

The Impacts of Land Grabbing
on the
Environment and Communities
in
Pakistan

Presentation to:

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By:

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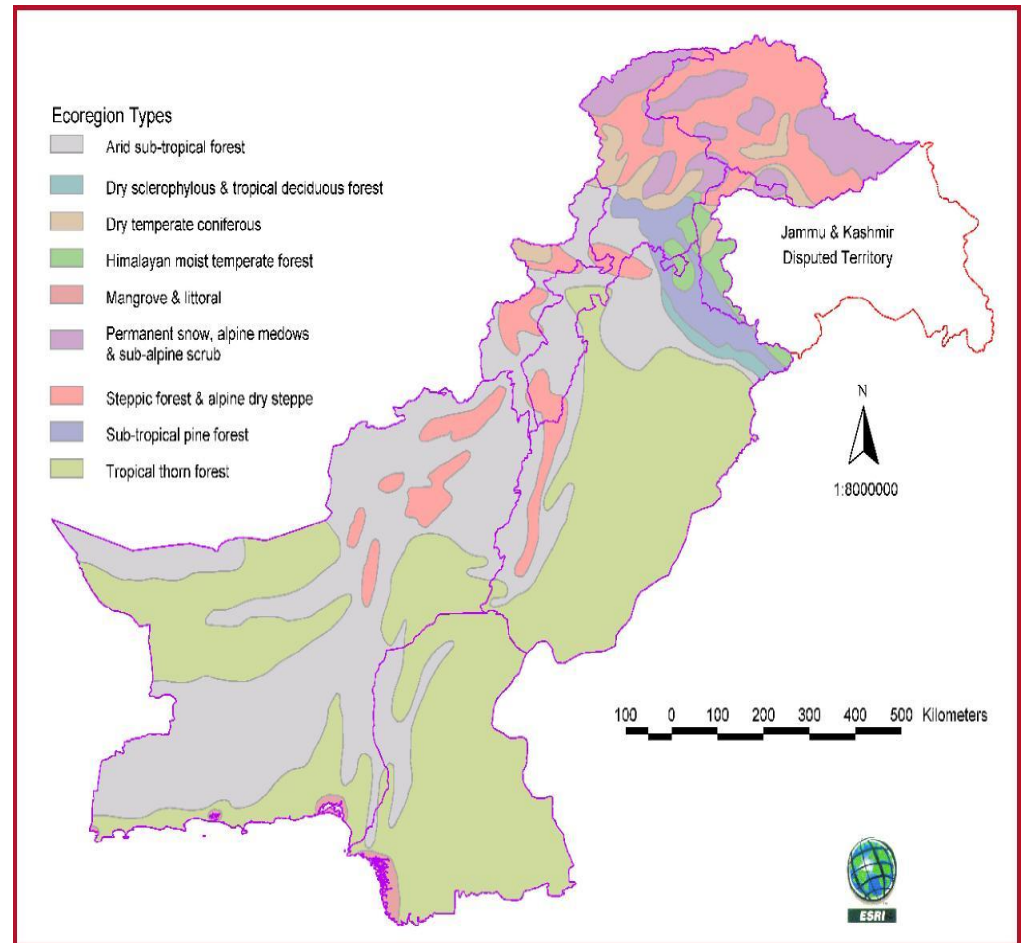


Presentation Outline

- **Some facts about Pakistan**
- **Importance of Agriculture for Pakistan**
- **Land Reforms**
- **Government Actions**
- **Cases of Land Grabbing**
- **Impact on Environment, Food Security and Communities**
- **Concluding Remarks**

Some Facts about Pakistan

- **Physiography**
7th largest Country in Asia, Area of 803,940 km²,
1,050 km long Coastline
- **Population:** about 180 million,
- **Urbanization rate** 4.5% per annum.
- **GDP Per Capita:** US\$ 600
- **Climate:** Generally arid subtropical, 250mm of annual rainfall.
- **Temperatures:**
Central Plains - 35-40 C.
Desert - 45 C.



Agriculture

Pakistan's economy is largely Agri-based:

- Pakistan Ranks 20th in farm output
- Contributing 20% of GDP,
- Employing 44% of labor force,
- Contributing 49% to industrial production,
- Accounting for 62.7% of export earning.

Land Reforms

First land reform in 1959 by Ayoub Khan

- Fixed ceiling of 202 hectares (500 acres) of irrigated; 404 hectares (1,000 acres) of non irrigated land;
- 0.7 million hectares of land was resumed.

Second land reform 1972 by Z.A. Bhutto

Ceiling 60 hectares (150 acres) irrigated and 120 hectares (300 acres) of non irrigated;
0.5 million hectares of land was resumed.

Failure of Land Reforms

- The ceiling was fixed on individuals rather than a family;
- Additional provisions:
 - 36,000 Produce Index Unit (PIU). This was based on pre-partition revenue settlement;
 - Additional area was allowed for orchards;
- Many of the land owners were able to circumvent the limits; only those who were super large landlords gave up land.
- 57% of the land recovered was uncultivated;
- Government paid PKR 39.2 million in compensation.

Government's Initiative

- The Corporate Farming Ordinance (CFO), under the military regime of General Musharaf was passed in 2001.
- Under the Ordinance, listed corporations can lease land in Pakistan for a period of 99 years, broken into two periods of 50 and 49 years.

Corporate Agriculture Farming (CAF)

- ▶ TNCs can take lease of unlimited land with a minimum ceiling of 1500 acres.
- ▶ In addition, the TNCs have been promised 100% equity, numerous tax incentives as well as full repatriation of profits.

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Government believes:

- It has potential to inject much-needed investment into agriculture and rural areas to alleviate rural poverty;
- The Corporate Agriculture Farming will enhance efficiency in production.

Cases of Land Grabbing

- Some **UAE firms** have acquired about 16,000 hectares of land in Baluchistan province for an estimated \$40 million to produce food for their own population;
- Some company has purchased about 12,000 hectares in upper districts (Shikarpur, Larkana and Sukkur), and lower districts (Thatta & Badin) in Sindh.

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- A Qatar based firm is planning to develop farms in Kalakahar area of Punjab, according to Pakistan Farmers Forum (PFF) this deal will likely dislocate 25,000 villages.
- The Saudi Fund for Development is creating a \$566m special investment for buying land abroad for producing rice and wheat for the country. Some of the investment will likely be made in Pakistan as well.
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- The **Al Rabie Group** is interested in buying land in Pakistan to develop dairy industry and also to develop exports of tomato paste, citrus pulp and packed beans for the Saudi market.
- In June last year, the **UAE government** held talks with Govt. of Pakistan for purchase of \$400-500m worth of farmland in Punjab and Sindh provinces.
- **Abraaj Capital** acquired some 800,000 acres of “barren” farmland last year to produce rice and wheat for export to UAE.

As a matter of fact:

- Oil rich states have run out of their own water resources, and are now eyeing land of developing countries to feed their population;
- In order to seek food sufficiency for their population, the oil rich countries will export food insecurity to developing countries, where land is easily available for purchase.

Land for Fuel Crops

The oil-bearing shrub, jatropha, is promoted as an alternative and "green" source of biofuel.

A new report by non-governmental organizations says that planting **Jatropha emits more greenhouse gases than fossil fuels**, due to the clearing of forests to make room for the crop.

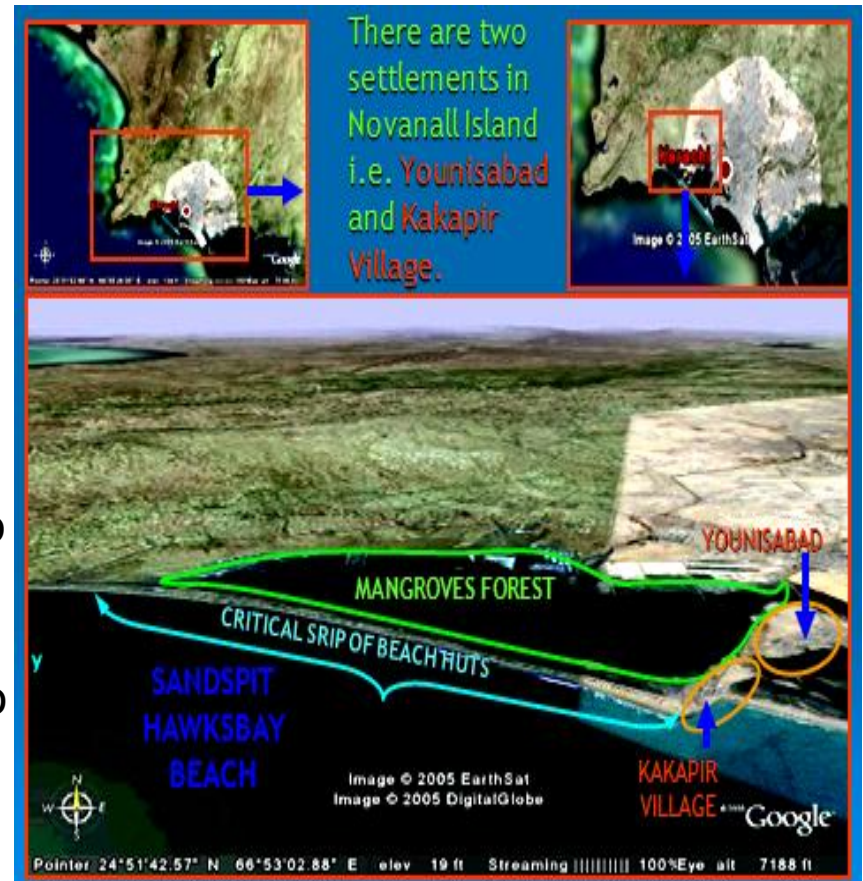
- **AES (Ltd), Lal Pir – Nishat Group of Companies – operating thermal power station.** Has set up an experimental Plot of 50 hectares.
- **Lucky Textile Inc (Ltd) – super highway, Karachi --** 500 hectares



Land for Private Housing Societies

Karachi Port Trust Housing Scheme

- The Indus Delta extends to an area of approximately 600,000 hectares of which 160,000 consists of mangrove forests.
- Degradation of mangroves at the rate of 6 percent per annum.
- The Karachi Port Trust (KPT) has filled a large section, off the MaiKolachi Bypass, to develop a housing colony for KPT officers.
- President Musharraf had ordered a stop to this because of an outcry by those concerned about it's environmental impact, yet KPT is going ahead with the project to construct 500 housing units for at least 40,000 people.



Land Mafia

Land related conflict:

- on May 6, a police party entered into the Kakapir village at 2am and threw grenades on the PFF unit office. They later broke into the houses of Abdul Ghani and Haji Abu Bakar and took away both the victims with them.
- On the next day, the tortured bodies of Haji Abu Bakar and Abdul Ghani were found at Shamspir Island beach.
- UNDP-SGP has planned to establish a trust fund of Rs 1 million for the family of Shaheed Ghani of Fisherfolk Development Organisation Kaka Pir.



<http://www.thenews.com.pk/TodaysPrintDetail.aspx?ID=49259&Cat=4&dt=5/27/2011>

Impact on Environment

Deforestation

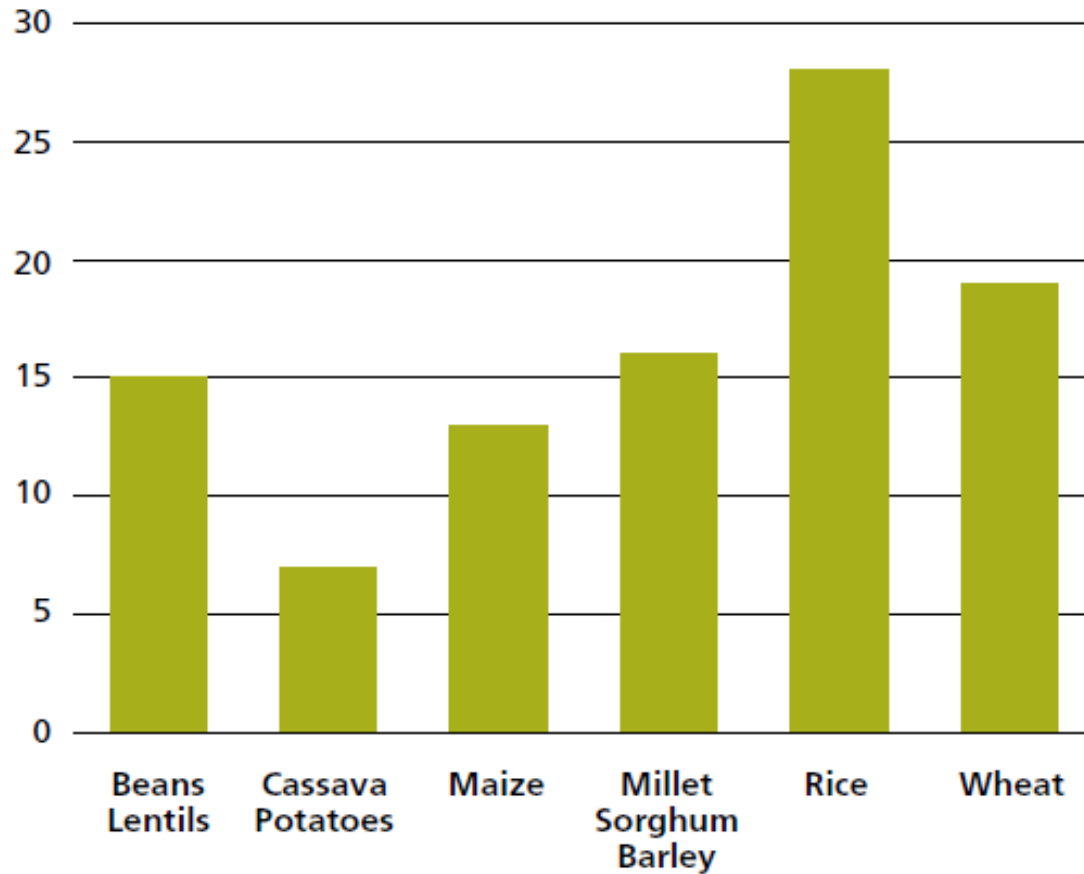
- The forest cover in Pakistan is 3.8%
- Deforestation rate is estimated to be 2.5% to 3.1 per year. Which is second highest in the world.
- Extensive Farming will bring deep tube-well technologies, pesticides and chemical fertilizers will further harm the environment.



Impact on Communities

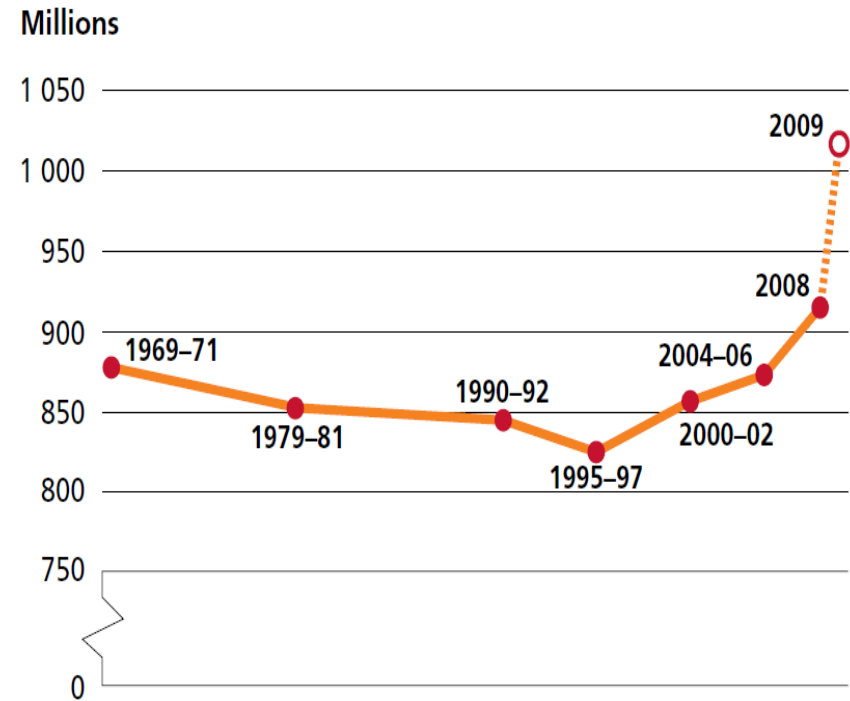
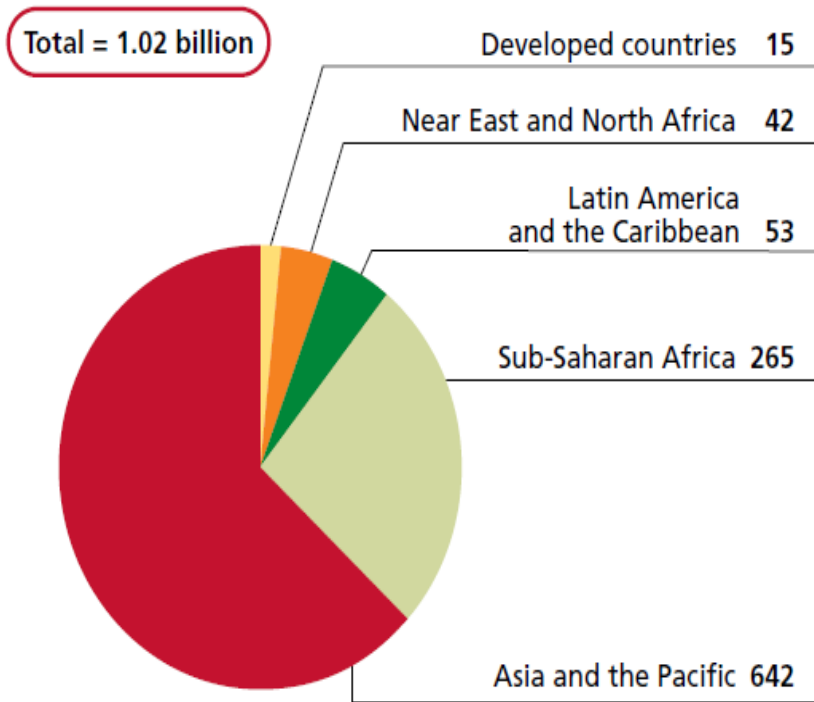
- Poverty, Hunger and Food security will increase.
- According to a SDPI study **48.6% of the population is food insecure** in Pakistan, that is about 80 million people.
- Furthermore, **61 out of 113 districts in Pakistan** are food insecure. In terms of regional disparities, in Baluchistan, 26 out of 29 districts are extremely food insecure.

Food Price Crisis



Source: *The State of Food Insecurity in the World*, FAO (2009).

World Hunger Trend



Source: *The State of Food Insecurity in the World*, FAO (2009).

Coping Mechanism of Poor

Change in Consumption Pattern

- Shift from expensive to cheap and less nutrient foods
- Reduced expenditure on health, education etc.

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Increase in:

- Malnutrition
- Degradation of health status and education

Government's Initiative

- **Government has begun an intervention of granting state land to landless farmers .**
- **41,000 acres distributed amongst 4100 beneficiaries in Sindh.**
- **70% of beneficiaries are women.**
- **But there is no mechanism to facilitate women.**



Concluding Remarks

- Land reforms: not for growth, but to avert the **social crisis**;
- In order for **reforms** to be successful, governments must help small farmers by providing ready access to extension services and agricultural infrastructure, such as irrigation water and roads.
- Government needs to come up with a **Land use Policy**;
- Agriculture Markets suffer from serious governance issues and operational inefficiencies. There is a need to reduce **roles of middle men** and seek better incomes for growers and also to lower food prices.

Thank you