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### MISSION STATEMENT

The Africa Faith and Justice Network, inspired by the Gospel and informed by Catholic Social Teaching, educates and advocates for just relations with Africa.

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# Land Grabbing in Africa:

## *Herakles Farms' Failed Venture in Brewaniase, Ghana*

As part of our campaign to expose, oppose, stop and prevent the ongoing massive land grabbing in Africa, Africa Faith & Justice Network (AFJN) traveled to Ghana's Volta region to **learn more about a potential land grab deal by Herakles Farms (HF)**, a New York based agribusiness. HF has a history of corruption, bribery of government and local officials, intimidation of landowners, violence and legal action against local activists and community organizers who oppose its land grabbing efforts. Such was the case in Southwest Cameroon. Our contacts informed us that HF had acquired a large tract of land in the Volta Region of Ghana. Less than a year ago the property was sold to a British company, Volta Red. What we found out confirmed our hypothesis and more.

Land grabs large and small threaten Africa and must be stopped and reversed before it is too late. **This story from Brewaniase, a town in Ghana's Volta Region, is a warning to landowners in Africa and irresponsible African leaders who are carelessly mortgaging future generations' inheritance during this global rush for land in Africa.**

Our focus on Herakles Farm's land deals in Ghana and Cameroon are in the greater context of the global rush for African land. **Our objectives are to:**

- Promote responsible investment in Africa's agricultural economy
- Highlight US company's involvement in the land grab rush
- Educate the African and American public about land grabs
- Empower the stakeholders and prevent the proliferation of land grabbing
- Advocate for change of US policies which allow and/or support predatory land practices.

As part of this project we held, in collaboration with the Paramount Chief of Trubo Traditional Territory, Nana Tedibo Kowura Odamba II, the first ever community forum on the HF land grab in Brewaniase with a special focus on empowering local communities to be smart with their resources.

Before AFJN held this meeting most people were unaware of the global land grab phenomenon, but they were enlightened after we connected that with what had happened with the land in their community.



*The chiefs at the Brewaniase community meeting. All photos credits in this publication belong to AFJN unless otherwise noted.*

## What is a land grab?

The International Land Coalition members who gathered in Tirana, Albania from May 24-26 2011 defined land grab as the "acquisitions or concessions that are one or more of the following:

- (i)** In violation of human rights, particularly the equal rights of women;
- (ii)** not based on Free, Prior and Informed Consent of the affected land-users;
- (iii)** not based on a thorough assessment, or are in disregard of social, economic and environmental impacts, including the way they are gendered;
- (iv)** not based on transparent contracts that specify clear and binding commitments about activities, employment and benefits sharing, and;
- (v)** not based on effective democratic planning, independent oversight and meaningful participation."

Source: [http://www.landcoalition.org/sites/default/files/publication/1205/ILC%20GSR%20report\\_ENG.pdf](http://www.landcoalition.org/sites/default/files/publication/1205/ILC%20GSR%20report_ENG.pdf)



Paramount Chief of Trubo Traditional Territory, Nana Tedibo Kowura Odamba II

We conducted seven community awareness forums with the guidance and partnership of St. Therese's Catholic Parish in Nkwanta, as well as Nana Odamba (see Outreach charts, pg. 9). We specifically highlight the time and energy invested by Fr. Michael Odjangba, the parish priest.

On August 26, we held a briefing for the district's Chief Executive, Mr. Peter Kenyinso and his executive team. After we shared the basics of the issue, Mr. Kenyinso said it was very relevant to them. A Spanish agribusiness had approached him seeking land to grow cassava and his answer was: "We have no land to lease unless the agreement makes local landowners shareholders in the investment."

We accepted his invitation to speak to the district's leaders during their general assembly. The audience was a large group of elected and appointed government officials, representatives of the police and local chiefs. After our short introductory presentation Mr. Kenyinso followed up with a passionate speech in Twi (the local language) on the land issue.

The interest was enormous, and we took a couple questions and heard a few comments. The assembly agreed that the topic deserved more time than they could afford, given the day's full agenda. Some leaders invited us to talk to their constituencies, but our trip timeline couldn't be extended, so we ensured Nana Odamba and his team (they were instrumental in the struggles with HF in Brewaniase, and had heard AFJN's message several times) had the resources they needed to conduct the requested outreach meetings.

### How did Brewaniase get connected with Herakles Farms?

Mr. Nicholas Fato, a local experienced farmer, introduced HF to the Chief of Asukawkaw and Tamale traditional areas, Nana Dente Kofi Kuan. Mr. Fato expressed that his intent was to bring economic opportunity and jobs to his community. Nana Kuan initially



*There were occasional signs of the previous owner around the palm plantation.*

believed that his family had enough land to lease to HF, but it turned out that they asked their neighboring farmers to join in the venture to increase the size. The leasing process began without informing Nana Odamba, the Paramount Chief of the area; he found out after agreements had been made. Local land tenure law in this traditional area states that individual families own land, but because the chief is the moral custodian of the land he must be notified of any land sale and lease. The concerned landowners formed a Landowners Committee of 15 family heads (each represents many families) to conduct negotiations.

## The Lease Agreement

The family heads were invited to the Gateway Hotel in Nkwanta, in the district of Nkwanta South, where they were shown the lease agreement for the first time and were asked to sign it. After assurance of an upfront signing bonus of \$24,000 to be divided among landowners, they signed. **The lease agreement was for 50 years, renewable for 25 years. The yearly lease payment was \$5/ha (ha=hectare);** \$5 is said to be the legal minimum land lease in Ghana, but this has not been independently verified. In addition, like in all land grab deals, they were promised jobs for community members, scholarships for their children, a school library, computers, water wells and a clinic.



*A view down into the hills of the VR plantation*

Nana Odamba, as the moral custodian of the land, was asked to sign the lease as a witness. He first insisted that he wanted to read the lease before signing, but he was never given a copy. The landowners insisted that they had committed themselves and pressured him to sign it. His refusal was interpreted as an effort to take food out of people's mouths. He signed it. The committee was promised 15 copies of the lease (one for each family head) and HF gave them one copy.

**So, HF acquired a total of 3,750 ha (9,266 acres)** and hired Mr. Fato as one of the farm managers.

## Broken Promises

The business relationship went downhill. The community was bitter about HF's mismanagement. The salaries for workers and the annual payments were not made on time, and the promise to hire many family members of the landowners into permanent positions never came true.

People were equally unhappy with the promised social programs. Only five wells were dug, and two desktop computers. There was no scholarship program started or clinic built. In a petition to HF in 2010 landowners cited these grievances and threatened desperately to get the government involved. Several times landowners told us that HF documentation stated that any grievances had to be settled in-person, in Paris. However, AFJN has not yet seen the lease to verify this. Even if it was simply a threat, not fact, it worked for a long time.



*One of the boreholes (wells) dug by HF.*

As problems persisted, and with the help of a lawyer (a native of their community), the landowners care-

fully read the lease agreement and realized how unjust the lease was. Consequently, they filed a legal suit against HF on the grounds of lack of free, prior and informed consent (FPIC).

### What is palm oil?

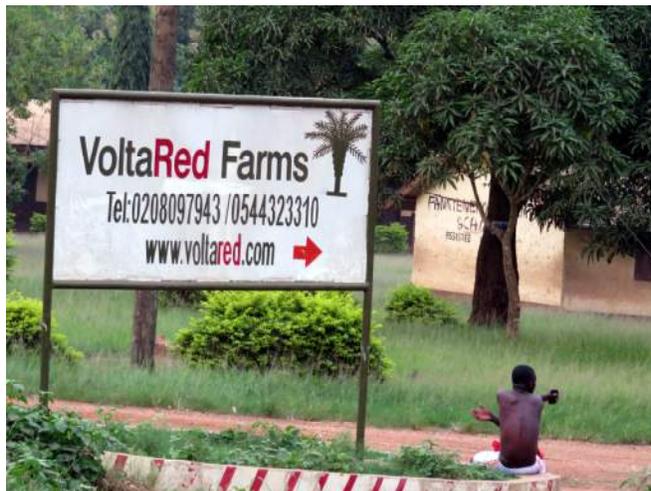
Palm oil is the oil derived from the fruit of the oil palm, a tree native to parts of Africa and Asia. A common ingredient in cooking and frying, palm oil is a highly saturated oil not unlike coconut oil. Palm oil and its derivatives are also commonly found in cosmetics, detergents and soaps, packaged foods, and increasingly, biofuel. The demand for palm oil has caused serious societal and environmental damage around the world; the Roundtable for Sustainable Palm Oil (RSPO) creates certification standards “to ensure that palm oil is produced sustainably, and ... to ensure the integrity of the trade in sustainable palm oil.” VR is on its way to meeting the rigorous standards for RSPO certification.



*From the VR mill: a seed bunch held by Bahati, processed palm oil in containers, seeds waiting to be processed, and the mill's sign.*

### Palm Oil and the Transition to Volta Red

Ever-present red oil in the fish stews we ate, palm oil is a staple food and product of the region. Even now, with so many farmers growing oil palm trees, the processing and transportation infrastructure are lacking and consequently Ghana is a net importer of palm oil. Since Ghana has great potential to become a palm oil exporter the government invited outside companies to develop the nation's palm industry. A small British company, Volta Red (VR), answered this call and entered the palm oil processing and production market. VR built and now operates a mill in Ahamansu, close to Brewaniase.



During AFJN's meeting at the mill on August 30 with the In-Country Director, Mr. Steve Hicks, he described how VR initially worked with HF to make short-term use of their land because very few outgrowers (smallholder farmers) were bringing fruit to the mill to be processed. When VR heard that HR had put the plantation on the market, they won the bid for a reasonable price. The payment to landowners would remain the same: \$5/ha/year under VR management. When we balked at that \$5 figure, Mr. Hicks pointed out that: a) Government assessors' evaluations and land regulations were followed in the deal and b) Many elderly landowners who do not have the capacity to fully utilize their land are happy to lease their land at the reported legal minimum.

At the transition point the majority of the land was in neglect because of mismanagement by HF, according to Mr. Fato, the local agricultural consultant who initially brought HF to the region. AFJN believes that, because of pressure placed on HF by local and international organizations (AFJN included) concerning their land grab in Cameroon, investors fled. Mr. Fato was hired by VR as a consultant/plantation manager.

Mr. Hicks was generous with his time, answered many questions, and gave us a tour of the mill facilities. We spoke about our concerns regarding human rights, foreign businesses, and the future of the land. He expressed concern that overzealous, anti-business activism could potentially stir up violence against VR employees, when he felt that VR had been as fair as possible. We made it clear that we hadn't encouraged anyone to reject or rebel against VR, and we sought to peacefully verify that VR wasn't engaging in the unjust practices HF had.

## Volta Red Begins

In 2014 VR made a lot of progress getting the palm plantation functional. Currently 2,050ha of the 3,750ha are planted with oil palm, not including their 12ha nursery where seedlings are cultivated and made available to local farmers (along with planting instruction) free of charge. Without claiming any farm management knowledge, during our visit the plantation seemed busy and productive with many local workers moving amid the fields with their high rubber boots and cutlasses.



*Melaura Homan-Smith holds the camera atop a fire tower on VR's plantation as AFJN interviews George Sarkin-Dankui (teacher and Representative in the District Assembly) about worker's rights.*

As we rode along in a truck through the plantation after our meeting on Aug 27, Mr. Freddy Lydford, a British farm manager for VR, informed us that VR employs 350 Ghanaians directly, not including farmers who use their mill or receive seedlings. The vast, green fields outside the windows reveal different size oil palm trees, so the wages vary with the production goals and difficulty of a given field, and start at 10 GHC (Ghana Cedi) per day (\$3.13). Granted, that isn't a thriving wage, but it exceeds both the national minimum wage (6 GHC) and that of HF (5.5 GHC). 80% of the field workers are women. Though exact numbers weren't available, there are people employed by VR who had originally leased their land to HF. VR also intends to improve the plantation's working conditions with a 150-bed worker accommodation with a clinic and two meals per day.



*Mr. Kofibi Johannes, Secretary of the Landowner's Committee, as AFJN interviewed him.*

## Resolving Issues

In the wake of HF's tenure there were many issues to settle. Primarily the lawsuit the community brought against HF. VR reached out to landowners and asked that the lawsuit against HF be withdrawn and that they resolve matters amicably out of court. VR offered to, among other things, refund the money spent battling HF in court. Since VR took over, the landowners (with the help of a trusted lawyer) began renegotiating parts of the lease and this process is expected to continue. The negotiators with VR seem to be happy with the response and attention given to their grievances. The outcome of these negotiations is expected to be added as an addendum to the original lease signed with HF,

according to Nana Odamba.

Mr. Kofibi Johannes, the Secretary of the Landowner's Committee, joined us in our meeting with Mr. Hicks and informed him that the landowners still have only one copy of the lease. Mr. Hicks took note and promised to give them the remaining 14 copies. Mr. Johannes told Mr. Hicks that AFJN's information and facilitation of the meeting had enlightened them and prepared them to sit at the negotiating table.

Overall, the people seem to be happy with VR's relationship with the landowners and the community in general. Less than a year after VR acquired the land it has caught up with all lease payments and salaries, which HF owed to landowners and workers.



*Oil palm seedlings which are made available to local farmers free of charge.*

## Environmental Protection Measures

Agribusiness expansion can bring environmental concerns about the use of fertilizers and pesticides to increase yield. VR told AFJN they have not been using any harsh chemicals, thus protecting local water sources.

## Social Programs and Volta Red

The scholarship project that VR has begun consists of sponsoring four girls each year to attend school in the capital, Accra, through high school and with assistance to find post-secondary education. VR would also likely offer their scholarship graduates jobs. In August we were told that VR had \$20,000 in the scholarship fund, and as of October their website says they have \$25,000, though this is simply a jumping-off figure. To avoid nepotism, the VR team assists in selecting the candidates instead of leaving the task to any community committee.



*AFJN conducts an FPIC outreach meeting in Kpassa in Nanumba South District*

On the way back to Brewaniase we stopped by the local school's library where a young woman, hired by VR, showed us the two-room space. HF had previously donated two desktop computers to the library, we saw one and were told that the second no longer functions. A stack of books, less than two-dozen, represented the beginning of VR's contribution to the library's materials.

## Thoughts on the Girls Scholarship Program and Advice to the Community

While the Brewaniase community certainly hasn't rejected the scholarship program (they did request 6 girls per year instead of 4, but the program may expand as VR's business grows) we know that educating women locally, instead of sending them away, is essential to community development. The Brewaniase community should take the initiative to present a plan to provide a basic education for as many children as possible. It isn't VR's job to educate local children: but perhaps a plan fully created and partially funded by locals (and assisted by VR's Foundation) could further local sustainable development by increasing education.

## Development and Business

AFJN is not against business or economic development in Africa, and in our community meetings we were

## The Principles Behind Free Prior and Informed Consent

The underlying principles of free, prior and informed consent can be summarized as follows:

(i) information about and consultation on any proposed initiative and its likely impacts; (ii) meaningful participation of indigenous peoples; and, (iii) representative institutions. (*UN Department of Economic and Social Affairs Division for Social Policy and Development Secretariat of the Permanent Forum on Indigenous Issues*)

Although Ghana supports the United Nations Declaration on the Rights of Indigenous Peoples (UNDRIP), we are not aware of any law it passed to implement this important principle.

very clear: “It’s your land, if you want to lease it, go ahead. But, be sure you 1) clearly understand the terms of the contract and 2) are getting what you want in exchange for 2-3 generations without your land.” We are not interested in causing problems between local and foreign entities, nor are we dissuading Ghanaians from undergoing business ventures with global and/or foreign companies.

## Outcome and Follow-Up

The communities’ response to our message can be summarized thusly: we have been enlightened, we want to learn more, and how can we stay in touch? Consequently, before we left, we cosponsored 5 community awareness forums under the leadership of Nana Odamba. He and his team are perfect messengers; they speak out of personal experience dealing with HF. Preventative action through education is essential, and one of the best tools to empower local communities to resist land grabs. There cannot be a true responsible investment in Africa’s land if landowners are not involved in the process and if the benefits are not fairly shared. Nana Odamba is working on a reach out taskforce of four people to go to different communities to speak.

In Pampawie the community informed our partners that HF had approached them for a land lease deal, but it did not work out. The Pampawie community had been waiting to hear about the outcome of the Brewaniase deal. Hearing the story affirmed their decision not to lease their land to HF.

In Tutukpene, the forum took place at a funeral. (Funerals in Ghana are community affairs, people from near and far attend, and it goes beyond simply the death of a community member. For this reason, it was an ideal and appropriate setting to inform the gathered chiefs, elders, men, and women about land grabs). As in previous meetings, the people overwhelmingly welcomed our information and wanted to know more about AFJN.

**Please see charts on pg. 9 for details on AFJN’s outreach efforts.**

## AFJN’s Key Recommendations for Brewaniase Community:

Considering:

- The lease is for 50 years and renewable for 25 years.
- Some landowners have already died and more will die before the lease term expires.
- Committee members must represent the interest of landowners and have also the right to seek employment with the company that leased the land of those they represent .
- There have been reports of worker rights abuses when HF owned the property.
- Better working conditions for plantation workers are needed.
- Our opinion is that it is best to educate children locally for the sustainability of the community,

### Communities will learn:

- About Brewaniase’s experience dealing with HF.
- The potential dangers of leasing their lands.
- About the importance of free, prior and informed consent before signing any land lease.
- The economic opportunities for their communities if they find a responsible land investor.



*Fr. Michael Odjangba, the parish priest of Nkwanta, who greatly helped AFJN set-up meetings.*

contrary to the current scholarship program which takes them away from the community.

- VR is raising funds to finance its social projects in Ghana.

## We Propose:

1. That a **yearly or bi-yearly meeting of all landowners be held** to discuss the status of the land lease and social programs associated with it.
2. All minutes of landowners committee be well recorded and filed.
3. **That women, children, and others previously excluded** take part in these meetings as passive participants to listen and learn. Then anyone is prepared to take action if the original lease-signer dies before the lease expires.
4. The **adoption of a comprehensive policy on conflicts of interest** which should include, but is not limited to, the fact that the committee members representing landowners' interests are free to accept employment with the company that leased the land, but such a decision should constitute an immediate resignation from one's position on the landowners committee.
5. We encourage the community to seek information about purchasing VR shares in order to benefit from any potential dividends.
6. That the **community propose its own locally-based education program to be supported by VR**, and all community parents whose children benefit from the scholarship must contribute to the education fund unless they are extremely poor. This partnership will increase the sustainability of local education and maintain a balance between dependency and empowerment.
7. **That the community create a human rights subcommittee** within the landowners committee to serve as a platform for worker grievances concerning abuse. This subcommittee will report to the full committee and the general assembly of landowners on the state of worker rights on the plantation.

## Conclusion:

AFJN went to the Volta Region to investigate Herakles Farms' (HF) land grab, in the wake of HF's awful behavior in Cameroon. A land grab did take place, given the lack of FPIC, but was not successful because HF sold the land far before the duration of the lease ended. Sometimes companies will purchase land for investment, never intending to develop the land, and attempt to sell the land for profit; we do not believe this was HF's plan.

We were happy to work with an engaged community, and give them further tools to empower them in their continued relationship with the new company, Volta Red. **Our impression is that Brewaniase could be the ultimate story of a community which escaped the damage of a land grab, and that VR could serve as an example of successful partnership in land investment.**

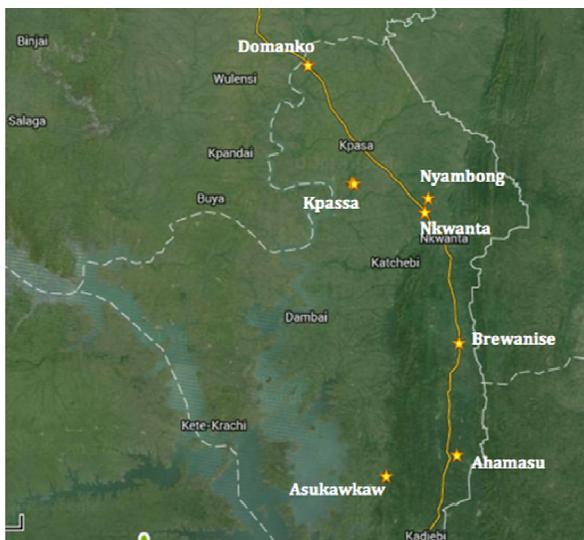
## TABLES AND MAPS:

### AFJN Outreach Meetings:

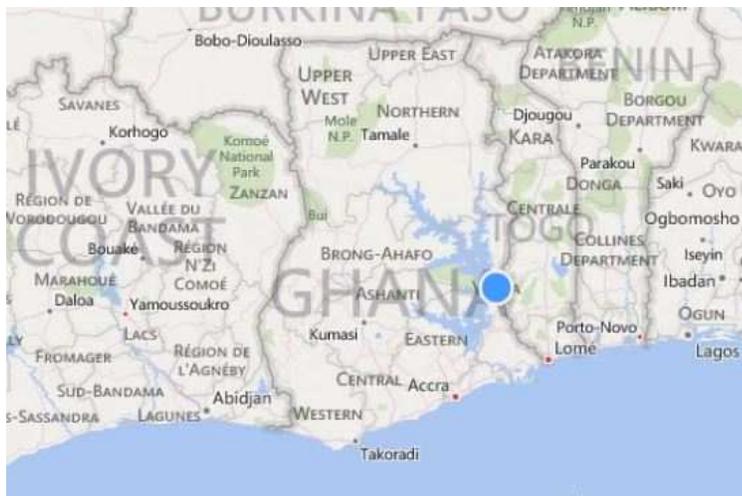
Date, 2014	Community
08/25	Brewaniase
08/27	1) Asukawkaw 2) Presentation at the Nkwanta South District General Assembly
08/28	Damanko  Kpassa
08/31	Nyambong

### AFJN-sponsored Outreach Meetings:

Dates, 2014	Community	Status
September 07	Pampawie	Successful
September 27	Tutukpene	Successful
November	Dambai (40th anniversary of the college of education)	TBA
November 3-9 (Community Festival)	Brewaniase (follow-up meeting)	TBA
November (date to be set)	Dormabin	TBA



*Villages where AFJN personally did outreach*



*Location of the Volta Region*

This project was funded by the Missionary Oblates of Mary Immaculate through their Oblate Sharing Fund and the Adorers of the Blood of Christ. We thank them for their support of AFJN's land grab research and advocacy efforts.

*Report by Jacques Bahati and Melaura Homan-Smith*

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Thank you to those who assisted AFJN in the Volta Region.  
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