

Home Newsletter

# Newsletter 187 (EN). PROTESTS AND DISCONTENT OF COMMUNITIES AFFECTED BY THE JTF - TOZZI GREEN PROJECT IN THE IHOROMBE REGION OF MADAGASCAR

Translations of this article: français / Malagasy

As leaders constantly call for both national and foreign investors to come and invest in agribusiness in Madagascar, the results and follow up of a research mission sent by the TANY Collective to the Ihorombe region in September 2022 must be shared. The Italian company Tozzi Green and then its Malagasy subsidiary called JTF signed two long-term (30 year) land leases with the State. The first, signed in 2012, covers 6,500 ha in two communes (1). The second, signed in 2018, covers more than 4,000 ha in the three communes of Satrokala, Andiolava and Ambatolahy.

Ten years after the signing of the first lease, we interviewed some 30 inhabitants about their experiences and opinions concerning the activities of JTF-Tozzi Green.

## SUMMARY OF INTERVIEWS WITH VARIOUS RESIDENTS OF THE THREE MUNICIPALITIES

The people complain that Tozzi Green did not hold an information and consultation session with the fokonolona (2) when it arrived nor before signing the second lease, and that their refusal to give up their land was not taken into account. The interviewees stated that small groups close to the mayors were consulted and gave their agreement, but many others wrote letters of protest. People expressing their opposition to JTF/Tozzi Green's activities wrote to local, regional and national authorities, but some of the responses did not meet their expectations. Also, the right to information and freedom of expression of those affected by the project was violated. For security reasons, and given the lack of response from national authorities, they stopped writing and speaking on television in Antananarivo, but their opposition and anger remain.

The main activity and source of income of the communities is zebu rearing. Farmers say that the main consequence they suffer is the significant restriction of grazing areas, leading to poor health of their zebus and a sometimes significant drop in the number of cattle per producer. The cropping area for subsistence farming by the local people has also greatly diminished and therefore their access to food has dropped as well. The use of motorized pumps by JTF/Tozzi Green for the cultivation of geraniums to be processed into essential oil led to a decrease in the water available downstream and in the surrounding area, causing the rice fields to dry up. The consequence of these realities is a worsening of food insecurity.

Some inhabitants who had agreed to give up their land in response to the promises of development made by the company upon its arrival said they deeply regretted having done so because the infrastructures, schools, and health centers promised at the level of the *fokontany* (3) exist only in the chief town of the commune to date. The local jobs that were promised by the hundreds are in reality daily jobs often of very short duration paid two months after the end of the work in some cases. And local youth, even with university degrees, are not hired as permanent employees. (In 2019, JTF employed 168 permanent staff, 141 men and 27 women (4))

Interviewees stated that a small number of residents benefit from the presence of JTF-Tozzi Green, but the majority of the population does not benefit from the its activities and have even become poorer.

#### MEETING WITH THE MANAGERS OF JTF TOZZI GREEN IN SATROKALA

During this visit, the Italian lawyer of the TANY Collective had requested an appointment with the field managers for the researcher. Once inside the manager's office in Satrokala, the manager refused to answer the researcher's questions and demanded that all questions be put in writing. During the brief exchanges, the manager stated that the company had held consultations with the population. The minutes of these consultation meetings were part of the questions and documents subsequently requested by the lawyer of the TANY Collective from the management of Tozzi Green Italy. A company attorney sent him some documents specifying that he was strictly forbidden to share them, as well as the answers to the questions, with any other people, including the TANY Collective.

It should be noted that in April 2022, the Belgian NGO Entraide et Fraternité also visited the communes where JTF Tozzi Green has its land leases. The team was received by the company's staff in Antananarivo and Satrokala. The documents they were promised during these meetings were never received, despite several reminders.(5)

## INTERVENTION OF BELGIAN AND FINNISH INSTITUTIONS

The case of JTF Tozzi Green is mobilising non-governmental organisations in Belgium because the development bank BIO, which is 100 % owned by the Belgian State, has given subsidies of about 60,000 euros to this company and granted it a loan of 7.5 million euros, co-financed with the Finnish development bank Finnfund.

The Belgian organisations which form the Coalition Against Hunger commissioned a study of BIO's investments in developing countries from four university lawyers. The study refers to the Tozzi Green case in these terms: "Public actors investing in large-scale agricultural production must be clear about the long-term implications that the project may have not only on the people directly involved, but also on the food system at large" (6) (For several years, the main crop on the land occupied by JTF Tozzi Green has been corn for animal feed (chickens).

Entraide et Fraternité, which has been working with partner organisations in Madagascar for over 25 years, has been particularly active in organising a conference entitled "No land grabbing with our money! The BIO/Tozzi Green case in Madagascar" and publishing two studies:

- in July 2022, Belgium, accomplice to land grabbing in Madagascar? le cas Tozzi Green (7)
- and in November 2022, *Madagascar: L'agribusiness vs peasant agriculture* (5), the third section of which talks about the mission to Madagascar and their meetings with various stakeholders in Ihorombe.

All of these actions led Belgium's Federal Parliament and Minister of Development Cooperation to take up the problem and organise:

- a hearing with the Director of BIO in July 2022,
- a meeting between BIO, the Directorate General for Development (DGD) and a representative of the Minister of Cooperation's office on the one hand, and the Entraide et Fraternité, BIMTT, CETRI and the TANY Collective on the other hand, in November 2022.

A federal deputy questioned the Minister of Development Cooperation in the House of Representatives on this subject.

In addition, the TANY Collectif sent an email with information on human rights violations suffered by the communities of Ihorombe to the person in charge of investment impacts at Finnfund. The latter replied that the institution was already aware of some of the problems raised and that improvements had been made, but that she would contact the company again to discuss them.

### **CONCLUSION**

The negative impacts of JTF Tozzi Green's agribusiness activities on the communities mentioned above are only some examples of data collected during the mission.

The repeated failures of the company to consult with the residents and the very exceptional lack of transparency with respect to the questions asked and the documents requested show a very questionable notion of corporate social responsibility, especially with respect to the principles that the company states in its Code of Ethics (4).

We urge political leaders and all Malagasy decision-makers, who are so interested in promoting agribusiness and seeking investors from all walks of life, to take note both through public policy and in the country's laws and legislation, they must prevent economic and financial dependence on investors deteriorating into this "new form of colonisation" in Madagascar, i.e. land grabs. The negative consequences for affected local communities can be countless and unexpected, and are unacceptable.

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- (2) Fokonolona refers to the traditional Malagasy community.
- (3) *Fokontany* means the smallest administrative unit (e.g. a group of hamlets).
- (4) Sustainability Report 2019 <a href="https://ungc-production.s3.us-west-2.amazonaws.com/attachments/cop\_2020/487374/original/UK\_Tozzi-Green\_BS2019\_20200630.pdf?">https://ungc-production.s3.us-west-2.amazonaws.com/attachments/cop\_2020/487374/original/UK\_Tozzi-Green\_BS2019\_20200630.pdf?</a>
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- (5) L'agrobusiness contre l'agriculture paysanne https://entraide.be/etude2022 madagascar
- (6) The Belgian Investment Company for Developing Countries (BIO) as a Sustainable Development Actor <a href="https://www.cncd.be/IMG/pdf/cae7e1cb-d7c8c95.pdf">https://www.cncd.be/IMG/pdf/cae7e1cb-d7c8c95.pdf</a>
- (7) La Belgique, complice d'accaparement de terres à Madagascar ? le cas Tozzi Green https://entraide.be/publication/etude2022 tozzi-green/