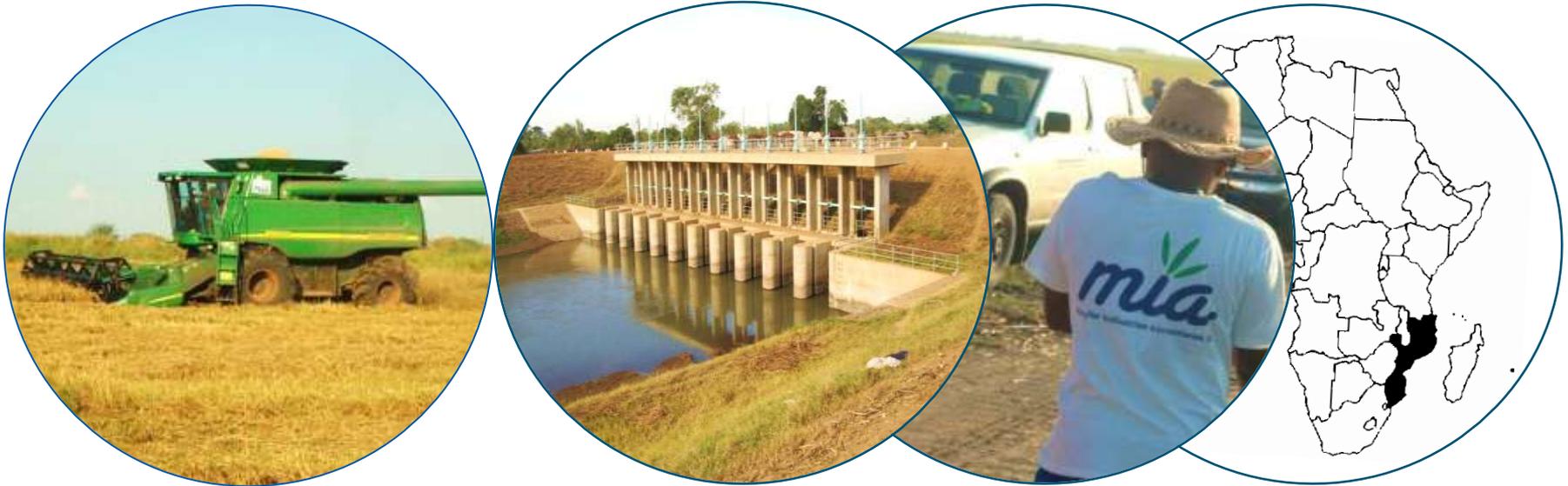


Water grabbing dynamics in Chókwè Irrigation System, Mozambique

Political Economy of Agricultural Policy in Africa Conference

18 March 2013, Gert Jan Veldwisch



Land Grabbing, Water Grabbing

Multiple crises: food, fuel, finance

Global and quick process, large areas and capital

Land enclosures as visible tip of the iceberg

Global capitalist food chains extending into the organisation of production at field level – includes land and water

Link to debate about industrial agriculture versus smallholder agriculture



“The many faces of the investor rush”

5 + 1 business models:

1. Extraction model
2. Enclave model
3. Colonist model
4. Outgrower model
5. Commercialisation *in situ*



+ 1 = Speculation

Source: based on Hall (2011)

Chókwè Irrigation System (CIS)



Mozambique in Africa

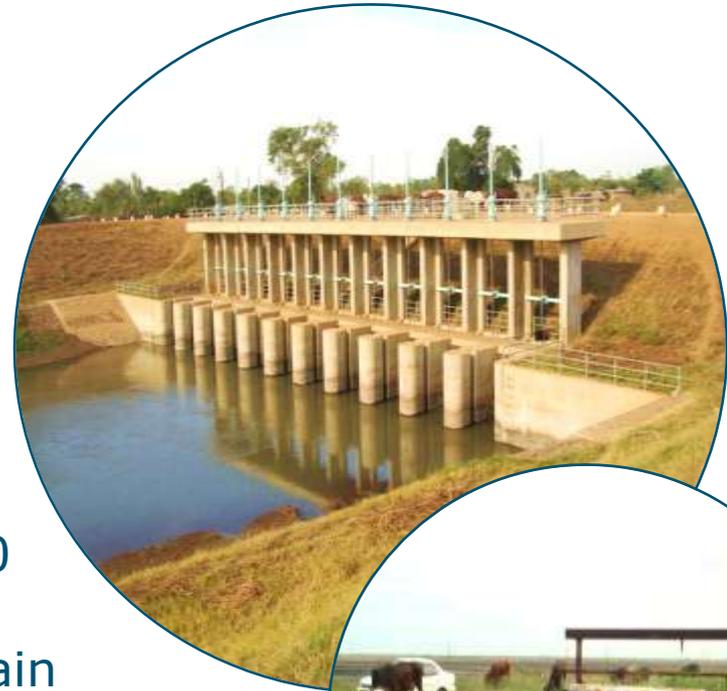


CIS in Mozambique



Chokwè Irrigation System

- 30,000 ha rice irrigation system
- Originally a colonial project
- Then a socialist scheme
- Privatised in the early 1990s
- Washed away during floods in 2000
- Since then: rehabilitation of the main canal and some secondary canals



Chokwè Irrigation System

- Officially thousands of smallholders with each about 1-4 ha of rice
- In reality only 2-3,000 ha under production
- Some reasons:
 - Poor infrastructure
 - Poor people, little to invest, little margin to take risk
 - Poor seeds, poor/no access to fertilizers
 - Unreliable market
 - Salinisation of considerable areas



MIA



- Processing facility + marketing
- British money, actively facilitated by the Government of Mozambique
- Impact investment/No quick profit
- Import substitution
- Development by improving market access



MIA's sourcing challenge

Need for at least 10,000 ton/year to break-even

1. Attempts to acquire land within CIS
2. Deals with FOs/WUAs
3. Individual contract farming



Contract Farming

MIA provides services on credit:

- Land preparation (ploughing and seeding)
- Agricultural inputs (seed, fertilizer, pesticides)
- Agr. Extension
- Harvesting by combine
- Additional credit for hiring labour

Farmers have to sell produce to MIA at a pre-determined price



Selection of Associated Producers

320 interviews to select 229 producers, of which “about 50” are women

MIA does not want to work with small producers, and not even wants to buy from them

The Head Agronomist of MIA:

“The minimum area that farmers need to have is 8 ha. We have done this as we have found out that working with small producers gives the problem that they produce small quantities of which they want to keep half the amount for home consumption and thus hardly sell to us”



Concentration of land and water

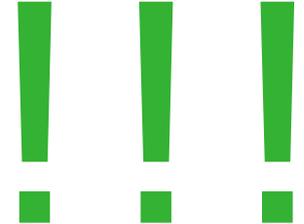
- The “associated producers” may go to HICEP to receive the areas of land in which MIA wants to work with them
- 229 “associated producers” on 3.400 hectares (on average almost 15 hectares/producer)
- Example from secondary canal D11:
 - 500 ha for 30 APs (=17 ha each)
 - 130 ha for 190 smallholders (=0,7 ha each)



Exclusion and accumulation of control

Smallholders are excluded from:

- Land and water (they are evacuated)
- Access to inputs and markets
- Working on AP fields (mechanised production)



Big producers gain control over large areas of land and water

MIA gains control over the way in which production is organised and over the profitability of production

Active role of government in stimulating and facilitating this process

But at the same time...

Increase in yield (from 2-3 t/ha to about 4 t/ha)

Increase in actually used area towards 7,000 ha!

MIA puts pressure on HICEP to improve its services to farmers

AP programme abandoned in 2012 and replaced by a much more open policy towards smallholders – mainly due to loan recovery problems



Conclusion

FDI (a.o. contract farming) promoted by GoM as model for rural development

Highly transformative process, even when 'impact investment' and import substitution

Intended and unintended effects

Very little resistance or protest, nor by farmers nor by civil society

Urgent equity and justice questions regarding rural development based on FDI



Water Equity Network

- A network of critical researchers, activists and practitioners in Southern and Eastern Africa
- Collaborative action research on Water Equity issues
- Exchange and annual meetings since 2010
- Linked to a global comparative action-research programme; the global Water Justice Alliance, see <http://justiciahidrica.org>

