

The Green Belt Initiative and Land Grabs in Malawi

There is often a mismatch between the apparent benevolent intents and the practical manifestations of the large scale land deals. The empirical realities of the large-scale land deals call for critical scrutiny and interrogation of the underlying interests of the stakeholders involved to assess the extent to which they genuinely prioritize win-win scenarios. As the experiences of the Green Belt Initiative (GBI) in Malawi demonstrated, the smallholder farmer is almost always the loser. This raises doubt as to whether the international initiatives such as the Food and Agriculture Organization's (FAO) voluntary guidelines on responsible governance of tenure of land and other natural resources; the World Bank's principles for responsible agricultural investment; and the Africa Union's (AU) framework and guidelines on land policy shall make any significant difference on the actual outcomes of the large-scale land deals across the continent.

Since the introduction of the Farm Input Subsidy Programme (FISP) during the 2005/06 growing season, Malawi has featured prominently in the policy debates about food security and revival of the fledging agricultural sector across the continent. The main attraction of the FISP is that it has enabled Malawi to produce decent maize surpluses over and above its annual food requirements now estimated at 2.8 million metric tonnes. Malawi has thus experienced a dramatic shift from being dependent on food aid as well as commercial food imports due to pervasive food insecurity and chronic food shortages to self sufficiency at household and national levels including becoming a donor to food deficit countries such as Lesotho and Swaziland (Chinsinga, 2007 and Dorward, et al., 2008). Other African countries are being called upon to emulate Malawi's agricultural model through which it has pioneered the implementation of smart

subsidies described as “mechanisms to provide subsidized goods and services designed both to promote market development and to enhance the welfare of the poor” (Minot and Benson, 2009: 4).

There is, however, contentious debate about the sustainability of the FISP in keeping Malawi both food secure and food self sufficient. This debate is mainly led by a group of donors who are skeptical about the efficiency and effectiveness of the FISP in the use of valuable resources let alone its affordability in the long term (Dorward and Chirwa, 2011). Questions have been raised about the capacity of the government to properly target beneficiaries to limit the potential distortionary effects of subsidies, the impact of consecutive years of favourable climatic patterns on the success of the FISP and the opportunity cost of resources invested in the programme (Holden and Tostensen, 2011). As a response to some of these questions, the government in 2009 introduced the Green Belt Initiative (GBI). Its stated objective is to use the available water resources to increase agricultural production, productivity, incomes and food security at both household and national levels, and to spur economic growth and development through the development of small and large scale irrigation and maximization of rain-fed agriculture practices (Chingaipe, et al., 2011). Through the GBI, the government has committed itself to offer local and international investors land lying within 20km of the country’s three lakes and 13 perennial rivers, an area amounting to about 1 million hectares, for irrigated agriculture.

The Green Belt Initiative

This programme aims at achieving and sustaining an agricultural revolution in order to provide a sound footing for sustained economic growth and development. The rationale of the

GBI is to ensure that the commercial farmers have access to large tracts of land for agriculture at the highest possible economies of scales. The ultimate desire as expressed in the GBI concept paper is to make large tracts of land available to large scale investors:

The large growers need vast acres of land for large scale production. Land has to be identified for them along the GBI and these have to be linked to banking institutions for inputs such as machinery, fertilizers, seeds, pesticides, labour, and cash. Large growers will have to engage in discussions with local assemblies to relocate villages for intensified farming by using heavy machinery. Irrigation schemes [will] be owned by large-scale commercial farmers and corporate companies [who]...will be responsible for developing and operating them. These will lease the land for a specified period of time as per the current land policy and thereafter determine their priority crops to produce and production strategies (GoM, 2009: iii-iv).

The additional objectives of the GBI include:

- increase production and productivity for crops, livestock and fisheries;
- increase agricultural exports;
- increase diversification and large-scale farmers;
- improve value chain linkages and operations;
- increase private sector participation in agricultural production;
- add value through processing of raw materials; and
- create rural growth centres along the green belt corridors.

The GBI has six components:

- irrigation development and rehabilitation;
- improving access to credit;
- natural resources management;
- research based technology development;
- capacity building, infrastructure and market development; and
- dissemination and utilization of new technologies.

These programme components are aligned to the Agriculture Sector Wide Approach (ASWAp) which is regarded as the main institutional framework for implementing the GBI. The ASWAp involves a wide range of line ministries such as Agriculture, Irrigation and Water Development, Finance and Development Planning, Local Government and Rural Development, Natural Resources, Energy and Environment, Transport and Public Works and Trade and Industry.

The ASWAp has three focal areas, namely food security and risk management; agri-business and market development; and sustainable land and water management. The key support services include technology generation and dissemination and institutional strengthening and capacity building, and crosscutting issues of HIV and AIDS and gender disparities.

Land Grabs and Legislative Impasse

The main concern is that the GBI is widely seen as facilitating both local and foreign land grabs of smallholder farmers who own land designated for the GBI. As further demonstrated below, this has serious implications about the rights of the dispossessed farmers in the course of GBI implementation especially following the impasse in land reforms for almost over 10 years now. It is, for instance, understood that the Malawi government has signed off 55,000

hectares of irrigable farm land to the government of Djibouti in 2009 in exchange for unspecified support for the construction of Malawi's inland port to reduce the costs of transporting goods in and out of Malawi. Similarly, the UK Farmland Investment Fund acquired 2,000 hectares of land for the production of paprika for export to European markets. Huge tracts of land have further been given up to Paladin Africa which is involved in the mining of uranium in the northern district of Karonga (Chingaipe, et al., 2011). Contracting-out has become another popular way of grabbing land. In this regard, *Jathropa* is being grown by smallholder farmers mainly in the central and northern regions of Malawi. Out-growers schemes are common in the sugar industry whereby smallholder farmers are engaged in the growing of sugar canes.

The implementation of the GBI raises several concerns. Malawi is a nation of farmers in which land ownership and distribution is highly unequal. It is, for instance, estimated that one in every three smallholder farmers cultivate between 0.5 and 1 ha of land, 55 percent of smallholder farmers have less than 1 ha of land and 70 percent cultivate less than a hectare and devote 70 percent of the land to maize, the main staple (Chirwa, 2004 and Chinsinga, 2008). While about 2 million smallholder farmers cultivate on average less than 1 ha, 30,000 estates cultivate 100-500 hectares.

The GBI is being implemented against the backdrop of stalled land reforms which kicked off with a Presidential Commission on Land Reform in 1996. A land policy was developed and endorsed in July 2002 but legislation needed to implement it does not yet exist (Peters and Kambewa, 2007). A Special Law Commission to facilitate the enactment of the enabling legislative framework for land matters wound up its work more than seven years ago (Chinsinga,

2011). Most scholars and civil society activists attribute the impasse in the implementation of these land reforms mainly to the desire of the political and bureaucratic elite to protect and defend their own interests. The majority of them acquired massive tracts of land under the auspices of the earlier land reforms that were implemented after independence from Britain in the late 1960s which they are not prepared to give up even though much of it lies idle (Peters and Kambewa, 2007).

The paradox is that the GBI does not target the idle land owned by political and bureaucratic elite but that held by smallholder farmers, which in the absence of a definitive legislative framework, is defined as state land. This is the case because the draft land policy designates a new category of land-private customary land- which cannot be achieved in the absence of enabling legislative framework. Thus until a new legislative framework is enacted, customary land will be treated as state owned as stipulated in the 1967 Land Act.

Scope of the Research

Research was carried out to assess the political economy of land alienation under the GBI. The research examined the structural and institutional arrangement of the GBI, the processes for effecting changes in the use and ownership of land and the economic, social and political implications of the land transactions.

Unlike other forms of land grabs which are initiated by foreign companies and governments, the GBI is the brain child of the Malawi government. In other words, the GBI is a supply driven form of land grabs (Chingaipe, et al., 2011). For this reason, the World Bank (2010) principles for responsible agro-investment were used as an analytical framework. This framework has been criticized because it sanctions

land grabs by portraying the practice as an investment to be taken advantage of rather than as a challenge to be stopped in its tracks (Oya, 2009 and Veltmeyer, 2009). The supply driven nature of the GBI suggests that the government has a regulatory framework and the capacity to administer the programme in a manner consistent with the principles of the framework which include the following key elements:

- Land transfers recognize and respect existing rights to land and natural resources.
- Land transfers need to be voluntary and welfare enhancing for communities that give up their land rights to a corporate investor.
- The policy processes and transactions are transparent, impartial, cost effective and ensure good governance.
- Investment in the land strengthens or ensures rather than threaten food security for the host country (World Bank, 2010).

Findings

The GBI is not unanimously acceptable in Malawi. Unlike the political and economic elite, community members are ambivalent about the benefits of the GBI. The lack of clarity of rules, procedures and processes for land transfers are constraints for potential transparent and accountable private sector rush for land under the GBI. This is aggravated by the fact that Malawi is using a National Land Policy of 2002 that reflects democratic and liberal principles whilst the legal backing is provided by a Land Act of 1967 that is long overdue for amendment to incorporate the reality on the ground (Chinsinga, 2011).

Country wide, the process of identifying parcels of land for the GBI has essentially been top down with the political and economic elite playing a dominant role. The parcels of land to be offered to investors have been identified

unilaterally by the government and communities will be resettled once investors have bought the land or leased it. Although the question of resettlement of affected communities is highlighted in the GBI's concept paper and official verbal testimonies, the administrative practicalities have not been thought out and their discussion is avoided for political reasons (Chingaïpe et al. 2011).

Grassroots resistance has emerged in response to compulsory land acquisition and, to counteract it, the government is working with traditional leaders who are obliged to support the government's development agenda. Any opposition to land transfers under GBI is construed as working against the government's development agenda (Chinsinga, 2010 and Chingaïpe, 2010). There are no institutional arrangements to enable a consultative and participatory process in which affected communities have genuine policy space and voice. Communities and civil society activists condemn the GBI as a centrally directed initiative whose implementation is done at the local level by technocrats who have not participated in the design of the programme. The process of acquiring land does not reflect elements of good governance, particularly participation, accountability, and transparency.

There is potential that the GBI might undermine instead of enhancing food security. This is the case because commercial farmers will have to develop land and grow crops of commercial interest to them. Even if foreign investors decide to grow food crops, there are no mechanisms to restrict exports in the event of a food crisis in the country (Chingaïpe et al., 2011). Moreover, seasonal land collectivization under GBI among smallholder farmers is forcing farmers to shift from inter-cropping to mono cropping. Farmers are thus required to follow a uniform farming calendar and plant the

prescribed crop in the scheme. This practice threatens diversification of local livelihoods and destroys one of the viable safety nets for poor farmers.

There are concerns about the long-term sustainability of the GBI. These concerns are expressed as dilemmas. They include political, policy, technical, outcome and financial dilemmas, which threaten the sustainability of the GBI in the long-term. Each of these dilemmas have to be resolved in order to ensure the GBI's sustainability. For instance, one of the policy dilemmas relates to the concerns by different ministries about the implementation of the GBI in Lower Shire. While the Ministry of Agriculture, Irrigation and Water Development has endorsed the construction of canals for irrigation, the Ministry of Tourism is demanding another feasibility study focusing on the eco-system around Majete Game Reserve and the welfare of flora and fauna. The Ministry of Natural Resources, Energy and Environment is also demanding another feasibility study to look at the implications of constructing the canal on the generation of electric power at Kapichira falls. Lack of harmonisation of policies as illustrated by the policy contradictions contained in GBI is a concern because this does not reflect well on the part of government. The continued wrangles among government ministries reflect the top-down and unilateral approach taken to design GBI. These policy contradictions should have been resolved before selling out the idea of GBI to the public and investors. The conflict of interest among government ministries has greatly slowed down GBI's progress. It has turned into a battleground for the ministries to advance their own interests as a strategy to capture the perceived increase in the flow of resources associated with the GBI.

Policy Considerations

The findings of the study raise several policy considerations for the GBI:

- Processes of designing and implementing the GBI have to be transparent and accountable. So far there has not been genuine consultation with local communities. The good governance requirement of participation of communities whose land is targeted for appropriation is virtually non-existent.
- The GBI views customary land as an unlimited reservoir that can be targeted for conversion for privatization as a strategy for increasing land utilization efficiency. This could backfire in the context of the absence of a definitive legislative framework for land. The finalization of the legislative framework for land matters should be treated as a matter of urgency.
- The GBI lacks operational guidelines. There is an urgent need to develop guidelines for community decision making processes in giving up land to investors; rights and obligations of investors, government and communities in land transactions; and land use for investors in order to balance between food and non-food crops and food exports especially in times of scarcity in the country.
- The relationship between the GBI and food security and vulnerability needs more analytical attention. In the absence of a clear set of operational guidelines on investment, land use, access to markets and credit, land transfers under the GBI could have tremendous implications for livelihoods, food security and social justice.
- Existing evidence suggests that the Agricultural Sector Wide Approach (ASWAp) is working reasonably well as a mechanism of sharing information among bureaucratic stakeholders. However, it does not resolve bureaucratic politics which are reflected in policy conflicts among ministries. The ASWAp

must be reinvented to become an arrangement for collaboration not just for sharing information but for dealing with bureaucratic politics and challenges in the broader scheme of the GBI which is one of the key policies in the agricultural sector.

- There is need for a costed implementation plan of the GBI and dissemination of the same in order to minimize information asymmetry which may result in only a few people, especially those connected to state elites, dubiously acquiring land for personal goals at the expense of the greater common good as justified in the GBI's concept paper.

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