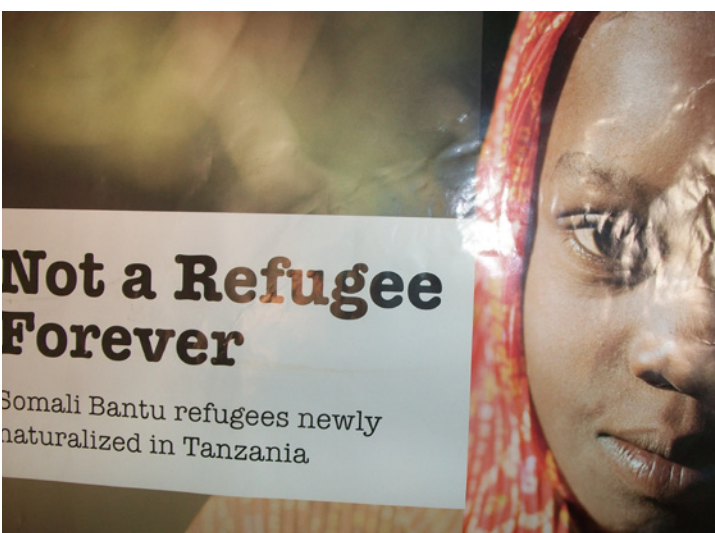




# UNDERSTANDING LAND INVESTMENT DEALS IN AFRICA

## LIVES ON HOLD: THE IMPACT OF AGRISOL'S LAND DEAL IN TANZANIA

LAND DEAL BRIEF | JULY 2012



*"It's like someone climbing a tree and finding a poisonous snake—and below him there's a crocodile in the water. So if he stays on the tree, the snake will bite him. If he goes into the water, the crocodile will get him. That's the situation we're in."*

—Sembuli Masasa, a resident of Katumba, describing the fate of residents who face displacement to make way for a foreign investor.<sup>1</sup>

# ACKNOWLEDGEMENTS

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We are deeply grateful to the key informants and residents of the Katumba settlement who agreed to share their views and experiences for this research. Unfortunately, we are unable to name them or use their photos, to ensure their safety given their already precarious status.

The views and conclusions expressed in this publication are those of The Oakland Institute alone and do not reflect opinions of the individuals and organizations that have sponsored and supported the work.

This report is dedicated to residents of the Katumba settlement, who arrived in Tanzania 40 years ago from Burundi as refugees and built lives and a thriving community, despite all odds. Their struggle continues and this Brief attempts to tell some of their story.

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## Overview

In June 2011, the Oakland Institute (OI) released details of the largest land deal in Tanzania, which had been hidden away from public scrutiny prior to that and obscured from national debate and discussion. The deal involved Iowa-based Summit Group and the Global Agriculture Fund of the Pharos Financial Group working in partnership with AgriSol Energy LLC and Iowa State University College of Agriculture and Life Sciences.

AgriSol Energy Tanzania, the Tanzanian arm of US-based AgriSol Energy, and Serengeti Advisers Limited, a Tanzanian investment and consulting firm, are the domestic front for this operation. The deal centers on developing a large agricultural enterprise on what AgriSol Energy described in its business plans and prospectus as three “abandoned refugee camps”: Lugufu in Kigoma province (25,000 ha) and Katumba (80,317 ha) and Mishamo (219,800 ha), both in Rukwa province.<sup>2</sup> However, far from being abandoned, the Katumba and Mishamo settlements are thriving communities that are home to more than 160,000 people, and the land AgriSol seeks in Katumba is part of a protected forest reserve – both strong reasons to properly evaluate the factors at play in this land deal.

The AgriSol project, is supported by the Tanzanian Prime Minister under the Kilimo Kwanza (“Agriculture First”) initiative launched in 2009 by the Tanzania National Business Council to promote agricultural development through public-private partnerships. It has a stated goal of commercial development of all three tracts, including large-scale crop cultivation, beef and poultry production, and biofuel production.<sup>3</sup> The June 2011 OI report<sup>4</sup> on AgriSol Energy’s land deal revealed that the project was contingent upon the Tanzanian government’s approval of several conditions, including granting AgriSol strategic investor status and relocating more than 160,000 people currently living in Katumba and Mishamo.

As more facts of the deal became known over the course of 2011, such as secret negotiations between US investors, the Tanzanian Prime Minister, and other prominent political elites as well as the Iowa State University, pushback and pressure from both inside and outside Tanzania began to build. AgriSol had hoped to break ground in Lugufu and Katumba in 2011, but the plans were stalled as international controversy around the investment grew. Civil society groups began to mobilize, and in February 2012, Iowa State University pulled out from the deal.<sup>5</sup>

AgriSol’s current plans involve starting operations at “unoccupied land” at Lugufu and at a second smaller

location near Basanza village. The company also announces on its website that it has had “discussions with the local and national government officials about developing farms at Katumba and Mishamo in the future.”<sup>6</sup>

To counter criticism of its plans in Tanzania, AgriSol’s PR campaign<sup>7</sup> is promising to deliver economic development, modernization, jobs, medical clinics, schools, water sourcing and treatment systems, power generation, and other infrastructure to improve the quality of life for local populations, and to transform Tanzania into a regional agricultural powerhouse.

However, the discourse of this PR push fails to include the voice and views of the villagers who have been living in Katumba and Mishamo since their arrival from Burundi in 1972 as refugees of a civil war. The plans for development also overlook the major environmental dangers posed by AgriSol Energy’s proposed large-scale agricultural development in an ecologically fragile area.

This Land Deal Brief focuses on the Katumba settlement and is based on fieldwork conducted in early 2012 with the support of local informants, who, due to safety concerns, have not been identified by name in the report. It provides the perspectives of people currently residing within the sites proposed for agricultural investment and also highlights specific issues related to relocation while examining the risks associated with a large-scale agricultural project in the sensitive Ugalla ecosystem.

## History of the Katumba Settlement

The Katumba settlement was established as a refugee camp in 1972 to host 28,000 refugees from Burundi who came to Tanzania after fleeing civil war in their home country. The settlement lies close to the Great Lakes Region of East Africa, north of Lake Rukwa in Mpanda District of the Katavi region. In 1974, it became a formal settlement, as opposed to just a camp. Currently, there are more than 72,539 registered residents of Burundian origin in the Katumba settlement.<sup>8</sup> However, given illegal migration into the settlement from Burundi and inaccuracy in reporting population growth rate statistics to the government of Tanzania, the population is believed to be higher. The majority of the residents, about 80 percent, are Tanzanian-born.<sup>9</sup> Despite this, even today Katumba is an enclosed settlement and residents must stay within the confines, aside from going to town occasionally for materials and goods which are not available in the camp.



In 2007, the situation in Burundi was determined as being safe for the refugees to return. As a result, the UNHCR and the Tanzanian government indicated their intention to close the old settlements such as Katumba and Mishamo that had been hosting Burundian refugees for four decades. By that time, the number of Burundian residents of the settlements had grown to over 160,000.<sup>10</sup> That year, 40,000 of the Burundian refugees were voluntarily repatriated to Burundi. In 2008, the Tanzanian government also gave the refugees the option to stay in Tanzania and apply for naturalization and eventually citizenship, which the majority of the settlement population chose, given their concerns around safety in Burundi and the difficulty of forfeiting their long-established livelihoods in Tanzania.

The option to naturalize is underpinned by the Tanzanian immigration policy stipulating that any foreigner who has stayed in the country for ten years can apply to be considered for Tanzanian citizenship through naturalization.<sup>11</sup> Residents of Katumba, some of whom have lived in the country for almost forty years, are thus eligible. Following the decision by the majority of Katumba residents to stay in Tanzania, they were among the 162,000 refugees of Burundian origin who were naturalized in 2010.

However, the naturalization scheme offered by the Tanzanian government also requires relocation of the Katumba residents

in order for them to be issued certificates of citizenship. The naturalized residents may indicate the region of the country to which they would like to be relocated, but there is no guarantee that they will end up in their preferred region. According to the Tanzanian government's stipulations, the newly naturalized residents in Katumba do not enjoy full rights as Tanzanians, including freedom of movement and the right to be employed in the country, until they have been relocated from the settlement and integrated into the Tanzanian society.<sup>12</sup> This means naturalization is not complete without first relocating from Katumba. This has resulted in the people of Katumba, who initially celebrated the proposed naturalization, having mixed feelings regarding the true motives behind the scheme delayed.

Figure 1, below, highlights the UNHCR-proposed timeframe for each phase in the relocation and naturalization process, which was to be completed by 2011 but has stalled significantly.

The long naturalization process required to finally receive citizenship has reportedly been caused by the introduction of new procedures by the government, such as fingerprinting, criminal record checks, and scrutiny by security committees and the citizenship processing unit of the immigration department.<sup>13</sup> This delay might also be explained by the fact that the government of Tanzania feels like it was pushed to naturalize such a large number of refugees.<sup>14</sup> Adding to

Figure 1 – UNHCR and Tanzanian Government Proposed Timeline

TIMEFRAME	ACTIONS
April-Dec 2008	In consultation with Regions/Districts hosting refugees (Rukwa, Tabora) selected interventions implemented to support refugee host communities.
July 2008	Intention survey conducted amongst refugee heads of households who have opted for naturalization about their preferred Region/District of relocation.
End 2008	Government announces its plan for local integration of the newly naturalized Tanzanians.
2009/11	Former refugees relocate from old settlements to their new places of residence.
2009/11	Clean up of the former settlements.
2008/10 (started)	Rehabilitation of district-designated structures for continuous use (administrative, health, education, water structures/facilities), and decommissioning of unwanted structures.
2009/11 (not started yet)	Enhance environmental preservation and rehabilitation (e.g. use of fuel efficient stoves, tree planting, forest protection).
2009/11	Fostering peaceful coexistence between the newly-naturalized Tanzanians and receiving communities through mass information campaigns, meetings with cultural leaders, and discussions within the communities.
2009/11	Targeted infrastructure and rehabilitation assistance in areas of relocation (water, sanitation, health clinics, education, access to markets, etc.).
2009/11	Support to the authorities to incorporate the new arrivals under local administrative structures and ensure access to land (including with temporary secondment of staff to operate the new infrastructure until they are included in district budgets).
2009/11	Capacity building and training to the local authorities.
2009/11	Support livelihoods activities to promote self-sufficiency.
2009/11	Monitoring local integration and providing legal aid, including on land issues.

Figure 2 – Actual Timeline for Refugee Naturalization

TIMEFRAME	ACTIONS
2007	Tanzanian government expresses its plan to close down old refugees settlements.
2008	The Tanzanian government makes two options available to the refugees residing in the Katumba settlement and elsewhere in the country: voluntary repatriation to their home countries or naturalization to become Tanzanian citizens.
July 2008	AgriSol carries out a feasibility study for large-scale agricultural investment in Katumba and Mishamo refugee settlements in Tanzania.
2009 and Onward	Old refugee settlements, including Katumba, were expected to close down following the completion of the relocation and naturalization. However, the relocation and integration plans are hampered by the logistics involved for processing such a large group, and therefore the initial timeline for shutting down the settlements is pushed out.
2010	Tanzania naturalizes 162,000 refugees including residents of the Katumba settlement, one step forward in the process for them to become Tanzanian citizens.
August 11, 2010	Memorandum of Understanding is signed between the Mpanda District Council and AgriSol Energy Tanzania Ltd., granting AgriSol all the necessary permission and full access to carry out a detailed and extensive feasibility study.
January 7, 2011	AgriSol Energy presents a report to the Tanzanian Prime Minister regarding the “proposed development of Katumba, Mishamo, and Lugufu, former refugee hosting areas.”
2011	The technical and business analysis for AgriSol Tanzania prepared by Diligent Consulting Limited, Tanzania, makes reference to the fact that Mishamo and Katumba, “formerly used as settlement areas for the refugees and used for agriculture, lie in the Forest Reserve It then goes on to recommend that “Since the two areas are expected to become agricultural farms, their status has to be legally changed from that of a ‘forest reserve’ to another that meets the needs of the new development.” <sup>15</sup>
2011 and Onward	Relocation of residents from Katumba to different parts of the country and subsequent integration into the Tanzanian society was expected to start in 2011 as part of the naturalization process required for citizenship. As of May 2012, the plan has not been implemented and the residents remain in Katumba.

the questions about true motives, through the original documents obtained by the Oakland Institute, we also know that AgriSol was already conducting a feasibility study of large-scale agricultural investment in Katumba in July 2008.

Above is the actual timetable for the relocation and integration of former refugees, as the naturalization process is still underway with no estimated completion date.

The residents of Katumba are now in limbo, faced with having to move away from their established community and jump through bureaucratic hoops in exchange for citizenship, but with no clear picture of when they will be relocated or where they will end up.

## Life in Katumba

A far cry from the archetypal refugee camp vision of basic tarp tents, Katumba is comprised of long-standing houses, small businesses, agricultural systems, graveyards, water wells, and other social infrastructure. The Katumba settlement is made up of 31 villages, each of which has elected leadership from

within the community. After decades of hard work building livelihoods, including robust businesses, mud and brick houses, village leadership structures, churches, and small-scale agriculture, the settlement looks just like any other Tanzanian village.

The distinguishable difference is cultural, as a different dialect of standard Swahili is used. However, given the cultural and linguistic variation among the Tanzanian tribes, only a careful native can tell the difference between a naturalized citizen of Burundian origin and a Tanzanian citizen.

General life in Katumba is busy, with people engaged in diverse socio-economic activities to earn a living. Hand hoe agriculture is the economic mainstay, from which farmers harvest an average of 650 to 1000 pounds of cereals/acre per season in a year.<sup>16</sup> Crops cultivated include maize, beans, vegetables, and tobacco. Because the wet season comes twice a year, farmers sow two rounds of crops. The first rainy season is shorter, and produces a marginal harvest, as a result, some people practice irrigation agriculture and manage to harvest throughout the year.

As refugees in a developing country, the Katumba residents have very limited occupational options aside from farming. In order to facilitate agriculture, the Tanzanian government gave each Burundian family a piece of land 50 meters long by 500 meters wide when they arrived in 1972.<sup>17</sup> Between population growth and other land-use activities, the amount of land available per person has been shrinking over time. This squeeze led the Katumba residents to expand beyond the designated settlement area into the Mpanda North East Forest Reserve and lands of bordering Tanzanian villages to allow for cultivation near water sources.

As in other Tanzanian villages, many Katumba residents are farmers who have decided to diversify their livelihoods through other economic activities. While almost every farmer sells some of her/his produce at the local markets, some earn additional income – for example, in retail trade, sewing, or producing beer for the local bars – in order to ensure a regular flow of funds. For instance, Anna, a single mother who lives with her parents and her daughter, is learning to sew as she waits for the harvesting season at her farm. With regard to seasonal income fluctuation, Anna told the OI research team, “my daughter cannot wait until harvesting time so I have to try some other jobs.” Another resident, Juma, who is in his late twenties, inherited his late father’s land. With farming being a seasonal activity, he supports his family by taking on manual labor jobs to make ends meet.

Under a special arrangement with the government of Tanzania, residents of Katumba are allowed to go outside the settlement. While outside of the settlement, many of the refugees patronize Tanzanian merchants and business, buying goods ranging from tools and clothes to cooking oil.

Mr. John Nkunza, a married tailor with six children, sews both men’s and women’s clothing using his own tailoring machine. When asked how he obtains access to materials from outside the enclosed settlement for his business, he responded, “under special regular permission we go to town to buy the supplies from big stores to keep the business moving.” In addition to this business, Mr. Nkunza also relies on his five hectare farm to support his family.

In return, the residents of Mpanda, a town outside of the settlement, benefit from the significant amount of food from small farmers like Mr. Nkunza that supplements the food available in their markets. One of the key informants<sup>18</sup> who works closely with the settlement cautioned, “the moment these people go away, Mpanda will experience food shortage because most of our foodstuff comes from Katumba. They are very hardworking people.” According to a media report, “the Burundian refugees [are] some of the most productive farmers in Tanzania, producing more than 40 percent of the food in this district on just 4 percent of the land.”<sup>19</sup>

## Ambiguity Around Relocation Plans

It is abundantly clear that decades of social and physical infrastructure in Katumba have allowed residents to develop long-standing livelihoods within the settlement that also support the greater Tanzanian population. Unfortunately, the lives of settlement residents have been seriously impacted by years of uncertainty and ambiguity surrounding the government’s relocation plans.

Though relocation was always a looming possibility after the initial move out of Burundi in 1972, over the last four decades



Farmland in Katumba.

there have never been any clear plans for relocation laid out for the residents of Katumba. According to a 59-year-old village chairman in Katumba, people “were told about relocation for the first time in 1988. The government said someday we will be scattered across the country.”

However, nearly two decades went by without any official plan in place for relocation—until 2007, when the Tanzanian government, along with the UNHCR, released their plan to close the settlements. Most of the respondents consulted in OI research were 26 to 38 years old, and therefore too young in 1988 to remember or understand the relocation comment that lacked official planning or implementation. Furthermore, OI fieldwork demonstrates that even those in their late forties or older were equally unaware.<sup>20</sup>

Despite its 40 years in existence, the government of Tanzania maintains that Katumba is a temporary settlement. However, the Institute of Resource Assessment at the University of Dar es Salaam concluded that “what began as a temporary settlement in 1974 has today become a permanent one.”<sup>21</sup> After all, the resettlement has existed for four decades and the population has sunk in their roots, created jobs and employment, established social structures, and it is where the majority of the current residents were born.



A man on the road to Katumba.

## Factors Driving Relocation After 40 Years

Local integration, national security, and the temporary status of the settlement have all been mentioned as key reasons for the Tanzanian government pushing the relocation plan. (The claim regarding the temporary nature of the settlement as one of the reasons for relocation could only be substantiated by some government officials.) However, according to local informants met by OI researchers, another key driver behind relocation scheme is the perceived threat posed by the presence of former refugees in large numbers, which, it is argued, could lead to disturbances if they were to get involved in civil unrest or demand political autonomy to have their own region someday.

According to the key informants, another reason often used by the government to make a case for moving people from the place they have called home for most of their lives is high population growth. Growing numbers of the population, still viewed as refugees from another country and culture, are seen as a threat to both the environment and national security. Blaming the refugees for high population growth ignores the fact that the social infrastructure that would provide health care and family planning counseling is noticeably absent in the settlement, which is cut off from the rest of the country.

## Lack of Communication about Relocation

Most people in Katumba, about 75 percent of those interviewed by the OI team<sup>22</sup> (including three Tanzanian-Burundian intermarried couples), were not aware of pending displacement prior to 2007. Likewise, key informants heard about displacement plans only in 2007, before the local integration phase. One major pattern was observed regarding the residents’ understanding of the driving force for their relocation: while 60 percent did not know the reason(s) for their displacement, 15 percent held an outside investment responsible. Of those interviewed, 25 percent pointed to two factors: promoting local integration after having been granted citizenship and making a room for an investor.

During the course of fieldwork by OI researchers in January 2012, most respondents were still not aware of the AgriSol investment and what the development plans entailed. As a result of media coverage following the publication of OI reports in 2011, some people are now aware of the proposed project that might take place on their land, however most still do not know about the nature of the proposed investment. As of January 2012, no clear information had been formally communicated to the villagers. Those who had heard about the investment got the news mostly from Tanzanian friends and business partners in Mpanda town.

Based on an examination of AgriSol's documents and OI's fieldwork in 2012, it is clear that the agreement for the proposed land investment takes advantage of the ambiguity around the status of refugees and relocation plans. It is likely that AgriSol referred to the proposed site an abandoned settlement<sup>23</sup> knowing that their investment proposal would influence or accelerate the relocation.

## Human Rights Violations in the Name of Naturalization and Local Integration

As they near displacement from the land that has been home for 40 years, the newly naturalized Tanzanian citizens of Burundian origin in Katumba face not only the threat to their livelihoods and other socio-economic concerns, but also human rights violations.

### INABILITY TO PLAN AND BUILD FOR FUTURE

Under the guise of the pending resettlement, in 2011 the Katumba villagers were ordered not to cultivate perennial crops such as cassava, trees, or build new homes or businesses. Mr. Binaissa, a farmer and house builder, told the OI researchers: "I'm greatly disappointed by this decision that forbids us from making progress. Our livelihoods, activities have been stranded."

Locals interviewed by OI researchers reported that if anyone attempted to build a new house or business in contravention of the government's proclamation, it was knocked down by the local refugee authorities. A few houses were set on fire while in the process of being built. Perennial crops were reported as being either burned or owners were subjected to a monetary penalty, a serious impediment to those with few resources already.<sup>24</sup>

Such harsh action is explained by the residents thus: "the government is scared of paying compensation to people before we relocate if people are still building houses or planting long-term tree crops, which could still be on the farm at the time of vacating the place." While this concern is understandable, it is bewildering that productive activity is effectively stopped when no formal dates for relocation have been set. People are being forced to sit idle and livelihoods are being put in jeopardy with no ability to plan for the future, other than waiting for the Tanzanian government's promises.

### LACK OF FREEDOM OF SPEECH

The circumstances surrounding the debate about compensation for livelihood disruption that is due to the former refugees prior to resettlement have raised concerns around peoples' ability to exercise their freedom of expression.



A local fisherman.

As explained to the OI research team, amid the announcement of relocation in a town hall-style meeting with the authorities in 2010, several villagers reported that some residents of Katumba were either threatened or arrested by the security forces for arguing and demanding fair compensation; the argument against their inquiry amounted to "Katumba is not your land for you to start asking questions." But residents of the settlement have called Katumba their home for the last 40 years.

Luckily, those arrested were released soon after, but no one has inquired about compensation since. However, it remains a key sticky issue. Despite the silencing by the government, the people have not stopped sharing their feelings of distress and dissatisfaction behind closed doors.

### FACING DISCRIMINATION AND STIGMATIZATION

The label of a refugee carries unpleasant social connotations in Tanzania. According to a resident of Katumba, Tanzanians are scared that the character of refugees, whom they perceive as being from a "violent and intolerant life," might leak into the Tanzanian society if not careful. As a result, the term *refugee* is filled with negative associations. While the many residents of Katumba who have lived in Tanzania for 40 years, and the majority of Katumba residents who were actually born in Tanzania, would like to rid themselves of this label, both community and political circles use the term frequently. Furthermore, refugees are subjected to different forms of discrimination. For instance, while Tanzanian children are technically allowed to go to schools in the settlement if they

choose, children from the settlement are generally not allowed to attend Tanzanian government-funded schools outside of the settlement, which have a better teacher-student ratio and resources.

According to a report by the Centre for the Study of Forced Migration and International Refugee Rights Initiative, many in Tanzania argue that “Burundians are people who are combative, prone to revenge and hate and that giving them naturalization could destabilize Tanzania. These xenophobic sentiments show the extent to which the offer of citizenship to this group is profoundly fraught and is being attempted in a context of considerable hostility to the foundation of the scheme itself.”<sup>25</sup>

### INEQUITIES IN SERVICES

Originally supported by the UNHCR, in 1978 the Burundian refugees were transferred into the care of the Tanzanian government. The refugees report being extremely grateful for the UNHCR’s assistance and initial support from 1972 to 1978, which ranged from naturalization fee payments to periodical food and clothes assistance extended to the aged and the disabled in the community.

The population now lives with very ill-equipped and inadequate social services such as health centers and schools. As stated above, the population growth in Katumba has been used to justify the relocation, yet blaming an already vulnerable group of people for slightly higher margins of population growth is misplaced criticism. Of the few medical centers that do exist in Katumba, none have doctors and only occasionally do they have nurses that come over from Mpanda town. Other than ordinary painkillers, no drugs are available. Many infirm residents and pregnant women are treated in town or deliver at home, and many use home remedies made from herbaceous plants that are available around the forest reserve area.

Additionally, in order to get teachers for the four schools in the settlement, the inhabitants of Katumba are required to pay fees to the Tanzanian teachers. The reason cited is that they are not Tanzanians nationals, and therefore they don’t have the right to receive government-supported teachers. So, although the residents of Katumba pay taxes to the Tanzanian government, they are ineligible for government services just because they are a different group and bear outsider status.

In addition, the government provides Tanzanian farmers with fertilizer subsidies, but the people of Katumba are not eligible for these either. As explained by Mr. Nkunza: “we are not given the fertilizers for they say we are not the voters yet.” Despite being naturalized, they are not actual citizens

who can vote, and are therefore ineligible to receive benefits such as agricultural subsidies, which are normally granted to Tanzanians. And yet, most of the Katumba residents are highly in need of this support. With support from agricultural policies that benefit smallholder farmers, they would likely be feeding more people in the settlement and in Mpanda town, and would be able to stop shifting cultivation to new areas, a practice blamed for deforestation.

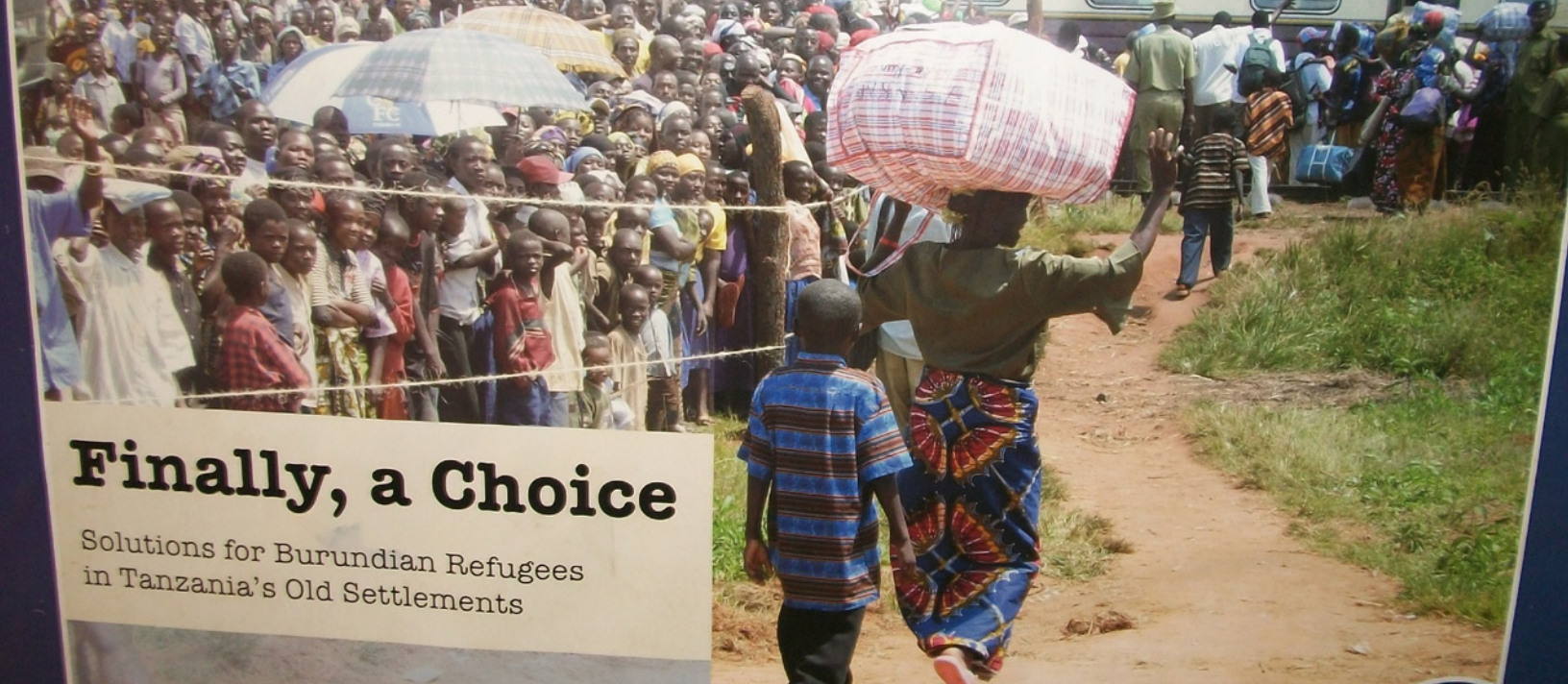
### Refugee Outlook

Despite their livelihoods being at stake, people interviewed by the OI research team shared that they halfheartedly agreed to leaving the settlement if it is a government order and as long as they receive fair compensation prior to vacating the land. Although the Tanzanian government essentially donated the land for the camp, there has been significant value added to it by the refugees during the past 40 years. When they arrived it was a wild area, but they cleared fields for agriculture and organized to establish the other facets of a functional community that residents now enjoy. Currently, the compensation stands at \$200 per person in a family, an amount considered insufficient by the settlement respondents. This paltry payment is for the land their livelihoods depend on, on which their houses have been built, where the crops that feed them and the neighboring communities and where they have built churches and other community infrastructure.

The same land cherished by the Katumba residents is now made available to AgriSol for a mere 200 Tanzanian Shillings (TZS; about \$0.12) per acre, plus Council fees not to exceed TZS 500 (\$0.32) per hectare per year for the land under cultivation, which will be reviewed and adjusted every three years.<sup>26</sup>

How the refugees will acquire land and build houses in their resettlement areas is still not clear. While some government officials working closely with the settlement said that the land and probably the houses will be given to the residents for free while relocating, the understanding of the residents of the Katumba settlement is that the money for them to buy land and houses is included in the \$200 sum. This explains why they are highly dissatisfied with the whole arrangement and compensation related to relocation.

UNHCR has shown its intent to help out with the situation by providing grants and other services upon relocation of the refugees.<sup>27</sup> But the UNHCR’s generous plans are not yet known by the beneficiaries, the refugees. Because of this uncertainty about their future, the people of Katumba are highly worried and frustrated; they know nothing about what awaits them as they re-start their lives in new places—with zero or very limited resources. As a result, many hold out



UN posters celebrating naturalization.

hope waiting for mercy from the Tanzanian government. Regarding the uncertainty surrounding their future life, Didier, a resident of the settlement, said, “we don’t know yet of where to stay once we have been moved away from here. But since we are to be relocated, we are only looking forward to what the government will do for us.”

In the midst of growing anxiety and fear, rumors of free houses and cheaper land prevail; however, no one in the Katumba community knows for sure what the future entails.

Exacerbating the uncertainty that many residents feel is their confusion about the exact amount of compensation each family will receive. Although the payment is set at \$200 per person in a household, many are made to believe that compensation is just \$200 per household, total. Despite this, all respondents, including those who knew the correct figure, asked for fair compensation considering they are leaving behind their long-standing livelihoods. As a single mother expressed, “I don’t have any problem with leaving, but under fair and sound financial support; \$200 for each person is a joke.” Furthermore, residents mentioned and key informants later confirmed that \$100 of the compensation payment will finance a visit by family members to the proposed relocation site, leaving even fewer resources for starting a new life.

When asked for their location preference, 80 percent of respondents chose Rukwa, which is in the same region where the settlement is located. This is in part due to the lack of sufficient compensation, as families fear that relocating further would be too costly. After paying for costs related to visiting their relocation location, the remaining compensation will be given out as families leave the settlement. Because the

money will be released when families leave, many are worried about how they are to purchase land and build a house prior to being paid.

Villager Nadine Kambaza told the OI research team, “how are we going to make a living without the land that has been taken away from us without compensation?” Ms. Kambaza is a single mother of two kids who works at the market selling vegetables and dried maize used to make flour. Another respondent from Katumba had this to say: “this is not fair... is my house and farm not going to be paid for relocation?” One of the OI’s key informants expressed his disappointment by saying “what if I have [A] family of six people, are we all going to travel and start a new life for \$1,200?”

Furthermore, many are worried that many friends and family will not be seen again after relocation, as a family’s choice of region is not guaranteed. It is still unclear what region one might be sent to. Despite the option to rank the five regions by preference, many fear that the government will negate their selection and send people where they wish with no regard to family or social structure. Due to the likelihood of relocation and uncertainty regarding where they will go, some even worry that they could be sent back to Burundi, where they might have to face a very challenging environment, including limited resources for reintegration and inadequate social services. Refugees are also aware that many who have returned have been unable to secure land, or been stranded in transit camps or housed temporarily on a small portion of their own land for months or even years, with no access to livelihoods and decreasing resources. Inextricably linked to this, refugees are keenly aware of the political implications of their return.<sup>28</sup>

## Loss Of Culture

Faced by uncertainty and a dire situation, many residents of Katumba are now preparing to leave. However, many are also plagued by the fear of losing their culture and history (e.g. their parents' graves). A 55-year-old chairman of one of the villages expressed concern with regard to losing their way of life, saying, "we moved in with Burundian culture and we actually practice it as you can see it at the market place. Foods and local beer are some of the things that we might not enjoy where we go."

Although many have never been to Burundi, the cultural traditions and ways of life have remain in the community. One important characteristic is that many are conversant in Kirundi, the Burundian language. Key informants stated their fear that Kirundi will be the first casualty of the relocation, as they will be forced to speak Swahili, the national language of Tanzania, once they are relocated and dispersed throughout the five regions.

## Environmental Impacts of AgriSol's Large-Scale Industrial Agriculture Project

The location of the Katumba settlement is controversial in and of itself. The settlement is within a protected area categorized as forest reserve, where, according to current national environmental and natural resources policies, no human activities or settlements are allowed. With the exception of permitted regulated natural resources consumption, Tanzania's present national environmental policy (set in 1997), Forest Act (2002), and Environmental Management Act (2004) all prohibit any human settlement and activities in any of the protected areas, including clearing vegetation for agriculture.

Yet, according to AgriSol, "the Tanzanian Government considered many options to restore and reuse this land in Rukwa [province]. It chose AgriSol's proposal because of our commitment to develop a large-scale commercial farm..."<sup>29</sup>

## Katumba and the Ugalla Ecosystem

Because it was intended as a temporary settlement when it was established 40 years ago, Katumba was formed without a prior ecological and biodiversity assessment of the area.<sup>30</sup> However, the Katumba settlement, which AgriSol intends to develop as a large-scale agricultural site, is located within the Mpanda North East Forest Reserve, part of West-Central Tanzania's Ugalla ecosystem, which has an area of 84,196 km<sup>2</sup>. It is comprised of three different categories of protected areas, as defined by Tanzania's protected areas legislation:<sup>31</sup> game reserve, forest reserve, and wildlife

management areas. Mpanda District also has extensive areas of forestry tree species, such as virgin *Brachystegia*, *Julbernardia*, and *Isoberlinia* genera of trees, resulting in forests being designated as protected areas. These areas constitute wildlife corridors as well, which connect the Rungwa Game Reserve and Katavi National Park.<sup>32</sup>

Aside from its rich biodiversity, the Ugalla ecosystem is a critical catchment area for vital rivers that drain into the Malagarasi-Moyovosi wetland system, the Lake Rukwa system, and finally into Lake Tanganyika. The Mtambo and Nsanda Rivers within the settlement are two main tributaries of the Ugalla River, which passes through one of the country's most important game reserves, Ugalla Game Reserve. Moreover, the Ugalla River joins the Malagarasi River within the ecosystem, which, together with the Muyovosi River, forms the Malagarasi-Moyowosi wetland system, one of the wetland sites protected by the international Ramsar Convention on Wetlands.<sup>33</sup> See Box 1 for more.

Wetlands, one of the most productive ecosystems in the world, comparable to rain forests and coral reefs, are ecosystems whose formation and characteristics are dominated by water. Wetlands have great functional diversity and are essential to the health, welfare, and safety of people who live within or near them. For instance, wetlands are important for ground water recharge, control of floods, retention of sediments, preventing eutrophication<sup>34</sup> of rivers and lakes, supporting specific biota, and traditional uses.<sup>35</sup>

AgriSol's 2011 feasibility study recognizes this hurdle and states: "Mishamo and Katumba, which were formerly used as settlement areas for the refugees and used for agriculture, lie in the Forest Reserve. Since the two areas are expected to become agricultural farms, *their status has to be legally changed from that of a 'forest reserve' to another that meets the needs of the new development.*"<sup>36</sup> (emphasis added)

When the refugees first arrived in 1972, Tanzania had no strict environmental policies or legislation. As an expression of solidarity with the refugees, the Socialist leadership of the time provided the ecologically sensitive location. However, given the knowledge and information that exists today and national legislation that is in place to protect the area, the idea of a developing a massive agricultural plantation is incongruous. Seeking to take advantage of the established refugee settlements to gain control of the larger area of virgin forest land surrounding them, plus the rivers and other water sources available in the protected area, the investor will devastate the region instead of bringing development to the area and the country.

Furthermore, AgriSol Energy has demanded that the Tanzanian government approve and provide a “roadmap for legal certainty for use of GMO and biotech.”<sup>37</sup>

This industrial model of agriculture poses a high risk to biodiversity, with the pollution of rivers and drying out of

water sources being highly likely. This will not only affect the health of the people downstream, but also wildlife in the area. Tanzania has a history of displacing local people claiming areas for conservation purposes,<sup>38</sup> but this time around a conserved area and its biodiversity will be sacrificed for a large-scale plantation for exports.

## Box 1 : Justification of Ramsar Criteria for Malagarasi-Moyowosi Wetland System\*

### OVERVIEW

The Malagarasi-Moyowosi wetland system, a vast and complex riverine floodplain wetland, is one of the largest and most important wetlands in East Africa. The basin has five main rivers, the Malagarasi, Moyowosi, Kigosi, Gombe, and Ugalla, which drain an area of 9.2 million ha. The wetland habitats are surrounded by very extensive miombo woodlands and wooded grasslands, which are part of a larger region of forests and wetlands covering about 15 million ha in Western Tanzania.

The site is extremely important for large mammals, migratory and resident waterbirds, fish, and plants, as well as for providing significant livelihood support to local communities. Major livelihood activities in the site are fishing, hunting, honey gathering, harvesting forest products, and cattle grazing. The majority (95%) of the Ramsar Site is within protected areas, game reserves and forest reserves while the remaining is in district or village lands.

### RAMSAR CRITERIA APPLICABLE TO THE SITE?

#### Criterion 1: Representativeness/Uniqueness

The wetland is a large and excellent example of an East African floodplain wetland ecosystem in good condition.

#### Criterion 2: Vulnerable/Endangered Species

The wetland supports a number of vulnerable or endangered species including the Shoebill (*Balaeniceps rex*), Wattled Crane (*Bugeranus carunculatus*), African Elephant (*Loxodonta africana*), Sitaunga (*Tragalephus spekei*), and African Slender-snouted Crocodile (*Crocodylus cataphractus*). *Pollimyrus nigricans* and *Bryconathrops boulenger* are some of the rare fish species. In addition there are a number of endemic fish species in the system whose conservation status has not been determined.

#### Criterion 3: Maintaining Regional Biodiversity

The Ramsar site supports various plant and animal species important for maintaining the biodiversity of the region. The site contains a broad range of wetland habitat types important in the region and a number of migratory animal species including waterbirds and other migratory birds from Africa and the Palaearctic region; large mammal populations that migrate through much of western Tanzania and fish that move within the river systems of the Malagarasi River basin, the third largest in Tanzania.

#### Criterion 4: Supports Species at Critical Stage

The wetland provides an important dry season refuge and feeding area for many waterbirds and large mammal species. The wetland is also an important breeding area for fish species found in the river system.

#### Criterion 5: More than 20,000 Waterbirds

Aerial and ground surveys of the site have indicated that there are more than 20,000 waterbirds utilizing the area.

#### Criterion 6: Supports more than 1% of Waterbird Species Population

The site regularly supports more than 1% of the individuals of several species of waterbird including Shoebill Stork (10-20%), Wattled Crane (5-10%), Goliath heron (1-2%), and Great Egret (2%).

#### Criterion 7: Significant Indigenous Fish Population

The wetland and associated Malagarasi River system has at least 51 indigenous fish species, but no intensive studies have been conducted. However, in addition more than 200 endemic fish species are found in Lake Tanganika and since the Malagarasi River predates the lake and forms about 30% of the catchment of the lake system, it is predicted that intensive studies may reveal significant additional numbers of endemic or restricted distribution species.

#### Criterion 8: Important Feeding, Spawning, Nursery or Migration Site for Fish

The wetland is an important nursery and feeding ground for a wide variety of fish species found in the Malagarasi River system, including: *Oneochronis* spp., *Orthochronis malagarasiensis*, *Clarias gariepinus*, *Afromastacembelus frenatus*, *Alestes* spp, *Shilbe mystus*, *Labeo longirostris*, *Synodontis* spp, and *Cytharinus gibbosus*.

### HYDROLOGICAL VALUES

The Malagarasi-Muyovozi Wetland Ecosystem plays an important hydrological role in Western Tanzania. The main hydrological functions of the system are water storage, flood control, groundwater recharge, sediment retention, and water purification. Flood storage in the wetland reduces downstream flooding in towns such as Uvinze, and during the dry season the steady

*continued...*

discharge of water supplements dry season river flow. The floodplains also play a role in trapping sediments carried by the major rivers in times of peak flow and hence reducing the levels of sediments carried into Lake Tanganika, thereby helping to maintain the natural clearwater conditions important for the survival of many fish species.

### ECOLOGICAL FEATURES

The river systems and lakes support large populations of hippopotamus and crocodiles. Woodland areas near larger permanent swamps have large mammal densities. The most biomass is found in the riverine grasslands, in the form of buffalo, zebra, and topi, particularly in the dry season. The commonest large carnivore in the site is the lion (*Panthera leo*). Leopard (*Panthera pardus*), spotted hyena (*Crucota crucota*), and wild dogs (*Lycacann pictus*) are occasionally encountered.

### SOCIAL AND CULTURAL VALUES

The wetland system has many important socio-economic and cultural values. Some of the most important include harvesting

of wetland-related products, including fish, forest products, medicinal plants, honey and wildlife. Other values of importance to the local communities include flood control, water supply, and dry season grazing. Human population's subsistence economy in and around the proposed site depends largely on farming, fishing, hunting, and honey gathering. Although honey gathering and fishing is not normally permitted in game reserves in Tanzania, it has been the practice to permit such activities in the game reserves in the Ramsar site as these activities predate the establishment of the reserves. Large numbers of fishing and beekeeping camps operate throughout the Ramsar site during the dry season (July to December). Permanent fishing villages are present around some of the lakes such as Lake Sagara.

There are an estimated 15-20,000 cattle in the central portion of the wetland and more cattle in the southern parts of the Ramsar site. Groups of nomadic pastoralists are also moving into the area during the dry season.

The traditions of the local people on this site does not allow hunting or capture of some birds like ground hornbill and animals like bush buck.

\* Excerpted from Information Sheet on Ramsar Wetlands. Compiled by Director of Wildlife, Wildlife Division, 1999.

## Conclusion

Burundian Tanzanians in Katumba are no different from the other Tanzanians, in the sense that they are strong-willed people, dedicated to the survival of their family, culture, and society. Though the people of Katumba contribute to the economic and agricultural survival of Tanzania, they are being treated like lesser beings. From human rights abuses such as the burning down of houses and crops to social inequities in social services and general treatment, the Burundian refugee experience is filled with hardship and injustice. If they are to be relocated, both the UNHCR and the Tanzanian

government have an obligation to see that their needs be met and that their survival is insured.

However, even if relocation is successful, Agrisol's planned agricultural investment in Katumba poses a very deep environmental threat. The Tanzanian government faces a challenge and it needs to proceed with caution. The needs of the Burundian Tanzanians in Katumba must be met clearly, efficiently, and fairly while preserving one of the world's most important and fragile waterways and landscape.

## ENDNOTES

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- 3 AgriSol Energy website. "Our Projects," <http://www.agrisolenergy.com/projects> (accessed April 26, 2011).
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- 6 AgriSol Energy Tanzania Ltd. "Will anyone be displaced by your farms? FAQ." [http://www.agrisoltanzania.com/faq\\_files/13610a485283d4d1911fa34a700da732-4.html](http://www.agrisoltanzania.com/faq_files/13610a485283d4d1911fa34a700da732-4.html) (accessed June 14, 2012.)  
  
AgriSol website accessed on July 1, 2012 however states that with the camps closed, the Tanzanian government wanted to restore the land, which has been depleted by decades of use, to a more productive state once the refugees were resettled. However, that process has been delayed at Katumba and Mishamo and, while AgriSol has an open memorandum of understanding in place, it has halted active development efforts for those sites until the situation is resolved." See "In what part of Tanzania will the AgriSol project take place?" <http://agrisolenergy.com/faq.html>.
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- 14 Centre for the Study of Forced Migration & International Refugee Rights Initiative. "I don't know where to go: Burundian Refugees in Tanzania under Pressure to Leave." September 2009. Available at [http://www.ssrc.org/workspace/images/crm/new\\_publication\\_3/%7B427172a0-a511-df11-9d32-001cc477ec70%7D.pdf](http://www.ssrc.org/workspace/images/crm/new_publication_3/%7B427172a0-a511-df11-9d32-001cc477ec70%7D.pdf) (accessed May 15, 2012).
- 15 Diligent Consulting Limited. Technical and Business Analysis for AgriSol Tanzania. May 25, 2011. p. 9.
- 16 Figure calculated by OI researcher in early 2012, based on the average of the responses provided by the interviewees' responses to the questions on agriculture performance.
- 17 Information from a key informant, January 2012.
- 18 Names of informants have been withheld to ensure their safety.
- 19 Dan Rather Reports. "Trouble on the Land." Episode number 631. September, 27, 2011.
- 20 As reported to the OI research team in January 2012.
- 21 Institute of Resource Assessment. 2005. "An Assessment for a community based natural resources management area in Mpanda district, Ugalla Ecosystem." Dar es Salaam University Press.
- 22 OI researchers spoke to 50 respondents from five different villages. In addition, two village chairmen were also selected along with a focus group discussion comprised of a different set of eight people.
- 23 Pharos Global Agriculture Fund. Why Tanzania/Africa Projects 2011. p. 24.
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- 28 For a detailed analysis of concerns related to repatriation to Burundi, see "I don't know where to go." Centre for the Study of Forced Migration & International Refugee Rights Initiative. Op.Cit. p. 4 & 11.
- 29 AgriSol Energy Tanzania Ltd. "Will anyone be displaced by your farms?" FAQ. Op.Cit.
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- 31 Hazelhurst, S. and Milner, D. 2007. "Watershed Assessment of the Ugalla Landscape." USDA Forest Service Technical Assistance Trip. 18 August – 1 September 2007.
- 32 Institute of Resource Assessment. 2005. "An Assessment for a community based natural resources management area in Mpanda district, Ugalla Ecosystem." Op. Cit.
- 33 Ramsar site denotes a wetland of international importance named after the Iranian town where the Convention on Wetlands was adopted in 1971.
- 34 Eutrophication, or more precisely hypertrophication, is the ecosystem response to the addition of artificial or natural substances, such as nitrates and phosphates, through fertilizers or sewage, to an aquatic system.
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