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# “What is a House without Food?”

Mozambique’s Coal Mining Boom and Resettlements

# **SUMMARY AND RECOMMENDATIONS**

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Photographs by Samer Muscati / Human Rights Watch



Female farmers on a barren agricultural plot in Mwaladzi. Resettlement to an area with limited water supply and poor agricultural productivity has led farmers who once produced most of their own food to become dependent on food assistance programs. Erica D. (middle) said, "Look at this soil. Do you think this is soil where people can grow something? Just look at these dried plants. Do you think that maize can come from these small plants? They don't grow here."



*I used to grow sorghum, enough to fill the storehouse, probably about five or six sacks. We had a full kitchen of maize. We used to buy food when there was a problem, but usually we didn't have to.*

*The farming land we received [upon resettlement] is red, not black like we had before. I tried to grow maize and it died. Sorghum also failed.*

*The new house is just a house. I am not that satisfied. What I can say is, what is a house without food? I cannot eat my house.*

—MARIA C., RESETTLED FARMER, MWALADZI,  
RIO TINTO RESETTLEMENT VILLAGE,  
OCTOBER 5, 2012



A surge of foreign investment in Mozambique's vast natural resources, including large reserves of coal and off-shore natural gas, promises new economic possibilities for a country long ranked one of the poorest in the world. Multinational mining and gas companies have invested billions of dollars in Mozambique in the past ten years and the government estimates it will attract an additional fifty

billion dollars of investment in the coming decade. But without adequate safeguards, the explosive growth of the mining sector could lead to human rights violations and squander an opportunity to reduce widespread poverty.

In coal-rich Tete province, local communities displaced and resettled from 2009 to 2011 due to coal operations owned



by mining companies Vale and Rio Tinto have faced significant and sustained disruptions in accessing food, water, and work. Many farming households previously lived along a river, could walk to markets in the district capital Moatize, and say they were self-sufficient. They are now living in sites roughly 40km away with agricultural land of deeply uneven quality, unreliable access to water, and diminished access to key sources of non-farming income.

Rio Tinto's "Benga" coal mining operation in Tete province in central Mozambique. Arid, coal-rich Tete has been at the epicenter of a coal mining boom that has attracted billions of dollars in foreign investment. Without adequate safeguards, this surge also poses grave risks to human rights.

Many resettled households have experienced periods of food insecurity, or when available, dependence on food assistance financed by the companies that resettled them.

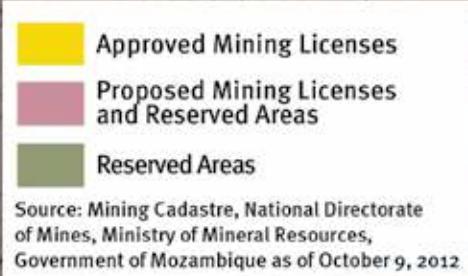
Serious shortcomings in government policy and oversight and in private companies' implementation led to the relocation of communities to these sites. There has also been insufficient communication between the government and the mining companies with resettled communities, as well as a lack of accessible and responsive mechanisms for participation in decision-making, expression of complaints, and redress of grievances. Frustrated by the lack of response to their situation, an estimated 500 residents from the Vale resettlement village Cateme protested on January 10, 2012, blocking the railroad linking Vale's coal mine with the port in Beira. This demonstration, and a violent response by local police—who beat several protesters—brought national scrutiny to the problems in Cateme and the other resettlements.

A railway track used to transport Vale's shipments of coal from their mine in Moatize to the port in Beira. On January 10, 2012, about 500 people staged a demonstration and blocked the railway. Deeply frustrated and anxious about their living conditions since resettlement in 2010, residents of Cateme protested to Vale and local government officials demanding a response to their concerns about land, houses, water, transport, and job opportunities.

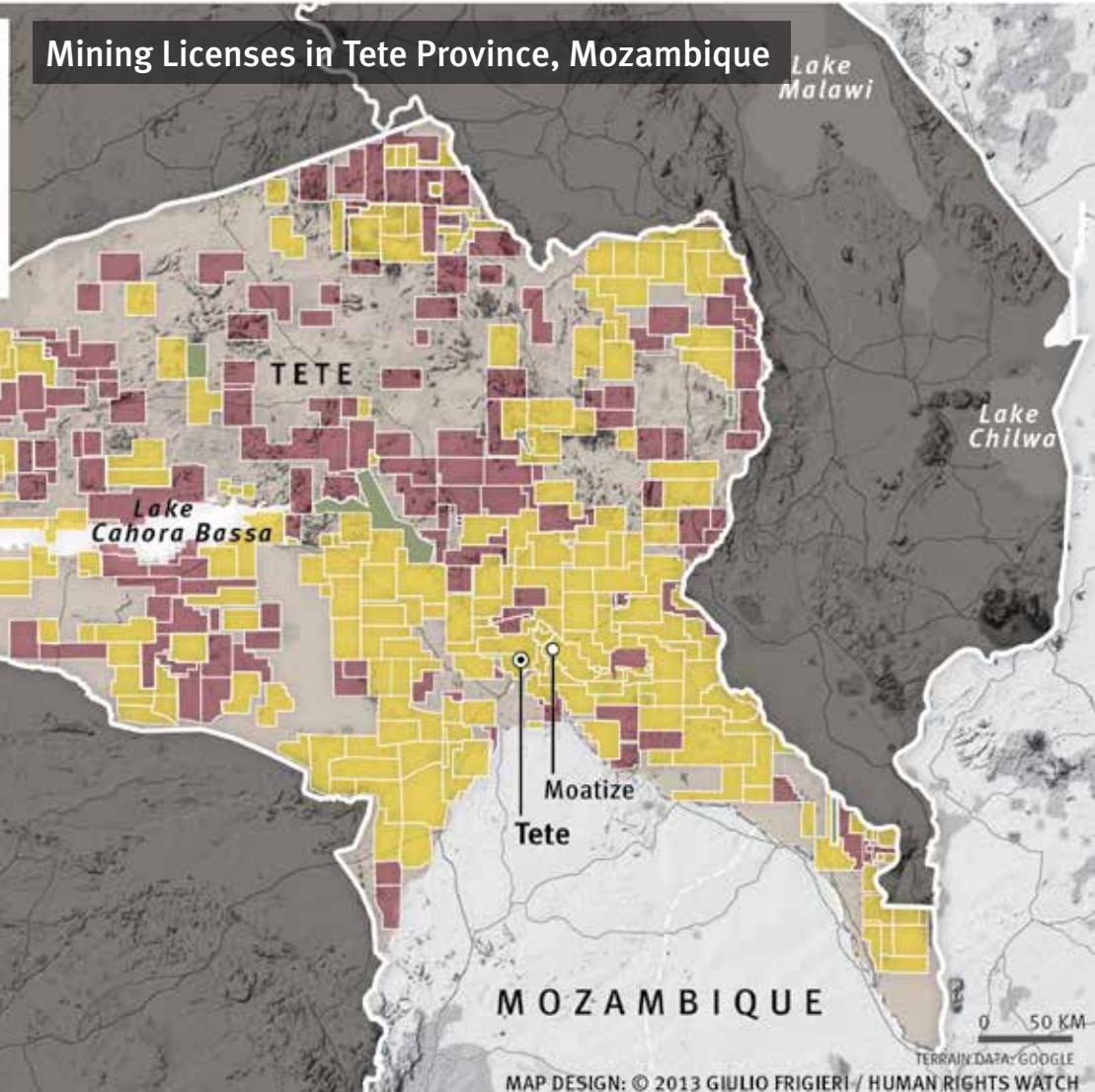
Tete province in central Mozambique is home to an estimated 23 billion tons of coal reserves, attracting investors from across the globe. The Mozambican government's speed in approving new mega-projects has outstripped its development and implementation of adequate safeguards to protect the rights of affected populations. Despite the resettlement of local communities to make way for coal mines as early as 2009, the government had no specific regulations on resettlement until August 2012.

According to data from the Mozambican government's mining registry in October 2012, the government has approved at least 245 mining concessions and exploration licenses in Tete province, covering approximately 3.4 million hectares or 34 percent of its area. Coal mining





## Mining Licenses in Tete Province, Mozambique



accounts for roughly one-third of these. When factoring in all applications pending approval, the amount of land involved jumps to roughly 6 million hectares, or approximately 60 percent of Tete province's area. There has been little management and planning for the cumulative impact of numerous mining projects. And while not all exploration activity will lead to the development of mining projects, the high concentration of land designated for mining licenses in Tete province has profoundly limited the availability of appropriate resettlement sites for communities displaced by mining operations.

The earliest to begin coal mining operations include two of the world's three largest mining companies: Vale, a Brazilian firm, and Rio Tinto, an Anglo-Australian firm

This map is based on data from the Mozambican government's mining registry in October 2012 and does not reflect any new, expired, or canceled licenses since then. There may be additional licenses not reflected in this map due to some gaps in the obtained data. Not all exploration activity leads to the discovery of commercially viable deposits and to the development of mines, so this map does not imply that all of the shaded areas will eventually be covered by mining operations. But the crowded number of licenses contribute to problems including resettlement of local communities, water resource management, and conflicts over claims to land use.

that acquired the Australian company Riversdale and its holdings in Tete province in 2011. Jindal Steel and Power Limited, an Indian company, and Beacon Hill Resources, a British firm, also started mining coal in 2012. Several other companies and partnerships are still in prospecting or development phases.

Vale and Rio Tinto's development of open-pit coal mines, access roads, and related infrastructure has displaced thousands of people from local communities, primarily subsistence farmers. Between 2009 and 2010, Vale resettled 1,365 households to a newly-constructed village, Cateme, and an urban neighborhood, 25 de Setembro. Rio Tinto and Riversdale resettled 84 households to a newly-constructed village, Mwaladzi, in 2011. Rio Tinto plans to resettle an additional 595 households to Mwaladzi by May 2013 and to urban areas near the district capital Moatize. Jindal Steel and Power Limited is planning to resettle 484 families once the government approves its relocation site and plans. It will compensate more than a thousand other households for losing farmland or other assets.

Through interviews with 79 resettled or soon-to-be-resettled community members and 50 government officials, company representatives, civil society activists, and international donors, Human Rights Watch investigated the human rights impacts of the resettlements and the response of the Mozambican government, Vale, and Rio Tinto. Our research shows the resettlements, particularly the provision of poor-quality agricultural land and unreliable access to water, have had negative impacts on community members' standard of living, including rights to food, water, and work.

People resettled to the Vale resettlement village Cateme and the Rio Tinto resettlement village Mwaladzi experienced a major disruption to their livelihoods and are still struggling to re-establish their self-sufficiency. Human Rights Watch interviewed farmers in May and October 2012 who showed us their barren fields and empty food warehouses and said the farmland provided to them as compensation is unproductive, unsuitable for growing their staple crops of maize and sorghum, and unable to support their typical second harvest of vegetables. In contrast, several farmers awaiting resettlement to Mwaladzi, but still living in one of the original villages, had rich yields of vegetables from their plots along the Revuboé river.

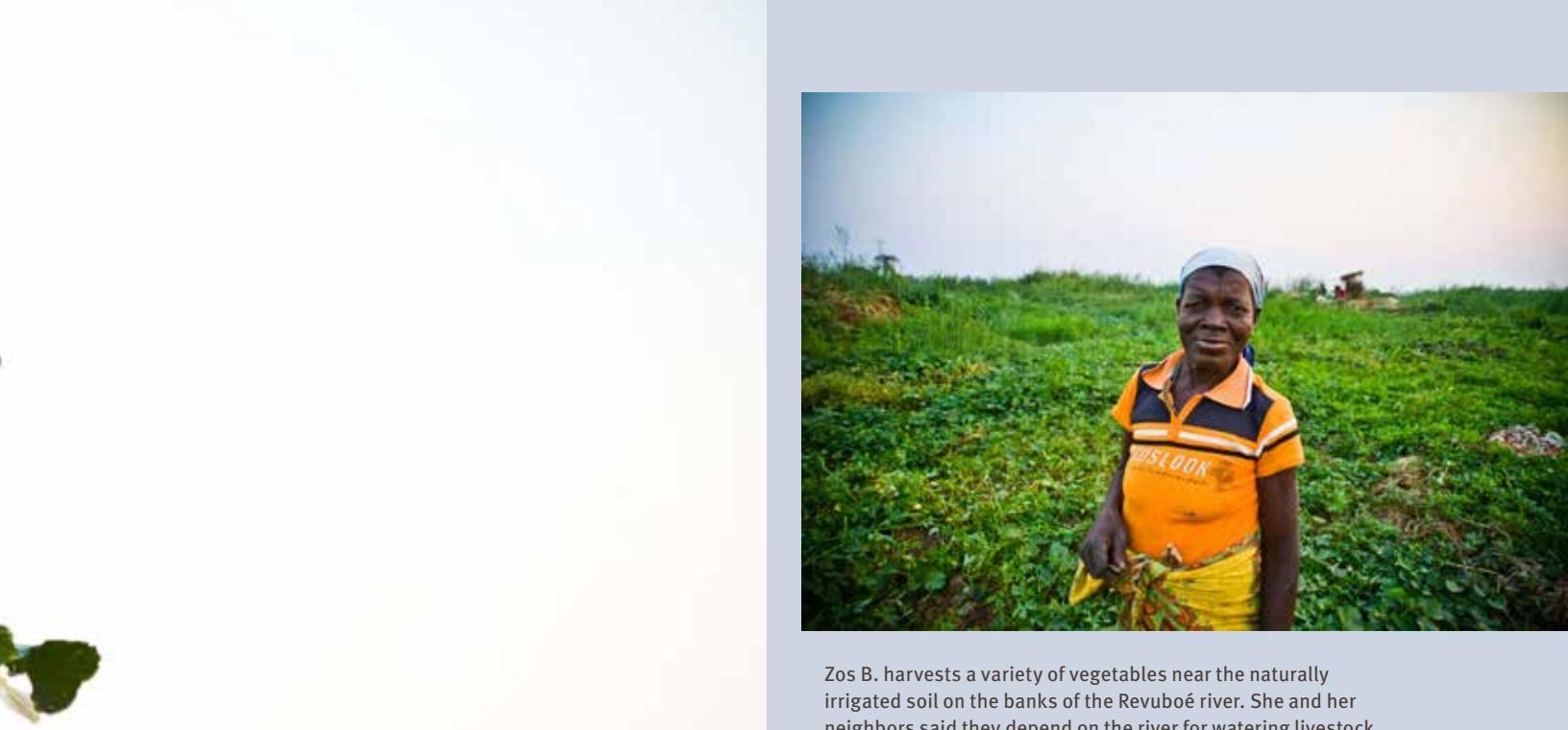




Malosa C. and her family outside their new home in Mwaladzi, in front of their empty storage for maize. People resettled to Mwaladzi told Human Rights Watch that they received a major shock and disruption to their livelihoods and are still struggling to re-establish their self-sufficiency. Mining company officials have acknowledged the marginal quality of the land and poor access to water in the new community. The government has awarded so much land for mining licenses in Tete province that there are few options for viable resettlement areas.



Atilia M. and her son harvest vegetables in a plot along the Revuboé river near their village, Capanga, before resettlement. They grow onions, tomatoes, sweet potatoes, and other vegetables. Households already resettled in Mwaladzi do not have access to a river and have struggled to farm staple crops or vegetables in their new location.



Zos B. harvests a variety of vegetables near the naturally irrigated soil on the banks of the Revuboé river. She and her neighbors said they depend on the river for watering livestock and successful agriculture and are worried about resettlement to Mwaladzi, which has no river nearby.





(top) Matilde, J., a mother of three young children from Cassoca, said, “I think we will suffer. We are moving to a place with no gold. We are going against our wishes.”

(bottom) A woman from Cassoca shows a gold nugget panned that day by a member of her family that would earn enough income to cover a month's expenses. Residents from Cassoca expressed concern that once they are relocated, they would lose access to gold panning, which is an important source of secondary income for the community.





Women panning for gold in Cassoca, a village earmarked for resettlement to make way for Jindal Steel and Power Limited's mining operations. All of the residents of Cassoca that Human Rights Watch interviewed said they currently supplemented their income by panning for gold and selling fruit.



Children swimming in the Revuboé river. Prior to their resettlement, many residents relied on their proximity to the river not only for agriculture, but also to bathe, wash their clothes, and socialize. Ana Maria B., a woman about to be resettled to the Rio Tinto resettlement village Mwaladzi, said, "Since I was born, I have taken baths here in the river. I have washed my clothes here.... Even my children have grown up here in this river. They know how to swim. Where we are going we will be given water in small containers. I'm not used to that kind of thing."





Vale installed water pumps in Cateme to address the lack of natural water sources in the area and reduce the amount of time they spent gathering water. But in the first two years after resettlement, the pumps sometimes fell into disrepair and households had insufficient quantities of water.

Vale representatives have acknowledged that the land in the resettlement sites is arid and requires irrigation to improve its fertility, and a Rio Tinto communication to Human Rights Watch noted that they were “aware that the carrying capacity of the land in Mwaladzi is very marginal without irrigation schemes.” While Vale and Rio Tinto have implemented the resettlement of communities displaced by their operations, the Mozambican government is ultimately responsible for approving and allocating resettlement sites as well as monitoring their outcomes.

The choice in resettlement sites also had negative impacts on resettled households’ access to non-farming livelihoods. Cateme and Mwaladzi are located approximately 40 km from the markets in the district capital Moatize, whereas before resettlement the communities were a few kilometers away. The increased distance, limited transportation options, and the scarcity of baobab trees—a widely-used resource in their original villages—has reduced the communities’ ability to sell firewood, charcoal, and wild fruits, activities that many typically turned to when poor rains affected their crops or if they needed cash income. Jobs generated by Vale and Rio Tinto during their construction phases and available to resettled individuals were largely short-term contracts that have ended.



Compounding their problems with livelihoods, resettled households in Cateme and Mwaladzi have experienced serious problems with the availability and accessibility of water for both domestic and agricultural use. In the initial period after resettlement, water pumps in disrepair or ceasing to function due to electricity outages exacerbated overall problems with water availability. Households in Mwaladzi sometimes depended on water to be delivered by trucks and reported instances of having no water for three days at a time. Having once lived near the Zambezi or Revuboé rivers, the water problems in the resettlement sites represented a significant deterioration in the standard of living for many households.

Vale designed the urban resettlement village 25 de Setem-

bro for households relying primarily on non-agricultural livelihoods. People who chose to move to 25 de Setembro did not receive any new farmland as part of their compensation packages, even if they had farmed previously. Human Rights Watch spoke to resettled residents who struggled with the transition from having both cash income and farming plots to relying solely on earning money to support their families. Individuals and households faced new costs in paying for food, and had not anticipated expenses such as paying for piped water, which a majority had previously obtained from a nearby river, pipes, or wells at no cost.



In Vale's "urban" resettlement area of 25 de Setembro, several female-headed households live in the kitchens of the houses they were provided while renting the main house to buy food. Residents received no farmland as they were expected to earn their living in other ways. Fatima S. said that she and her six children live and sleep in the small confines of her kitchen.

Female-headed households were often in particularly precarious economic situations, including elderly widows and single mothers who moved to 25 de Setembro primarily to be close to family members or health care services, not because they could rely on urban-based jobs. Human Rights Watch interviewed six women and heard reports of additional households in 25 de Setembro who resorted to living in their kitchens, sometimes with as many as six children, and renting out the houses given to them as compensation

in order to earn enough money to buy food and water.

The provision of education and health infrastructure in Cateme has proceeded relatively smoothly. Vale financed a new primary school, residential secondary school, and health center. Due to delays in the resettlement schedule, residents of the Rio Tinto resettlement village Mwaladzi generally travel to Cateme for health care and for primary school. Limited transport, especially at night and on weekends, led to several women and girls in Mwaladzi delivering babies at home in 2011 and 2012 instead of in health care settings with skilled attendants. Their original villages had been close to the district hospital and transportation options in Moatize.



Other major complaints include the quality of housing. In the Vale resettlement sites of Cateme and 25 de Setembro, where new cement housing with zinc roofs was planned as an improvement over the wood huts many lived in before, poor construction led to cracks in the walls and heavy leaks when it rained. During the initial construction process, Vale also changed the agreed-upon design of the houses without adequate consultation and communication with the resettled communities and built them without foundations.

A detailed analysis of environmental impacts is beyond the scope of this report, however, coal mining is widely recognized as one of the most hazardous forms of natural resource extraction for human health and the environ-

ment. Compensation packages for resettled households included a new house made with bricks, cement, a zinc roof, and separate structures for a kitchen, toilet, and storage for crops. Poor quality construction by the company contracted by Vale in Cateme led to cracks in the walls of many houses and leaks from both the roof and floor when it rained.

ment. In the case of open-pit coal mines, these include air pollution, water pollution, land degradation, social impacts, and carbon emissions that contribute to climate change. The environmental impact assessments prepared by Vale and Riversdale note that the proximity of their coal mines to the populated settlements of Moatize and Tete city, as well as to the Zambezi and Revubôé rivers heighten the risk of negative impacts, especially in case of mitigation failures.



During the initial building phase, Vale changed the agreed-upon design of the new houses to a model with no foundation to hasten construction. Upon complaints by the resettled households, Vale began to repair all the houses in Cateme and 25 de Setembro in 2012, including by adding a foundation.

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The Mozambican government has obligations under its national constitution and international human rights law to protect a range of rights, including to food, water, work, housing, and health. These obligations require the government to avoid any deliberate retrogressive measures that interfere with the enjoyment of these rights and to take measures to promote their progressive realization. For Mozambique, this means coordinating management of extractive industries with national poverty reduction strategies, strengthening protections for people resettled due to mining projects, and providing fair, timely remedies for those negatively impacted.

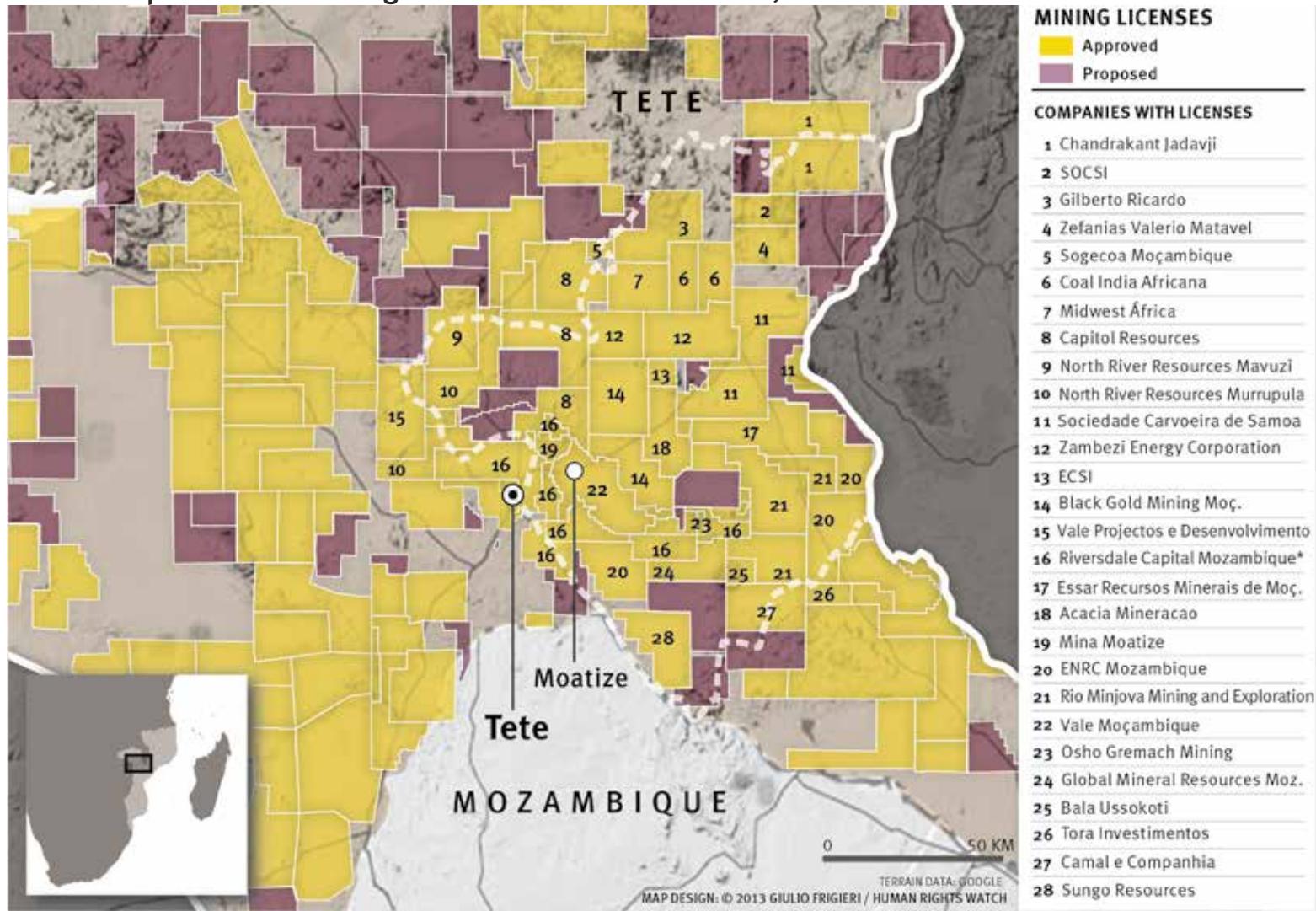
Private companies are required to respect these rights, including by conducting due diligence to prevent human rights abuses through their operations and mitigating them if they occur.

Both Vale and Rio Tinto have made private and public commitments to improve resettled communities' standard of living. By early 2013, both had implemented projects to improve water supply and storage for domestic use and were studying ways to enhance availability of water for livestock and agricultural use. In July 2012, Vale signed a Memorandum of Understanding with the governor of Tete province to complete repairs and add foundations to all constructed houses, increase training opportunities, and provide ten fruit trees for each household in Cateme and 25 de Setembro.

Despite these improvements, provision of the full promised compensation and infrastructure improvements, including replacement agricultural land, adequate water supply, healthcare infrastructure, and restoration of livelihoods, have been delayed by months and in some cases years. According to international standards, resettled individuals have the right to their compensation, including access to services, established by the time of resettlement.

At least 83 families in Cateme effectively have had no access to farmland because their plots were filled with rocks or had been reclaimed by the land's original users. As of April 2013, alternate compensation for this land was still being negoti-

## Companies with Mining Licenses in Moatize District, Tete Province



\* Acquired by Rio Tinto.

ated, but Vale said it had not yet provided these households with any additional compensation or assistance for their extra hardship in the three years since they were resettled.

As of April 2013, all resettled households in Cateme were still waiting for the provincial government to allocate a second hectare of farmland promised in their original compensation package in 2009. A second plot of land—if fertile—could greatly alleviate resettled communities' problems in restoring their livelihoods and access to food. The difficulty in finding suitable farmland is particularly pronounced in Moatize district, where approximately 80 percent of the land has been designated for mining concessions and exploration licenses. At this writing, Vale officials told Human Rights Watch that the government

This map is based on data from the Mozambican government's mining registry in October 2012 and does not reflect any new, expired, or canceled licenses since then. Moatize district's coal basin has been a major focus of investor interest.

had decided to change the terms of the compensation package and that Vale should provide resettled households in Cateme with money in lieu of the second hectare of promised farmland. This change raises a number of concerns, including the long-term sustainability of financial compensation if not invested in productive assets.

Short-term solutions have included handing out food packages to residents of Cateme and Mwaladzi, and organizing intermittent food-for-work programs through a government agency. Vale provided food packages as com-



Ernesto M. riding his motorbike at dusk from his home in Capanga, where he has lived for 35 years. Some of his neighbors were resettled a year earlier but he does not know when his family will move. Lack of information about changes to the resettlement schedule has led to uncertainty about investing in critical house repairs or working on his current farm. "They told us we would move this month, but until now, I have not received any information. I am worried, I haven't repaired the roof, if the rain starts, my situation will be bad."

pensation for disrupted harvests in 2009 and 2010, but despite the hardship that many households were facing in cultivating adequate food or earning money to purchase food, they did not provide additional food assistance until March 2012. Similarly, after giving households a three-month food package upon resettlement, Rio Tinto only began providing additional food assistance in September

2012. Lack of information about the timing and duration of food assistance have contributed to resettled households' anxiety about food security and self-sufficiency.

Upon growing recognition of resettled households' livelihood problems, Vale and Rio Tinto have initiated projects such as forming chicken cooperatives, encouraging people to farm new cash crops instead of their main staples, and exploring complex technological fixes to the endemic water problem, with proposals ranging from building a water-catchment dam to piping in water from the Zambezi river 60 kilometers away. Resettled households in Cateme and Mwaladzi may benefit from these initiatives, but they are also now dependent on "development" projects that could take years to come to fruition.

Local, provincial, and central government officials have acknowledged making some mistakes with the resettlements but say they have learned from the experience and will prevent similar problems in the future. Blaming Vale and Rio Tinto for many of the problems, the government says it should have played a stronger mediating role. It now requires a government representative to be present during meetings between communities and companies. While this practice can potentially play a protective role during negotiations and resolution of conflicts, it has also impeded more regular communication between companies and communities, and slowed the frequency of meetings and resulting action to resolve complaints.

District officials have also instructed resettled community leaders not to speak with civil society activists, journalists, and other agencies unless they secure prior approval and appropriate “credentials” from the district administrator. Withheld permission has prevented international agencies such as the United Nations Children’s Fund (UNICEF) from conducting research and programming in the resettled villages. Such actions undermine the right to freedom of expression.

The government has scrambled to institute a more comprehensive regulatory framework that should have been in place prior to the development of mega-projects and resettlements. On August 8, 2012, Mozambique’s Council of Ministers adopted a new decree regulating resettlements due to economic projects. The decree helps fill a critical gap and sets out basic requirements on housing and social service infrastructure. However, the government did not properly consult the public, civil society, the private sector, and international donors during its drafting, and the final version falls short of providing critical protections, relating, for example, to land quality, livelihoods, access to health care, and grievance mechanisms. The decree does not establish clear standards for access to water supply, timing of moves to avoid disruptions to farming cycles, and technical assistance for those who must adapt or change their livelihoods.

The government has increasingly pursued several other measures to manage extractive industries and their impact on the economy. This includes revising its mining law, for example, to require publication of new contracts

and revising its fiscal regime to include taxation policies more favorable to the government. The 2013 Budget Law requires 2.75 percent of revenues from gas and mining to be set aside for community development projects for directly impacted populations. Mozambique has also become a compliant member of the international Extractive Industries Transparency Initiative (EITI), a voluntary initiative that works to enhance revenue transparency by verifying and publicizing the revenues paid to member governments by extractives companies.

These are positive measures for which the government deserves credit, yet more remains to be done. For example, communities affected by large projects need to be aware of their legal rights and should be able to participate meaningfully in decision-making at all stages of resettlement. Integrated planning to coordinate the cumulative economic, social, and environmental impacts of the natural resource boom and national poverty-alleviation efforts remains weak. And there is little transparency on how revenues from the mining and gas sector are used.

Mozambique is at a crossroads. Increased revenues coupled with careful planning and checks and balances have the potential to make significant contributions to the progressive realization of internationally protected economic, social and cultural rights. But without transparency, good governance including channels for complaints and remedies, and plans for inclusive growth, large foreign investments into natural resources can all too easily translate into huge profits for a few and harmful impacts for local communities most directly affected.

The Vale and Rio Tinto projects in Tete province are just the first in many large projects and resettlements likely to take place over the next few decades in Mozambique, making the lessons learned from current projects vitally important. New resettlements, including those planned by Jindal Steel and Power Limited and Rio Tinto will provide an important test of the effectiveness of evolving safeguards. The recommendations below highlight key steps that the Mozambican government and mining companies should take to remedy the plight of already resettled communities, and to strengthen protections moving forward.

# RECOMMENDATIONS

## TO THE GOVERNMENT OF MOZAMBIQUE

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**The governor of Tete province, in coordination with the relevant central, provincial, and local officials, should work with resettled communities, Vale, and Rio Tinto to ensure the provision of immediate relief and longer-term measures to remedy the violations of the rights of resettled individuals, and ensure the enjoyment of key economic, social and cultural rights. These include:**

- Ensuring that each resettled household in Cateme and Mwaladzi, prior to the next farming season, has the promised two hectares of cleared farmland that meet the criteria of adequate fertility, access to water, capacity to grow their staple crops, and location within a reasonable distance:
  - Allocate the second hectare of farmland promised to residents of Cateme as part of their compensation package. If offering financial compensation instead, do so in a way that promotes productive capacity and economic self-sufficiency, such as supporting an assisted indemnification process in which Vale and the government help resettled individuals to identify and acquire a suitable plot of land or to invest in other productive assets;
  - Prioritize the completion of sustainable water and irrigation projects to improve the fertility of the farmland in the resettlement sites.
- Designating and adhering to a reasonable timeframe for implementing measures requiring government approval and action, including by revising and updating current Resettlement Action Plans and related Memoranda of Understanding.
  - Establishing a timeline and ensuring company compliance to complete all needed infrastructural improvements in Cateme, 25 de Setembro, and Mwaladzi, including with respect to housing, health, roads, transport, markets, electricity, and water for consumption, domestic use, and agricultural use.
- Implementing strategies for developing alternative income-generating activities in close consultation with resettled communities, including by:
  - Ensuring equality of opportunity for both women and men during recruitment and training for employment opportunities, including those generated by coal mining and affiliated businesses;
  - Identifying and providing additional assistance to particularly vulnerable individuals, including the elderly, people living with disabilities, and female-headed households; and
  - Including clauses in project contracts and resettlement action plans targeting local communities in business supply chains, such as food supply.
- Ensuring the distribution of regular food assistance and other forms of support so that resettled communities are able to meet their immediate needs until conditions for self-sufficiency are restored.
- Ensuring provision of compensation for the delays and shortcomings in establishing appropriate conditions in the resettlement sites that led to violations of resettled individuals' rights, including but not limited to:
  - Providing appropriate compensation to the 83 households in Cateme that have not had access to a suitable plot of farmland since their resettlement because the first hectare provided was too rocky or was reclaimed by the land's original users.

**Mozambique's government, including the Ministry of Mineral Resources, the Ministry of Coordination of Environmental Action, and the relevant local and provincial authorities, should review, and if necessary, halt, the process of awarding prospecting licenses and mining concessions to ensure that appropriate sites for resettlement are available when necessary, and to permit planning for cumulative social, economic, and environmental impacts.**

**The government of Mozambique should revise the August 2012 resettlement decree with broad consultation among relevant stakeholders, including the public, companies, donors, academics, and civil society. A revised decree should:**

- Include the principle that resettlement be avoided when possible, only after exploring possible alternatives, and to minimize its scope and impact when it takes place.
- Ensure regular, broad, and meaningful public consultation and participation at all stages of resettlement, including through:
  - Meaningful consultation in the design, implementation, and post-move phases of resettlement;
  - The full, prior, and informed consent of affected individuals regarding the relocation site;
  - Consideration of alternative plans proposed by affected persons and communities;
  - Provision of viable alternatives so that affected communities can make real choices in their best interest instead of having to accept one standard compensation package;
  - Participation restricted not only to public hearings, but coupled with other forms of dialogue, including individual and small group consultations;
  - Establishment of accessible channels for providing feedback outside the framework of planned consultations; and
  - Dedicated measures that facilitate the participation of groups that may face specific impacts or that are marginalized such as women, children, the elderly, people with disabilities, and minorities.
- Elaborate clear guidelines for reestablishing and improving the resettled population's standard of living, with as minimal disruption as possible, including livelihoods and access to services such as health care and education. These guidelines should ensure that:
  - Affected populations have the right to receive any promised financial compensation prior to resettlement;
  - Compensation—including the means of livelihoods and promised infrastructure such as housing, schools, health posts, and roads—should be established prior to relocation to minimize disruptions to the resettled population's standard of living;
  - Compensation packages contribute to the progressive realization of the availability, affordability, accessibility, and quality of health care, housing, and education;
  - Resettlements involving the allocation of agricultural land meet minimum requirements for the type and quality of replacement land, access to water supply, provision of technical assistance

for communities adapting or changing their livelihoods, and consideration of farming cycles in the timing of resettlement;

- Compensation packages address economic means and activities such as home vegetable gardens, transportation, and access to key markets;
- The standards on housing should allow for the expression of cultural identity, practices, and diversity; and
- Surveys of registered beneficiaries and their compensation should be updated prior to resettlement to accommodate recent marriages, separations, births, and deaths.

- Provide accessible mechanisms for grievance redress.
  - Establish accessible channels and mechanisms for various stakeholders to make complaints or resolve disputes related to the resettlement process, and to receive responses to their complaints;
  - Conduct public awareness campaigns among communities to be resettled to inform them of their legal rights throughout the process;
  - Ensure existing channels for seeking redress through Mozambique's justice system are available to parties affected by resettlement; and
  - Require companies to establish effective grievance mechanisms so that individuals affected by mining projects can complain directly to the companies in addition to the government.
- Conduct robust monitoring, including inspections, to ensure implementation of the decree and accountability.

**Mozambique's government, including the Ministries of Finance, Mineral Resources, Coordination of Environmental Action, Planning and Development, and Agriculture, should strengthen measures for governance, transparency, and respect for human rights in its management of the boom in large-scale investments and associated economic development plans.**

- The relevant government entities at the central, provincial, and local levels, should evaluate and monitor the cumulative economic, environmental, human rights, and developmental impacts of mining, gas, agricultural, and other large investments.
  - The Ministry of Mineral Resources should coordinate with other appropriate government sectors, including at the provincial and local level, about the number, speed, and scale of coal concessions being awarded in Tete province to minimize impacts on local communities, including harmful environmental impacts, involuntary resettlements, reduced availability of appropriate land for resettled populations, and the effective functioning of general infrastructure and social services.
- The government of Mozambique should improve its regulation and monitoring of large-scale investments and impose penalties in case of violations, including by:
  - Adopting the proposed revisions to the 2002 mining law which require publication of contracts, time limits by which investors must begin mining operations upon acquisition of a license, and adherence to regulations on environmental and social impacts;
  - Developing, through a process of broad consultation, and adopting a policy for corporate social responsibility in the extractives industry that meets the international human rights standards laid out in the "Protect, Respect, and Remedy" framework;

- Increasing the Ministry of Coordination of Environmental Affairs' recruitment and retention of trained staff to analyze environmental impact assessments (including resettlement action plans), monitor compliance reports, and form inspection teams to verify that companies adhere fully to their commitments; and
- Participating in partnerships and informational exchanges with other governments and institutions with relevant experience in ensuring human rights safeguards in managing natural resource booms, including institutions able to provide independent monitoring.
- **The government of Mozambique should protect the rights to information, freedom of expression, and community participation, and improve transparency, including by:**
  - Ending any measures that interfere with resettled communities' right to free speech, assembly, and access to information, including by ending bureaucratic requirements for NGOs, journalists, UN agencies and others to obtain "credentials" before speaking to village leaders in Tete province;
  - Protecting freedom of speech, including critical opinions and public statements on economic development projects and their execution, and the right to peaceful protest;
  - Including representatives of civil society and affected communities on provincial resettlement commissions;
  - Providing public information on the role and tasks of the provincial resettlement commission;
  - Ensuring wide public access to regular, timely information that tracks the use of revenue flows from extractive industries; and
  - Requiring companies that prepare environmental impact assessments, environmental monitoring reports, and resettlement plans to make these documents easily available and accessible to the public, including by providing short summaries in non-technical language, translating the summaries and the full reports into local languages, posting them on the internet, and providing copies in public buildings such as local schools in directly affected communities.

## TO VALE AND RIO TINTO

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**Vale and Rio Tinto should work with resettled communities and appropriate representatives of the Mozambican government, including the governor of Tete province, to provide immediate relief and longer-term measures to remedy the negative impacts on the rights of resettled individuals. These include:**

- Working to ensure that each household in Cateme and Mwaladzi has cleared farmland of suitable fertility and quality for growing their staple crops, including by:
  - Working with the Mozambican government proactively and as a matter of high priority to replace all currently-allocated plots of poor agricultural value with suitable ones;
  - Working with the Mozambican government to allocate the second hectare of farmland promised to residents of Cateme as part of their compensation package;
  - Where financial compensation is to be provided, do so in a way that promotes productive capacity and economic self-sufficiency, such as an assisted indemnification process in which Vale and the district government can help resettled individuals to identify and acquire a suitable plot of land or to invest in other productive assets;

- Prioritizing the completion of sustainable water and irrigation projects to improve the fertility of the farmland in the resettlement sites; and
- Continuing technical assistance to improve agricultural yields.
- Vale and Rio Tinto should work with resettled communities to develop a clear action plan to provide immediate relief and longer-term measures to remedy the negative impacts on the rights of resettled individuals.
  - Provide timely and appropriate compensation for the delays and shortcomings in establishing appropriate conditions in the resettlement sites that led to violations of resettled individuals' rights.
  - Provide timely and appropriate compensation to the 83 households in Cateme that have had not had access to a suitable plot of farmland since their resettlement because the first hectare provided was too rocky or was reclaimed by land's original users.
  - Distribute regular food assistance and other forms of support so that resettled communities are able to meet their immediate needs until conditions for self-sufficiency are restored.
  - Survey resettled households on key indicators of standard of living to establish the extent to which they enjoy basic social and economic rights until these have been restored at minimum to the guidelines in the resettlement decree, their pre-resettlement levels, and goals outlined in the resettlement action plans, and make these findings publicly available.
  - Ensure equality of opportunity for both women and men during recruitment and training for employment opportunities, including those generated by coal mining and affiliated businesses.
  - Identify and provide additional assistance to individuals having the most difficulty reestablishing their former standard of living, including the elderly, people living with disabilities, and female-headed households.
  - Complete needed repairs on all houses in a timely manner. Keep resettled households informed about the timeline of repairs and train them on maintenance and upkeep.

## TO ALL INVESTORS, INCLUDING VALE, RIO TINTO, AND JINDAL STEEL AND POWER LIMITED

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- Ensure that future resettlements comply with international human rights standards in their design, implementation, and follow-up.
- Improve public access to information and transparency by:
  - Strengthening channels of communication with local and national civil society and with community members affected by resettlement; and
  - Making documents such as environmental assessments, periodic environmental monitoring reports, resettlement action plans, and updates on implementation more accessible, including by providing short summaries in non-technical language, translating the summaries and the full reports into local languages, posting them on the internet, and providing copies in public buildings such as local schools in directly affected communities.
- Establish effective grievance mechanisms so that individuals affected by mining projects can complain directly to companies in addition to the government.

- Support efforts to improve Mozambique's management of the individual and cumulative impacts of economic development projects and exploitation of natural resources.
- Support research on cumulative, long-term economic, social, environmental, and human rights impacts.

## TO THE GOVERNMENTS OF BRAZIL, INDIA, AUSTRALIA, THE UNITED KINGDOM AND OTHER HOME GOVERNMENTS OF MINING FIRMS OPERATING IN MOZAMBIQUE

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**Take steps to regulate and monitor the human rights conduct of domestic companies operating abroad, such as requiring companies to carry out and report publicly on human rights due diligence activity.**

## TO THE G19 DONOR GROUP, INCLUDING THE WORLD BANK

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**Support increased capacity of the government at the central, provincial, and district levels to manage the growth in extractive industries, by:**

- Expanding research and public dialogue on managing the natural resource boom to meet economic and social development goals.
  - Consider the creation of an annual conference to bring together Mozambican government officials, representatives of extractive industries, academics, members of affected communities, civil society activists, donors, and other stakeholders to learn from ongoing efforts and to incorporate lessons into future planning and monitoring.
  - Create spaces for permanent tripartite dialogue around resettlement processes at the provincial level, including businesses, civil society and members of resettled communities, and relevant provincial and district authorities.
- Building capacity of provincial directorates and local administration.
  - This includes training and support for implementation of land use laws, monitoring the environment, integrated planning, and management of resettlements.
- Funding scholarships, trainings, and international exchanges for civil society activists, journalists, academics, and government officials to build capacity to negotiate and monitor mega-projects.

**Engage in political dialogue with government on the impact of the extractives sector on development and human rights, including through developing relevant indicators for evaluation during the annual donor review.**

**Support increased transparency and accessibility of information about the extractives sector to directly affected communities, civil society, the broader public, and the media.**

- Establish an annual review of transparency in the extractives sector, including indicators such as publication of contracts, resettlement plans, environmental assessments, a breakdown of revenue flows, and memoranda of understanding as well as dissemination of laws and policies and information about rights.

- Create a publicly available and easily accessible document mapping the amounts of donor funding focused on the extractives sector, the types of projects, and their outcomes.

**Provide financial and technical support to civil society institutions to strengthen their coordination and monitoring of the government and the private sector in their fulfillment of their obligations to protect and respect human rights, including by:**

- Supporting them to work with communities to obtain a delimitation of their lands before resettlement to clarify their land rights.
- Supporting them to work with resettled communities at all stages of resettlement, including early stages to ensure awareness of their legal rights and during and after the move to improve access to complaints mechanisms.
- Supporting their capacity to conduct research and report on the adherence of the government and mining companies to human rights obligations.

**Enhance own resettlement policies to meet international human rights standards and ensure that all activities funded by members of the G19 Donor Group, including the World Bank comply with these standards.**

## **TO THE INTERNATIONAL MONETARY FUND**

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**Establish, in coordination with other donors, an annual review of transparency in the extractives sector, including indicators such as publication of contracts, resettlement plans, environmental assessments, a breakdown of revenue flows, and memoranda of understanding as well as dissemination of laws and policies and information about rights.**



A surge of foreign investment into Mozambique's vast natural resources promises new financial wealth for a country long ranked one of the poorest in the world. But the government's speed in approving projects has outstripped its development of adequate safeguards to protect the rights of affected populations.

In coal-rich Tete province, local communities displaced and resettled from 2009 to 2011 due to coal operations owned by mining companies Vale and Rio Tinto have faced significant and sustained disruptions in their ability to access water and to produce or buy food. Many farming households previously lived along a river, could walk to markets in the district capital Moatize, and say they were self-sufficient. They are now living in sites roughly 40km away with agricultural land of deeply uneven quality, unreliable access to water, and diminished access to key sources of non-farming income. Many resettled households have experienced periods of food insecurity, or when available, dependence on food assistance financed by the companies that resettled them.

There has been insufficient communication between the government and the mining companies with resettled communities, as well as a lack of accessible and responsive mechanisms for community members' participation in decision-making, expression of complaints, and redress of grievances.

The Mozambican government has obligations to protect human rights, including to food, water, work, housing, and health. Private companies are required to respect these rights, including by exercising due diligence to prevent human rights abuses resulting from their operations and mitigating them if they occur.

The government has begun to institute a more comprehensive regulatory framework. Both Vale and Rio Tinto have made private and public commitments to improve resettled communities' standard of living. Despite these measures, resettled communities are still waiting for their full promised compensation and key infrastructure improvements.

The Vale and Rio Tinto projects in Tete province are just the first in many large mining projects and resettlements likely to take place over the coming decades in Mozambique, making the lessons identified in this report vitally important for the rights and well-being of many of Mozambique's communities going forward.

*(above) The farmland provided to Senolia S. upon her resettlement to Cateme was reclaimed by its original cultivators. She did not receive any replacement land and finally scraped enough money together to rent a plot of rocky, untilled land.*

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*(front cover) Female farmers resettled to Mwaladzi received land with poor access to water and limited productivity. The compensation package also included a new house.*

*"The farming land we received is red, not black like we had before. I tried to grow corn and it died. Sorghum also failed.... I am not that satisfied. What I can say is, what is a house without food? I cannot eat my house," said Maria C. (left).*

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