004	natural gas	Inhambane Province	Reidents of Vilanculo, Inhassoro, Govuro e Funhalouro complain that the company is not fullfilling its social responsibilities promises.
Anadarko	hidrocarbonates	7,000ha Cabo Delgado Province	Issues related to the resettlement of communities in the district of Palma, Cabo Delgado Province. The company has been sued for illegally obtaining the DUAT.
Corredor Agro (Rift Valley Holdings & Matanuska Mauritius) 2010	field crops and banana	6,200ha	The government fined the company for labor law violations. Community at Metocheria complains of lack of sufficient information during consultation fulfillment of promises made at the consultation
Sun Biofuels	jatropha	5,000ha Manica Province	Dissatisfaction with seasonality of jobs created, water contamination by pesticides used in plantation.
Haiyu Mozambique Mining 2011	heavy sands	4,920ha Nampula Province	Insufficient Community Consultations, Environmental Impact (floods in 2015 that displaced 290 people) disagreement over resettlement proposal.
MOZACO 2013	soy, cotton, corn and sunflower	2,389 ha/ Nampula Province	No community consultation, only 400ha were used, the communities reoccupied the idle land.
Emvest	potato, tomato and maize	1,000ha Gaza Province	Plan to expand to 2,000ha was met with protests by the communities that claimed they needed the land for farming and grazing.
Alfa Agricultura 2013	poultry and soybeans	1,000ha Nampula Province	Consultation was done with the leader of a neighboring community and the affected community members refuse to recognize the agreement.

7. Conflict resolution mechanisms

Most of the conflicts that occur in the rural area are solved through informal channels of mediation and conciliation such as community courts or through negotiation involving traditional leaders, local government entities, NGOs as well as the parties in conflict. According to DFID 2013:39, the judiciary courts do not properly address the causes of the conflict and usually intervene only when there is a criminal act related to the conflict. The Mozambican Bar Association (Ordem dos Advogados de Moçambique), supported by OXFAM, has released for the first time a Human Rights Report. And through its Human Rights Commission it began to sue both investors and the government for violation of the communities human rights. So far, Judicial Courts have received cases against mining companies, Jindal, Vale and Anadarko and against the ProSavana Project for not making available information about this project to the public (OAM 2018).

8. Discussion

8.1. The pro foreign investment attitude

Numerous senior government representatives have stressed the importance of attracting investments to materialize Mozambique's development potential. Agriculture has always been the center of the government's agenda under the slogan 'Agriculture as the base of Development' which is a sound directive line if considered that the majority of the active labor force is concentrated in this sector which is still low in productivity due mainly to the small scale and rudimentary techniques used by the majority of farmers and the great agricultural potential that the country has, still relatively untapped. The agricultural sector in subsaharan Africa has not yet reached its potential for catapulting the economies of the countries in this area. But to avidly invest in the agricultural sector African states need capital, technology, know-how and access to the international market, aspects that international investors offer to provide in return for the right of use of these lands which are comparatively cheap due to an undeveloped land market. Facing the challenge of low productivity, and with incentives from the international community specially financial institutions such as the IMF and the World Bank, Mozambique has prioritized the agenda of modernization of the agricultural sector by creating incentives for the increase of private investments in this sector. The centrality of the agrarian reform in Mozambique is demonstrated by the adoption of Pro-Agri I, a National Plan for Agricultural Development between 1994-1999, and Pro-Agri II between 1999-2006, the Strategy for the Green Revolution in 2007, the Action Plan for Food Production between 2008-2011, the Strategic Plan for the Development of the Agriculture Sector in 2011, to name a few. All of these policies and strategies aimed to revitalize the sector, increase productivity, ensure food security and reduce Mozambique's dependence on food commodity imports. This explains why, when the 2000s land rush began, many concessions were given to large scale land investors. But soon began the debate on whether these investments that implied the resettlement of many rural communities were aligned with the State's

agenda of poverty reduction. As was shown in previous sections only a fraction of these investments went to food production and the majority of them being for export and not for the domestic market. It has also been widely debated the benefits of focusing rather on medium scale investments to promote a more sustainable and equitable rural development.

The Mozambican government sought to maximize the investment promotion opportunities presented in the early 2000s and therefore, it did not shy away from welcoming investment diversification. The government not only granted land concessions but openly advocated for other types of non food commodities such as the case of Biofuels, local farmers were incentivized to substitute food crops for non edible commodities⁷. There were high expectations for the dividends of the production of *Jatropha* in particular. But soon enough expectations were crushed when problems of market access arose.

The attention given to the forestry sector has a reasonable rationale behind it, forestry has a great socio-economic impact in a threefold manner, firstly, forests provide an important livelihood for rural communities; secondly, in a context of environmental changes, they are crucial for counterbalancing environmental degradation and reducing carbon dioxide, rendering an important role in the preservation of biodiversity and thirdly, regarded as an exploitable or marketable resource, unlike *Jatropha*, wood products are in high demand in international markets, therefore, dividends from the exploration of forestry resources can significantly contribute to the economy. However, despite attributing the largest concessions to forestry investments, a lot of Mozambique wood exports are illegal, which means that the government loses large sums of money while its forests are being depleted with no concern for the environmental regulations. Furthermore, many investors did not fulfill their exploration plans within the timeframe which means that vast tracts of land allocated for forestry were idle which in consequence led to conflicts with the expropriated communities who lost access to their resources but did not see any dividend coming from these concessions. In 2017, to countermeasure the contraband of wood in the country, the Ministry of Land and Environment launched a national monitoring campaign called ‘Operation Trunk’ (*Operação Tronco*) in the northern and central provinces of Cabo Delgado, Nampula, Zambézia, Tete, Manica and Sofala, areas with the biggest forestry potential. The monitoring campaign was able to recover 222.376 cubic meters of wood log and 18.293 cubic meters of lumber and other products. The apprehended wood was then used to the construction of school desks distributed in public schools around the country (Portal Do Governo de Moçambique n.d.) but nevertheless, communities alone have to bear the consequences of the deforestation caused.

Finally, the recent discoveries of Mozambique’s natural resources and the ‘boom’ of investments in this area has raised domestic and foreign attention to the impact of the extractive sector in the country’s economic development. This sector already contributes to 57% of the country’s exports, 20.6% of the government’s revenue and 3.5% of the GDP, a bigger contribution than the agriculture, manufacturing

⁷ A Biofuels Policy Strategy was adopted by the Council of Ministers in 2009.

and services sector. It also represents two thirds of the total Foreign Direct Investment. However, despite its significant contribution it only employs 33,000 people while the informal mining sector employs 150,000 artisanal miners (EITI 2019).

In face of this figures, Mozambique has made improvements to its mineral resources management, by updating its mining and oil legislation to better adjust to the new trends of investment in this sector and by joining the Extractive Industry Transparency Initiative EITI in 2009 and in line with this action, more information about the land concessions is available to the public such as the contracts signed, a list of the main investors, a database with the location and area of each type of mining concession. The biggest concentration of investments in the extractive sector are located in the north and center of the country, mainly in the provinces of Cabo Delgado, Manica, Nampula and Tete.

8.2. Need for a policy integration strategy

Despite the promising contributions of these different types of investments to economic growth, based on the information collected of land conflicts, there are more cases of conflicts between mining and forestry companies and communities reported compared to other types of investments. In particular, there seems to have been registered less conflicts between investors in food crops and local communities. Perhaps mining and forestry due to its environmental consequences and the large areas occupied have created a more negative socio-economic impact in the livelihoods of the communities but further comparative studies need to be conducted to reach a better understanding of this matter.

It is also notable that some provinces attract multiple types of investment who compete for vast tracks of land in areas of comparative high population density such is the case of the Nampula province. Furthermore these investments are related to different sectors of the economy, namely agriculture and industry. As mentioned before there is a disproportion in productivity and labor allocation between these sectors. This factors aligned with different types of regulations, monitoring and socio-economic impact in the livelihoods of the rural communities calls for the importance of an integrative strategy where the government takes into consideration the trade-offs of this activities and its implications for its central development strategy.

9. Conclusion

This paper brought an overview of Mozambique's Land governance in the context of increased international demand for land in diversified areas of investment. It also provided a look at the investments characteristics and its impact in the lives of local communities by addressing some of the causes of the conflicts that have been reported by the media and academic researchers.

In summary, it can be concluded that when it pertains to large scale investments, the government has a central role, as the ultimate decision maker in terms of land allocation to investors. Assuming this role, it has made some efforts to tackle the challenges presented in the process of management of land

and its natural resources as a key element to achieve its planned economic growth and development. However, the poor participation of communities in the decision making process of deals that deeply affects their lives clearly reveals some fragilities in the State preparedness to ensure the security of the local communities and the improvement of livelihoods provided by this recent increased demand for land which in consequence has affected the occurrence of conflicts between investors and communities.

Lately, there seems to be a tendency of a more reactive government action in the land governance in the last decade due to an active participation of the civil society which has rendered some positive gains to the communities. But there is still a need of a proactive role in the deeper analysis of the trade offs of land allocation in diversified areas of investment. Certainly economic diversification is important in risk reduction but it should be harmonized, mutually reinforcing and aligned in the central agenda of rural development and economic growth. There is much that can be learned from best practices and negative impacts of each type of investment and more comparative analysis should be done to improve land governance in Mozambique.

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