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## [Green Resources Mozambique: More False Promises!](#)

Green Resources Mozambique is a tree plantation company that is part of Green Resources S.A. With mostly Norwegian capital and over 80 shareholders, Green Resources S.A. was established in 1995, and is considered to be the largest tree plantation company in Africa, excluding South Africa. It operates in three African countries (Mozambique, Tanzania and Uganda) with ten plantations: Bukaleba and Kachung in Uganda; Lindi, Idete and Mnyera in Tanzania; and Niassa Green Resources, Chikweti, Lúrio Green Resources, Tectona and Ntacia in Mozambique.

According to Green Resources Mozambique, the objectives that guide its tree plantations are: i) to sustainably establish and manage commercial tree plantations in order to generate forest products for domestic use and export (energy production, particle board and pulp, sawed timber and transmission poles); ii) carbon sequestration; iii) conservation of natural forests and biodiversity; and iv) economic and social development of the communities and areas encompassed by the plantations. But the reality on the ground reveals the opposite: countless land conflicts; usurpation of community land that was mostly used to grow food; installation of plantations along rivers and water sources, and next to roads and houses in native forest areas; among many other issues.

Conflicts between communities and Green Resources occur not only in Mozambique. Several studies also show serious land conflicts between the company and communities in Uganda and Tanzania. For example, in 2012, the National Association of Professional Environmentalists (Friends of the Earth Uganda) carried out a study that exposed the general situation of conflicts between local communities and the company in Uganda. This study describes how Green Resources—through its subsidiary, Busoga Forestry Co Ltd,—destroyed between 8,000 and 10,000 hectares of native forest in Bukalega, Uganda, to convert them into pine and eucalyptus plantations. About 8,000 people from 13 villages in the region were driven off their lands, under the allegation that they had illegally occupied the region during the political turmoil of 1975-1985 (1).

Meanwhile, a 2011 report by the NGO, TimberWatch, highlighted the following impacts of Green Resources' plantations in Tanzania: "displaced communities that are losing their land, poor working conditions, destruction of the biodiversity upon which communities depend to obtain their food, fuel and medicines, reduced availability of water, as well as many other direct and indirect effects that negatively impact affected communities' way of life" (2).

### **Struggles Against Green Resources in Mozambique**

In September 2016, the Mozambican civil society organizations, Justiça Ambiental, Livaningo and União Nacional de Camponeses (National Peasants Union) published the study, "The advance of tree plantations on farmers' territories in the Nacala Corridor: The Case of Green Resources Mozambique" (3). In the framework of this initiative, the three organizations also produced a short documentary that shows the situation of communities affected by territorial conflicts with Green Resources Mozambique (4). Additionally, we drew up a joint petition with the World Rainforest Movement, which garnered 12,332 signatures from individuals and national and foreign organizations. We presented this petition to Green Resources in Norway and Portucel/The Navigator

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Company in Portugal, as well as to governmental institutions in Mozambique—in particular the Ministry of Land, Environment and Rural Development and the Ministry of Agriculture and Food Security. The petition's main demand is that the companies, Green Resources and Portucel,—as well as all the other companies that seek to obtain large tracts of fertile land for tree plantations in East and Southern Africa—return the land to local communities, in order to resolve the current territorial conflicts and prevent new ones. In this petition we demand that the government of Mozambique ensure true compliance with the Land Law, and that it guarantee proper respect for communities' rights to land, water and food.

So far, we have not received a formal response to our petition. We recently learned that Green Resources responded to our petition on its website (5). As one can see, this response contains little or nothing new, although it does add an interesting fact. One of the arguments for establishing tree plantations has been that they use degraded or marginal lands, which we know does not correspond with reality. In their response, Green Resources confirmed that it needs fertile lands for its plantations....And we need to grow food, ladies and gentlemen!

Since the public launch of the study in 2016, the aforementioned organizations have had two meetings with Green Resources Mozambique. These meetings were mediated by the Norwegian Embassy, which did not help resolve the conflicts at all. The study was severely criticized in these meetings, not only by the company but also by Embassy representatives—from whom one expected an impartial position. Neither was able to explain or substantiate the criticisms presented, or the reasons for so much indignation. It should be noted that in both meetings, the company ensured its openness to discussing the issues presented in the study; however, this did not happen in either meeting. In carrying out the study, we contacted Green Resources Mozambique representatives, who merely refuted all information about conflicts or misconduct on the part of the company, without substantiating this claim or presenting documentation that could clarify any misunderstanding. The consultants in charge of the study asked the company for a number of documents, such as the minutes from community consultations or the proceedings to acquire rights of Land Use and Exploitation (DUATs, by its Portuguese acronym). Although the company has argued countless times that it has done everything according to national law, and that it keeps a record of everything, we could not access the required documents, and we were advised to request them from the government.

Companies have used this strategy widely: to state that they are not responsible for providing information, and that interested parties should request it from the government, which does have the responsibility to ensure access to information. Meanwhile, despite countless requests and no official refusal, we still have not been able to access the documents.

### **Confronting Financiers in Norway and Sweden**

Given that most of the land conflicts, complaints about the compensation process and affected communities' dissatisfaction have yet to be resolved, and given the difficult communication and access to information, the organizations decided to present and discuss these issues in Norway, the country where the company is based. We also presented the issues in Sweden, due to the relationship with the Chikweti tree plantation company—a company Green Resources acquired.

It was in this framework that a delegation went to Norway from September 26-29, 2017 and met with the Norwegian Investment Fund for Developing Countries (Norfund), the Norwegian Agency for Development Cooperation (Norad), Norwegian parliamentarians and various civil society organizations. The delegation was composed of representatives from Justiça Ambiental (JA!),

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Livaningo, the National Peasants Union (UNAC, by its Portuguese acronym), the Provincial Peasants Union of Niassa (UPC, by its Portuguese acronym), as well as representatives from the communities of Meparara, Namacuco and Lanxeque, Ribaué district, Nampula province. In these meetings the delegation presented the main results of the study, and discussed the conflicts with local communities, as well as the way in which these actors could intervene to resolve them, without neglecting these countries' economic interests in this type of investment.

In the meeting with Norfund—one of the financiers of Green Resources Mozambique—we learned that the FSC certification (Forest Stewardship Council) for the plantations in Nampula province had been suspended. Green Resources Mozambique's FSC certification, about which it boasts every time it is confronted about the numerous problems with communities, was actually suspended as of May 2016, due to the number of problems detected (6).

Norfund representatives appeared to be quite concerned about the results of the study, and especially about community representatives' testimonies—although this was not a new situation for them, as they already knew about these issues. It is important to note that Norfund's concern is not necessarily related to conflicts with local communities, but rather to the amount invested in Green Resources and its need to return that investment. Their motivations appear to be exclusively economic, and there is a lot of interest in making sure the company recovers. Norfund seems to believe that tree plantations bring about the much advertised "development," and it also believes that by financing this kind of investment in poor countries, it is really supporting the development of those countries—as it believes to be the case with Mozambique. An interesting (and contradictory) fact is that they mentioned that they have already received countless reports of conflicts and problems with Green Resources, both from Mozambique and from plantations in Uganda and Tanzania.

Green Resources Mozambique's lack of transparency is unfortunate—seeing as it mentioned the FSC certification every time it was challenged, but never clarified that this certification had been suspended in 2016.

Companies use the FSC certification as a quality seal to assure consumers that the wood they buy comes from forests exploited in a socially just, economically viable and environmentally sound manner. However, the credibility of this process has long been questioned due to several cases, in which, despite having been informed of serious conflicts with local communities and serious environmental issues, companies managed to maintain their certification. Another factor that has significantly contributed to the loss in credibility of the FSC certification is the inclusion of tree plantations in the certification process—in spite of the huge opposition these kinds of projects have received, due to the negative impacts they cause.

The delegation also met with a Green Resources representative in Norway, who determined that the compensation and land acquisition process had been a success. We presented the most urgent issues, and it was clear that we were not of the same opinion about the way in which the processes were carried out in local communities; because according to this representative, everything had been done in keeping with the law, and all the compensations had been duly calculated, negotiated and paid. It is clear that we did not have the same information. We gave them copies of the compensation payment vouchers so that they could see the amounts that had been paid, as well as copies of the records with information on the areas of agricultural production and the number of trees. These documents leave no doubt that there are matters to discuss, and that several situations require an urgent solution. We were able to confirm with the Green Resources representative that Lúrio Green Resources's FSC certification has been suspended. It is important to note that on numerous occasions, Green Resources referred to the certification as proof that it had complied with all

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procedures, and that everything was working in the best possible way—without once mentioning that this certification had been suspended.

Another matter that has been the cause of countless disputes between local communities and the company are the promises that were made during community consultations—and which were, in fact, the main reason that many community members agreed to give up their land. So far, Green Resources has ignored these promises, claiming that the communities misunderstood, and that social infrastructure is the government's responsibility, not the companies'. Interestingly, one of the problematic issues requiring the company's attention—which appeared in the Woodmark Forest Certification Public Report—is that "in consultations with communities, committees and leaders, it was repeatedly mentioned that LGR [Lúrio Green Resources] promised social infrastructure constructions, including schools, water wells and health posts. These promises have still not been met. Company management say that they will fulfill these commitments in stages and according to priorities. As proof, the company showed a contract with BJ Drilling Lda to drill seven water wells in the three districts where it operates. LGR must ensure it meets communities' expectations, and that it regularly communicates about progress and plans to fulfill social commitments."

Another fact which is new to us is related to the company's current financial situation. According to information confirmed during the meeting with the Green Resources representative in Norway, the company is going through serious financial difficulties. This is apparently the main reason for having not yet carried out the social projects, which include the myriad promises that have been constantly cited, and in a way denied by Green Resources Mozambique. The company alleges that these are expectations beyond its control and not promises, as the various communities consulted have always claimed.

How big is Green Resources Mozambique's financial crisis? What is the company's strategy to resolve its financial situation without further harming local communities? And how will it be able to fulfill its obligations toward the affected communities with this financial situation? We wonder if there is an exit strategy in the event of bankruptcy, and we sense that in that case, everything would go to the banks...There is no strategy!

In all the meetings that took place in Norway and Sweden, it was clear that even though we do not agree on everything, there is room to discuss the conflicts between the company and affected communities, and that these conflicts exist. They are the result of poorly managed processes and selective application of the law, and they are worsening as the years go by. This is due to the lack of sensitivity regarding the conflicts; arrogance in dealing with them; flagrant power imbalances between investors and local communities in negotiation processes; and the greed to accumulate more and more land—competing with food production. This is all in a country which, despite affirming that agriculture is the basis of development, is increasingly promoting investments that require large tracts of land and drive more and more peasants off their lands.

The fight continues!

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(1) National Association of Professional Environmentalists – NAPE (FoE Uganda), A Study on Land Grabbing Cases in Uganda, 2012,

[https://reliefweb.int/sites/reliefweb.int/files/resources/Full\\_Report\\_3823.pdf](https://reliefweb.int/sites/reliefweb.int/files/resources/Full_Report_3823.pdf)

(2) Timberwatch Coalition, CDM Carbon Sink Tree Plantations. A case study in Tanzania, 2011,

<http://globaljusticeecology.org/files/CDM%20plantations%20report.pdf>

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(3) Justiça Ambiental, Livangingo and the National Peasants Union, “O Avanço das Plantações Florestais sobre os Territórios dos Camponeses no Corredor de Nacala: o caso da Green Resources Moçambique”, 2016,

[https://issuu.com/justicaambiental/docs/o\\_caso\\_da\\_green\\_resources\\_moc\\_ambi](https://issuu.com/justicaambiental/docs/o_caso_da_green_resources_moc_ambi)

(4) target="\_blank" rel="noopener noreferrer">

(5) Response available at: <http://www.greenresources.no/News/ID/60/Green-Resources-GR-Responds-to-Open-Letter-Calling-for-an-end-to-the-expansion-of-forest-plantation-activities>

(6) Lurio Green Resources SA. License Code: FSC- C110223. See:

<https://info.fsc.org/details.php?id=a0240000008hYgcAAE&type=certificate#result>