



Sectors | Mon May 18, 2015 5:00am BST

FEATURE -Shrouded in secrecy, one of Africa's biggest land deals stalls-TRFN

- * Massive [Libyan](#) land project in Mali stalls
- * Local farmers say see no benefit from the agreement
- * Project highlights concern over foreign land investment in Africa

By Chris Arsenault

MARKALA, Mali, May 18 (Thomson Reuters Foundation) - Malian farmer Balima Coulibaly and his fellow villagers watched with dread as 100,000 hectares of fertile land they have farmed for generations were handed to Libyan investors with no discussion about the impact on their impoverished communities.

In one of Africa's largest and most secretive foreign agricultural investment deals, oil-rich Libya, under the leadership of Colonel Muammar Gaddafi, signed a 50-year, renewable lease for the land with Mali's government in 2008.

The land in the Office of Niger, the agricultural heart of the West African country, was provided rent free, with water rights included, on the condition that Libya build canals and roads to cultivate rice and cattle there.

But seven years on, with Libya in chaos following Gaddafi's ouster and drought-hit Mali grappling with an insurgency, the project has stalled. It highlights concerns facing many African nations about whether large-scale foreign investment in farmland brings benefits.

In this part of south-central Mali, fading billboards advertising the Malibya project and an irrigation canal are the only visible signs of the Libya deal. Villages in the area remain without paved roads, phone lines or water pipes.

Mali's government admits it's unsure what will happen with the deal since the collapse of Libya's government. Tens of thousands of poor families living and growing crops on the land say they remain uncertain what their future holds.

"We don't know what will happen to us," said Coulibaly, an aging local leader, sitting on the floor of a sweltering mud house in Sangha village, as children with plastic bags tied to their feet in place of shoes cling to their mothers.

"We have a big hunger problem. At the moment, we are just trying to survive."

THE LAND GAME



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The project's fate highlights a clash happening across Africa between international investors buying large tracts of agricultural land as a strategic asset, and small-scale farmers who have cultivated the earth for decades and fear displacement.

Backers of land deals say they bring much-needed investment to Africa, and can provide jobs and improve the productivity of the land. But rights activists say local people are rarely well compensated for their losses and handing over land could exacerbate local food shortages.

Few in Mali, the world's sixth poorest country, dispute the need for investment in agriculture. More than half of the country's 15 million people live below the official poverty line and nearly two million are hungry, says the U.N.'s World Food Programme.

But Chantal Jacovetti, a researcher with Mali's Coordination of National Farmers' Organisations, a rights group, said foreign investors often want land, but not the farmers on it.

Family farmers - including those in rich countries - produce about 80 percent of the world's food, according to the U.N's Food and Agriculture Organisation (FAO).

Jacovetti said small-scale farmers in the Office du Niger could triple their food production if they had government support to build infrastructure and, crucially, access to formal land tenure.

"Some communities have been on that land for 800 years," Jacovetti said. "(But now) they are totally precarious. Companies want to grab this land and get rid of the peasants."

Sangha village, with a population of a few hundred living in mud and straw houses amid millet fields, is one of several communities located inside the Malibya concession.

An estimated 60,000 small farmers reside within the area, each farming less than half a hectare, Jacovetti said.

A 40 km (25 mile) canal built to irrigate rice fields on the Libyan land cuts through Sangha's ancestral territory but local people aren't allowed to use the water, said Sidiki Coulibaly, a chieftan from neighbouring Finn village.

Authorities have ignored their requests for water access and pipes, he said.

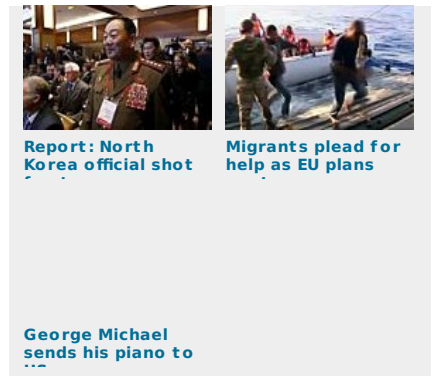
UNCERTAINTY FOR FUTURE

Sangha and Finn residents do not have formal title to the land they farm, although Malian law recognises customary tenure. They say they were not consulted ahead of the Libyan deal and have no idea what is happening now or could happen next.

Wearing a crisp white thobe and knitted prayer cap, Coulibaly said he tries not to worry about the lack of information. He believes his village, where many are illiterate, doesn't have a lot of bargaining power in international business deals.

Plans for the land deal were reportedly hatched in direct negotiations between two leaders who have since been deposed - exiled Malian President Amadou Toumani Toure and Libya's Gaddafi, who was captured and killed after being toppled from power.

"It's like two guys tried to decide the fate of the Office du Niger without



knowing anything about it," Jacovetti said.

At the time, terms of the deal weren't publicly released but it was rumoured all rice grown there would be exported.

Many large-scale foreign land investment deals in Africa are designed to shore up food security in the country acquiring the land or on international markets, not in local ones, experts say.

Moussa Djire, a University of Bamako legal scholar who analysed the Malibya investment, said secrecy over the agreement led some to suspect shady dealings but personality politics probably played a bigger role in creating the project than illicit cash.

An undated copy of the contract obtained by the Thomson Reuters Foundation showed the deal granted Malibya, a subsidiary of Libyan sovereign wealth fund Libyan African Investment Portfolio, land for 50 years with no mention of exports.

Despite Mali facing three droughts in the past decade, the contract gave investors water "without restrictions" from June to December with some limits in drier months.

"How can they guarantee water for foreigners and not us Malian people?" fumed Binan Coulibaly, a local farmer. "It's already difficult for us to survive."

The Office du Niger, with green trees and healthy herds of cattle grazing by the roadsides, contrasts with Mali's desert north where almost nothing grows.

Irrigated by a dam built by French colonialists in the 1930s, the agricultural area operates as a separate administrative unit from other parts of Mali's government and is responsible for much of the country's food. It could produce more if better managed, experts say.

"We have the potential to be the great bread basket of Mali," said Sinaly Thiero, deputy director of Office du Niger, who coordinated the Malibya project on the government side.

He dismissed concerns over the deal, saying the "Libyans are not going to take our lands and bring them back to Libya".

With no-one from Libya visiting the site since civil war erupted there in 2011, Thiero is uncertain about the project's future. The concession could be revoked unless food production and infrastructure investment goes ahead, he said, but he refused to give a deadline.

"Whether the Libyans keep the concession depends on the Libyan government," Djire said. There are deadlines for developing the assets but Malian law allows for extensions under certain circumstances, he said.

The Libyan Investment Authority (LIA), which financed the Malibya project, refused to comment on its African land deals through its London-based public relations firm, Consulium Strategic Communications.

Activists said the Malibya project mirrors a broader international trend.

A study by Sweden's Lund University found more than 32 million hectares of land globally - an area larger than Poland - has changed hands in similar land deals up to 2012, but often the bankers, speculators and sovereign wealth funds behind these deals don't have much expertise in farming.

Farmers' rights advocates said several similar large land deals from Mali to the Democratic Republic of Congo and [Pakistan](#) have not met the desired results for anyone involved.

Thiero said Mali isn't currently seeking similar large land-leasedeals with outside governments. That doesn't bother farmers eking out an existence on the Malibya land.

"We worry that we won't be allowed back if the project starts again," said Balima Coulibaly. "We invested a lot in these lands, planting trees and building things - but one day they could come and take it all away."
(Reporting By Chris Arsenault, Editing by Belinda Goldsmith)

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