



# Land Watch Asia

Campaign Update 2010–2011

## PAKISTAN

### Reviving Interest in Land Reform<sup>1</sup>

**F**ounded in August 1947 after its separation from British India, the Islamic Republic of Pakistan has a land area of 770,100 square kilometers excluding Azad Kashmir and the Northern Areas, which are disputed by Pakistan and India.

Pakistan inherited an agrarian system from the British Raj characterized by land ownership concentrated in the hands of feudal lords. By collaborating with other power centers to amass more wealth and power, these large land owners have hindered the social and economic progress of the rural population.

About five major laws on land reform were instituted pre-Independence up to the 1970s: Punjab Tenancy Act, 1887; Sindh Tenancy Act, 1950; Martial Law Regulation 64, 1959; Land Reforms Regulation, 1972; and Land Reforms Act, 1977. Among these, one of the more notable measures is the Land Reforms Regulation, where owners whose lands were confiscated were not compensated and beneficiaries were not charged for the land they received.

Nevertheless, agrarian reform measures in Pakistan never transformed the property structure and production relations in rural areas. Land ownership limits were fixed in terms of individual holdings but not family holdings,

so land was often transferred to family members and relatives of land owners to get around the ownership ceiling. Moreover, in times of military rule, land reforms were not instituted as feudal lords supported the ruling junta to protect their interests.

Under Pakistan's Constitution, passed in 1973, owning and disposing of property is among the recognized Fundamental Rights that of, subject to limitations in law. The compulsory acquisition of private property must be made only for a public purpose and only by authority of a law, which fixes compensation or specifies the principles to determine compensation. These rights that protect property owners can be contrasted against Article 38, which declares the promotion of the social and economic well-being of the people among the country's Principles of Policy. To that end, the State must secure the well-being of the people "by preventing the concentration of wealth and means of production and distribution in the hands of a few to the detriment of general interest and by ensuring equitable adjustment of rights between employers and employees, and landlords and tenants."

Despite the Constitutional policy, about 30% of the population is classified as "income-poor" based on official statistics, and about half are deprived of the basic social services (nutrition, health, safe drinking water and education). Most of the poor are in rural areas. A 2004 report by the Asian Development Bank links

The Land Watch Asia campaign in Pakistan is spearheaded by the Society for Conservation and Protection of Environment (SCOPE).

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rural poverty to social rather than economic factors, noting that the distribution of cultivated land remains highly skewed. The impact of this is magnified by the fact that about half of the country's workforce is engaged in agriculture.

A 2004 World Bank report indicates that land productivity on large farms is less than that on small farms. Yields remain low for both small and large farms because many land owners are absentee; while farmers, not being land owners, have limited access to credit, inputs, technology and marketing knowledge. Some of the largest irrigation systems in the world are in Pakistan, but the country remains a net importer of food.

Land ownership by the military establishment and personnel has impaired land-to-the-tiller programs. The armed forces control about 12 million acres of land, which makes up about 12% of state land. Of these, about 7 million acres is agricultural land worth an estimated Rs700 billion. Only 100,000 acres are directly controlled

by the armed forces establishment and its subsidiary companies, as most of the land was given to army personnel at highly subsidized rates as awards.

Meanwhile, the issue of corporate agriculture farming (CAF) arose with the passage of the Corporate Farming Ordinance (CFO) in 2001 under the military-backed government of President Pervez Musharraf. The CFO allowed stock-listed corporations to lease land for 50 years, renewable for 49 years, with generous concessions and benefits such as exemptions on duties and sales tax for equipment imported for corporate farming, and a tax holiday for irrigated, rain-fed and cultivable areas. Transnational corporations were thus enabled to lease unlimited land with a minimum size of 1,500 acres.

About 8 million hectares (ha) of fertile cultivable land in four provinces, aside from barren land, have been found suitable for corporate farming.

The Ministry of Food, Agriculture and Livestock (MINFAL) asked all provinces to provide details of

## BOX 1

### Large-scale Land Acquisitions in Pakistan

- **The United Arab Emirates (UAE), which imports 85% of its food, purchased 324,000 ha of farmland in Punjab and Sindh provinces in June 2008**
- **An investor from Abu Dhabi, bought about 16,000 ha of farmland in Baluchistan.**
- **Two UAE firms, Emirates Investments Group and Abraaj Capital, have also expressed interest in investing directly in Pakistan.**
- **Kijani Energy (KE), a Canadian sustainable energy company, was reported to acquire 200,000 acres of land in Tharparkar district for Jatropa cultivation**
- **The Al-Rabie Group is interested in buying land in Pakistan to develop the dairy industry and also to develop exports of tomato paste, citrus pulp and packed beans for the Saudi market.**
- **Abraaj Capital acquired some 800,000 acres of "barren" farmland in 2010 to produce rice and wheat for export to the UAE.**

Source: SCOPE Project Report, 2011.

cultivable barren lands in their respective areas for utilization in corporate farming. Although the media has been constantly speculating on government's offer of millions of hectares to prospective investors, and there have been press reports of large-scale land deals in the country, the government has not officially confirmed any land deal with any party.

Box 1 cites several examples of large-scale land acquisitions in the country.

An eight-point concept paper on corporate farming was prepared. The Federal Ministry of Industries and Production, the Board of Investment (BOI) and MINFAL were supposed to look after the industrial part of the plan. Local and foreign companies incorporated under the Companies' Ordinance Act of 1984 will be entitled to corporate farming. Provincial revenue departments were to take care of taxation as corporate farming is to be covered by the provincial agriculture income tax law. The Ministry of Labor and MINFAL were put in charge of drafting special laws to deal with possible labor problems.

Out of the country's total land area, 57 million ha have already been surveyed. The remaining 22 million ha have yet to be adequately documented. The initial results of the survey show that there are about 8 million ha of fertile cultivable land in four provinces, aside from barren land, which can be used for corporate farming.

The BOI has come up with a list of landholdings available all over Pakistan, in compact blocks of 500 acres or more, which have been reserved for corporate farming in the districts of Muzaffargarh, Rajanpur, Bahawalpur and D.G. Khan, all in Punjab Province. The total area available is 31,111 acres. In addition, 6.6 million acres of land are available in Cholistan, of which 2 million acres is relatively flat but non-irrigated land. The Punjab Board of Revenue has identified a compact block of 25,000 acres for corporate farming in Cholistan (a desert inhabited mostly by nomadic pastoral communities).

Several livestock farms are also on offer in Punjab. These include a 1,538-acre farm in Sargodha, a 900-

acre farm in Khushab, four farms totaling 8,943 acres in Bhakkar, two farms with a total area of 3,488 acres in Bahawalpur and two farms totaling 1,639 acres in Khanewal. Total land area of available livestock farms available is 22,170 acres.

In Sindh province, the cultivable area offered totals 29,841 acres, mostly forest land. Balochistan has the largest area allotted at 1.4 million acres, most of which has not yet been used for agriculture.

Most companies interested in CAF are from Middle East countries with limited land for cultivation and water for irrigation.

Civil society organizations (CSOs) view the CAF policy running against farmers who should have been prioritized in the country's land reform program. A number of CSOs consider CAF as a threat to national sovereignty, even likening it to the colonial era (when the British East India company conquered India through trade).

## The Land Watch Asia Campaign in Pakistan

*Land Watch Asia (LWA) is a regional campaign that aims to ensure that issues of access to land, agrarian reform, and equitable and sustainable development in rural areas are addressed in national and regional development discussions.*

The Society for Conservation and Protection of Environment (SCOPE) is a duly registered non-government organization under Pakistani law, focusing on networking, capacity-building and advocacy at the national, regional and global levels.

In 2009, SCOPE prepared a country paper on land using the guidelines of Land Watch Asia (LWA). The paper: (i) assessed the policy and legal environment on access to land and tenurial security, (ii) reviewed past contributions and existing efforts of different sectors in addressing land issues, and (iii) identified opportunities

and strategies to effectively address issues and gaps in advancing land rights in Pakistan.

SCOPE organized a roundtable discussion on land grabbing and food security, gathering different stakeholders to understand the various dimensions of the land grabbing phenomenon in the country, including: commercial pressures on agricultural land; occupation of unattended vacant state lands; and illegal grabbing of urban/municipal lands. Eventually, the roundtable discussion focused on state-owned lands converted into large corporate farms to be sold or leased to foreign investors under the CAF scheme.

The roundtable discussion highlighted the damaging effects of CAF along with other agriculture-related

policies that exacerbate food insecurity for Pakistan's poor (*See Box 2*). Participants recommended the following actions for CSOs:

- organize and generate awareness among farmers' organizations on the land grab phenomena and CAF;
- vigilantly monitor the effects of land grabbing and CAF on farming communities and agriculture;
- observe land ceiling limits under the various land reform acts and provincial tenancy acts;
- closely monitor land grabbing (to be undertaken by an organization like SCOPE with a dedicated resource center to regularly update stakeholders); and
- seek political parties' positions on land grabbing and CAF through an all-parties roundtable conference.

## BOX 2

### The Corporate Agriculture Farming (CAF) Policy

#### CAF AS A THREAT TO FOOD SECURITY

Food security is a major concern for civil society, given that CAF investors' main objective is to grow food, only to export it back to their respective countries for their food security at the expense of ordinary Pakistanis'.

CSOs are concerned that corporate farming will propel large-scale monoculture and mono-cropping, which will cause ecological disruption. Also, the CAF-led development would promote large-scale use of patented seeds, pesticides, fertilizers and mechanized agriculture, transforming

Pakistan's agriculture to a corporate style high cost and export-oriented system.

#### CAF AND SMALL FARMERS

Small and landless farmers will be displaced from their lands and livelihoods as lands that should have been allotted for land reforms will be used to promote CAF, thus aggravating the massive rural unemployment, hunger and poverty in the country.

Corporatization of the farm sector will also lead large landlords to sell or lease their big landholdings for or establish partnerships with companies.

Such arrangements will exempt such lands from ceiling acts and future land reform programs.

#### CAF AND WATER SECURITY

CAF is not merely about land grabbing; it is also about grabbing water—which is entwined with the land. Water is going to be a scarce commodity. As Pakistan confronts climate change with extreme water deficiency on one hand and massive floods on the other, corporate farming, which uses deep water boring machinery, will only worsen the situation.

Source: SCOPE Project Report, 2011.

In addition, NGOs may declare themselves as a party to the CAF case lying in the Supreme Court and pursue the case actively. They should also challenge a ruling of the Federal Shariat Court that considers land reforms “un-Islamic”.

On 6 July 2011, SCOPE organized a national dialogue on land reforms. Its main objective was to deliberate on the challenges and opportunities for land reforms. Discussion points included:

- land-owning elite versus urban (industrial/trader) elite on land issues (land distribution and land reforms); small farm efficiency in the current context of development, climate change, and corporatization and mechanization of agriculture;
- use of agricultural lands for food crops, cash crops, or bio-fuel production;
- the legitimacy of the land ownership process in Pakistan (was it simply a manifestation of power, with land being grabbed in various ways); and
- land use: agricultural development versus industrial and infrastructure development.

Among the participants was Sharmila Farooqui of the ruling Pakistan Peoples’ Party (PPP) who reiterated her party’s commitment to land reforms in the country and empowerment of small farmers. She added “our party is not divided on need for land reforms in conformity with the vision of Zulfikar Ali Bhutto, late Prime Minister and founder of Pakistan Peoples’ Party who wanted to see the subsistence farmers empowered and masters of their own destiny”. She has also asked her top leaders to keep land reforms on the party’s top political agenda and include it into the party manifesto.

Among the key recommendations from the workshop group discussions were:

- distribution of all state land to the landless farmers;
- landholding ceiling: 20 acres for irrigated and 30 acres for arid land;
- land titles in the name of husband and wife with a 50–50 share;

- establishing a committee comprising peasant unions, government officials and CSOs to monitor land issues and maintain computerized records using geographic information systems (GIS) at union council level;
- identification and protection of pastures and forests as common community lands;
- implementation of a fair water distribution policy;
- promotion of organic farming and the banning of genetically modified organisms (GMOs);
- provision of social security for farmers (health and education); and
- mutual assessment of agricultural taxes by government officials and farmers.

## ORGANIZING PEASANT GROUPS AT THE NATIONAL LEVEL

Farmers have come together and organized themselves in Pakistan for a long time, launching various movements, but this has failed to translate to improvements in their livelihoods. NGOs have formed networks of farmers, struggling to elevate their concerns to the corridors of power. As yet, no integrated policy has been framed to address such acute issues.

SCOPE, with the support of OXFAM–Novib, has taken efforts to bring all such organizations and networks under one banner, setting the planning process in motion and developing a program. The overall objective is to build a national coalition of peasants’ organizations and their support institutions (mid-level NGOs), in order to revitalize the agenda of land reforms in the country and develop a road map to guide peasants and landless farmers towards the target of secure access to land through land ownership and legally secure tenure rights.

In view of this, SCOPE initiated the formation of the National Peasants Coalition of Pakistan (NPCP), which will represent an integrated, targeted and decisive land reform movement at the national level. This task has been challenging, considering Pakistani society is

dominated by feudal domination and deep divisions on provincial and ethnic lines.

The activities of the NPCP aim to realize a breakthrough in the status quo through national consultations and mainstreaming of peasant movements and bring about social and political change. The NPCP would be equipped with not only trade-related rhetoric but research-based facts and figures as well. It would target national and international institutions, and collaborate with urban civil society partners, international likeminded movements and the media.

Furthermore, country-wide consultations were held with peasant groups and stakeholders to finalize the basic outline of the coalition and the agenda for a strategic plan. The objective is to bring peasant groups together into a national-level loop, gather their feedback, formulate a strategy for land reforms in the country, and launch NPCP for future sustained coordination.

A volunteer advisory group was established, comprising peasant leaders, experts, NGOs and other stakeholders. The first general meeting of the advisory group took place in Islamabad in July 2011 to brainstorm on land rights issues and discuss the proceedings of the consultations held.

The membership movement for grassroots groups and support institutions (NGOs, activists, technical advisors) has been launched. Members currently total 150 and come from Pakistan's four provinces.

NPCP has also produced an introductory brochure and newsletters, and started a website ([www.npcp.net.pk](http://www.npcp.net.pk)).

## Gains of the Campaign

The implementation of current land reform laws, namely the tenancy acts, has had negligible effect. In some parts of the country, *begari* or forced labor continues with poor peasants not receiving their legal share of produce. Sharecroppers are forced by landlords to work as seasonal agriculture laborers on a daily wage basis

for some crops, further nullifying their rights. Typically, agricultural laborers are not aware of their tenancy rights, nor have they signed a legal document with their landlord who can terminate their services at will.

With the ongoing land campaign, SCOPE has revived the interest among CSOs in lobbying and advocating for land reforms. CSOs for instance had expressed their concerns against the CAF policy as detrimental to farmers' rights. To the extent possible, the campaign has raised women's ownership and control of land— noting that women are integral to sustainable development, poverty reduction, food security and environmental protection.

Meanwhile, SCOPE's efforts toward a national coalition of peasant groups gained steam with the formation of a volunteer advisory group. The group's first general meeting was held in July 2011 to brainstorm on land rights issues and to brief group members on the results of consultations with peasant groups and other stakeholders with regard to the formation of a national coalition. SCOPE has received more than 50 membership applications. Furthermore, NPCP will hold its first general assembly on 27–29 February 2012.

## Lessons and Ways Forward

A broad-based land reform program redistributing land with fair and enforceable tenancy contracts is critical for reducing rural poverty. This should be supported by rural public works and access to credit.

Policy dialogues with national governments and regional institutions must be intensified by strengthening and building consensus among farmer groups. A conducive environment for policy dialogue on land issues must be created for CSOs, governments, international organizations and donors.

Towards the end mentioned above, SCOPE's study, which was conducted in May 2009, needs to be reviewed and, if necessary, updated to take into consideration

any change in the socio-political conditions in Pakistan. Discussions with other NGOs and social movements in the country will generate consensus on the document, and identify priority policy issues and recommendations to the government.

In order to increase knowledge on land rights, regular information sharing is needed, through monthly updates disseminated to organizations in other countries involved in the Land Watch campaign. Media activities need to be undertaken, consisting primarily of involving media as observers in SCOPE's major activities.

Land grabbing in Pakistan needs to be studied closely. In this regard, there is a need to provide a venue for different stakeholders to discuss and better understand better this phenomenon.

A country-level policy dialogue on land rights with government and other international agencies needs to be organized among interested CSOs. The dialogue can define priority areas for government in implementing land reform.

Meanwhile, the current CAF policy needs a serious overhaul. Concessions have a negative effect on farmers; these must therefore be reviewed and aligned with farmers' interests. Additionally, land must not be treated as a commodity; its use must be regulated and monitored. Ultimately, the CAF policy must conform to the long term policy framework of Pakistan, such as the country's Vision 2030 program, which provides a holistic approach to reinvigorate the national economy.

Strategic interventions are needed to advance land rights. The country's power structure has not changed, with the feudal class enjoying wealth and power and land reform still missing from the political discourse.

An opportunity to revive land reform efforts has presented itself with the revival of the PPP, the only party that has instituted land reforms twice in the history of Pakistan. Although the PPP does not exhibit much enthusiasm for agrarian reform in the current term, the party can engage other political parties and

the ruling party in the Parliament through agriculture committees to revitalize the process.

Besides democratic revival, the country is also experiencing unprecedented media awareness and activism. Media's bias for the urban perspective has also diminished, thus offering an opportunity to highlight the plight of the rural poor.

CSOs have to sustain the campaign with the grassroots groups. The farmers' claim over the Okara military farms—where peasants resisted against the military and raised demands for land ownership rights—can provide the push for such a campaign. Civil society must build on a common agenda and strengthen strategic alliances with stakeholders such as tenants, landless agricultural laborers, members of the academe, media, political parties and international partners such as the International Land Coalition (ILC) and the Asian NGO Coalition for Agrarian Reform and Rural Development (ANGOC).

Food security can be the common agenda on which to build alliances. Food security and poverty alleviation have become central development concerns persuading policy experts and opinion makers to focus on social capital and agricultural infrastructure in rural areas.

Dialogue is the next preferred step. District, provincial and national level conferences, mobilizations, seminars, demonstrations, field days, and walks are some effective tools to build positive public opinion on agrarian reform.

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## Endnote

- <sup>1</sup> Condensed by Conrad Tolentino and Nathaniel Don Marquez based on reports and updates prepared by SCOPE. Source: Section on "Land Rights: SCOPE organizes peasant groups at national level" was condensed by Abdul Waheed Jamali, Advisory Committee Member of NPCP and ANGOC intern. Edited by Catherine Liamzon and Nathaniel Don Marquez. Design and layout by Liza Almojuela.

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The International Land Coalition is a global alliance of civil society and intergovernmental organizations working together to promote secure and equitable access to and control over land for poor women and men through advocacy, dialogue and capacity building.



As the overseas development agency of the Catholic Church in Germany, MISEREOR works in partnership with all people of goodwill to promote development, fight worldwide poverty, liberate people from injustice, exercise solidarity with the poor and persecuted, and help create "One World".

SCOPE

[www.scope.org.pk](http://www.scope.org.pk)



Founded in 1979, ANGOC is a regional association of 17 national and regional networks of non-government organizations (NGOs) in Asia actively engaged in food security, agrarian reform, sustainable agriculture, participatory governance and rural development. ANGOC member networks and partners work in 14 Asian countries with an effective reach of some 3,000 NGOs and community-based organizations (CBOs). ANGOC actively engages in joint field programs and policy debates with national governments, intergovernmental organizations (IGOs), and international financial institutions (IFIs).

ANGOC is a founding member of the International Land Coalition (ILC).

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Land Watch Asia (LWA) is a regional campaign to ensure that access to and control of land, agrarian reform and sustainable development for the rural poor are addressed in national and regional development agenda. The LWA is facilitated by ANGOC and involves civil society organizations in Bangladesh, Cambodia, India, Indonesia, Nepal, Pakistan, Philippines and Sri Lanka. LWA aims to: (i) take stock of significant changes in the policy and legal environments; (ii) undertake strategic national and regional advocacy activities on access to land; (iii) jointly develop approaches and tools; and (iv) encourage the sharing of experiences on coalition-building and actions on land rights issues.

This campaign update covers the period 2010–2011.