



LARGE SCALE LAND ACQUISITIONS PROFILE ZAMBIA

This country profile presents the Land Matrix data for Zambia, detailing large-scale land acquisitions (LSLAs) that:

- entail a transfer of rights to use, control or own land through sale, lease or concession;
- cover an area of 200 hectares (ha) or larger;
- have been initiated since the year 2000;
- are affected by a change of land use;
- include deals for agricultural purposes. Mining and forestry operations are excluded.

The objective of this country profile is to present LSLA data at national level to a wide panel of stakeholders, stimulating broad engagement and data exchange, facilitating the continuous improvement of the data. The data used in this profile was downloaded on 1 February 2016¹.

¹ Land Matrix Zambia deals database: http://www.landmatrix.org/en/get-the-detail/by-target-country/zambia/?order_by=&starts_with=Z

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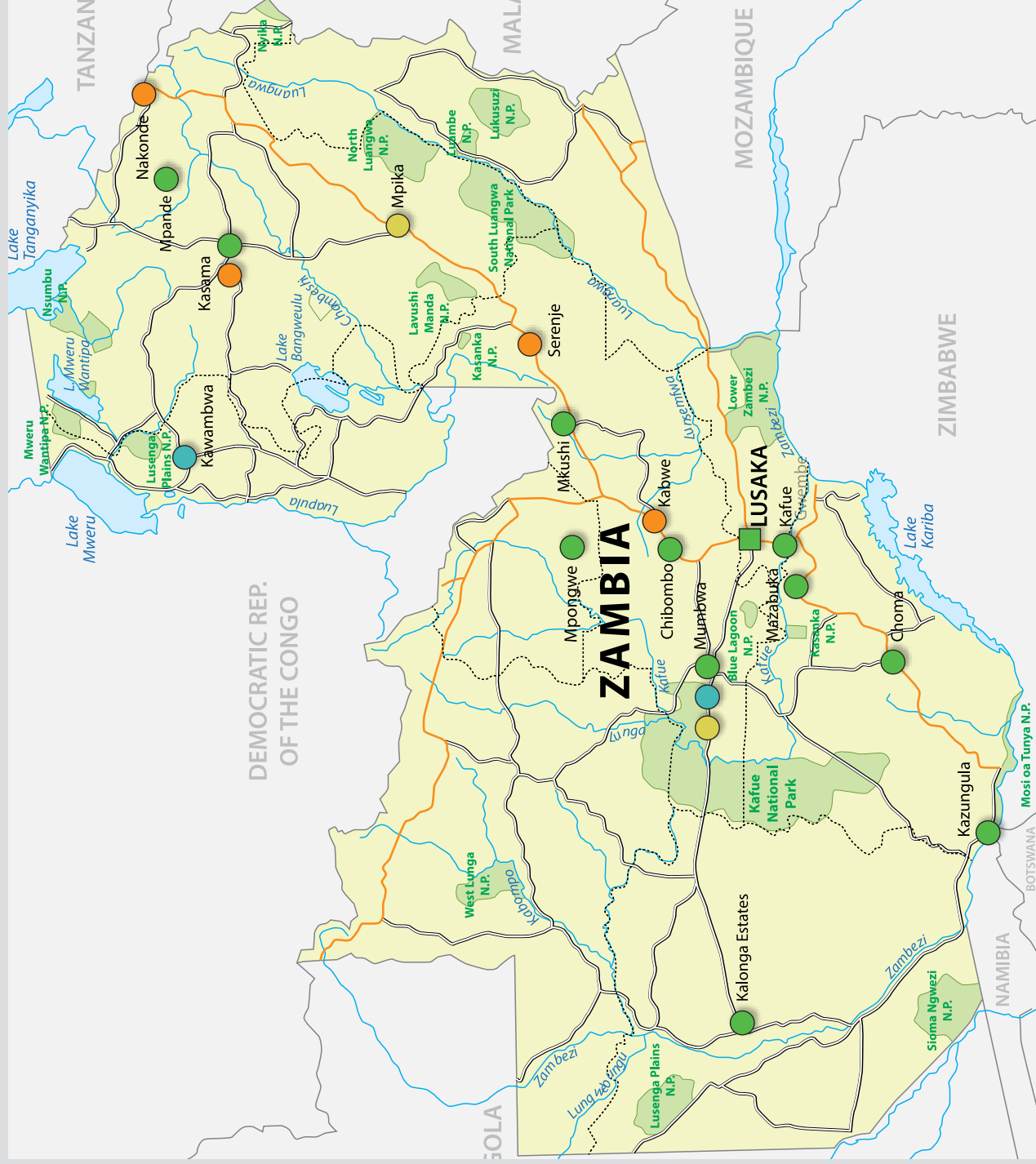
Table 1: Zambia's key socio-economic and institutional indicators

BASIC SOCIO-ECONOMIC CHARACTERISTICS	
Population (2015) (million) ¹	15.4
Total land ('000 hectares) ¹	74,339
Total agricultural land ('000 hectares) ¹	23,435
Total agricultural land (as a % of total land) ¹	31.52
Contribution of agriculture to GDP (% , 2013) ¹	17.68
Food imports (% of merchandise imports, 2014) ²	4.8
Food exports (% of merchandise exports, 2014) ²	7.4
Foreign Direct Investment (Billion USD, 2014) ²	1.51
INSTITUTIONAL VARIABLES	
Political stability index (2014) ²	0.21
Voice and accountability index (2014) ²	-0.14
Government effectiveness index (2014) ²	-0.47
Control of corruption index (2014) ²	-0.41
Investor protection rank (2014) ²	68

¹ Land Portal, Zambia country information, see <https://landportal.info>

² Food and Agriculture Organisation of the United Nations Zambia country information, see <http://www.fao.org/countryprofiles/index/en/?iso3=ZMB>

CONCLUDED AGRICULTURAL LAND DEALS IN ZAMBIA



Chibombo:
Herdon Investments (United Kingdom of Great Britain)
— 650 ha
Vixers Farming (Zimbabwe)
— 1 200 ha

Choma:
Hawwood Capital LLC (United Kingdom of Great Britain)
— 27 087 ha
Munyati Farming Ltd (Zimbabwe)
— 3 500 ha
Nkanga Farms Limited (Zimbabwe)
— 11 000 ha

Kabwe:
Marli Investments (India)
— 12 000 ha

Kafue:
InfraCo Limited (United Kingdom of Great Britain)
— 1 575 ha

Kasama:
Clam International Ltd (Singapore)
— 4 380 ha
NEOS Resources PLC (United Kingdom of Great Britain)
— 860 ha

Kawambwa:
Agriculture and Rural Development Authority (Zimbabwe)
— 30 000 ha

Kazungula:
AG-Zam (South Africa)
— 15 000 ha

Lusaka:
Lin Changming (China)
— 400 ha
Denbia (Denmark)
— 3 000 ha

Mazabuka:
Crookes Brothers Ltd (South Africa)
— 440 ha

Mkushi:
Ambika (Russian Federation)
— 1 700 ha
Agrivision Africa (Pty) (South Africa)
— 4 094 ha

Mpande:
Tiso Blackstar (South Africa)
— 990 ha

Mpika:
Deulco (South Africa)
— 191 103 ha

Mpongwe:
Agrivision Africa (Pty) Ltd (South Africa)
— 12 822 ha

Mumbwa:
Amatheon Agri Holding N.V. (Germany)
— 38 760 ha
Amatheon Agri Holding N.V. (Germany)
— 2 700 ha
Agro Commodities Limited (India)
— 5 000 ha

Nakonde:
Wuhan Kaidi (China)
— 4 000 ha

Serenje:
Bonafarm Group (Hungary)
— 10 000 ha

Kalonga Estates:
Emvest (South Africa)
— 2 513 ha

In operation (production)
 Startup phase (no production)
 Project abandoned
 No information



OVERVIEW OF LARGE-SCALE LAND ACQUISITIONS

Table 2: Dynamics of international large-scale land acquisitions according to negotiation status.

	NUMBER OF DEALS	INTENDED SIZE (HA)	SIZE UNDER CONTRACT (HA)	SIZE UNDER CONTRACT (% OF INTENDED SIZE)
Concluded (Contract Signed)	24	1 303 916	383 784	29.43
Concluded (Oral Agreement)	2	20 000	5 990	29.95
Concluded	26	1 323 916	389 774	29.44
Intended (Expression of interest)	1	21 000	n.a	n.a
Intended (Under Negotiation)	3	108 000	n.a	n.a
Intended	4	129 000	n.a	n.a
Failed (Negotiations Failed)	3	135 000	0	0.00
Failed (Contract cancelled)	1	1 000	300	30.00
Failed	4	136 000	300	0.22
TOTAL	34	1 588 916	390 074	24.55

- Zambia has a total of 34 LSLA, of which the size under contract is 390,074ha, representing 1.6% of the total agricultural land available in Zambia (full intended size was not acquired)
- The majority of the land deals are concluded; the size under contract is however significantly smaller than intended size
- Of the intended deals, 2 are likely failed (no further info since 2011), the remaining two are more recent and can still be under active negotiation

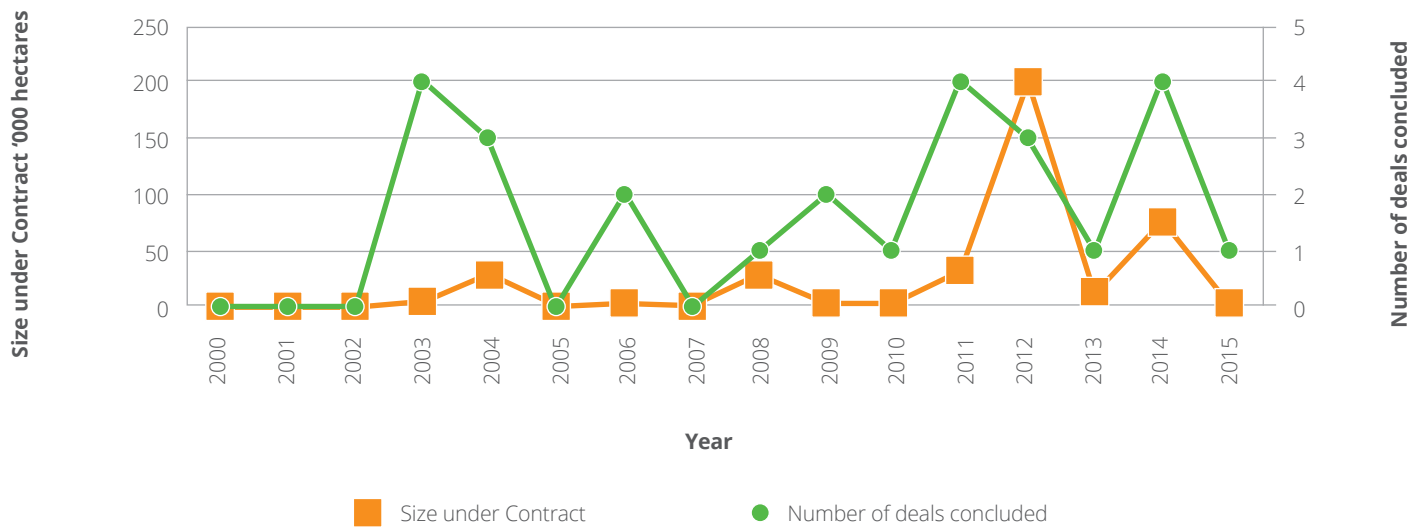
Table 3: Concluded deals according to implementation status.

IMPLEMENTATION STATUS	NUMBER OF CONCLUDED DEALS	SIZE UNDER CONTRACT (HA)	AVERAGE SIZE UNDER CONTRACT (HA)	CURRENT SIZE UNDER PRODUCTION (HA)	AVERAGE SIZE UNDER PRODUCTION (HA)
Project not started	2	32 700	16 350	n.a	n.a
Start-up Phase	2	196 103	98 052	8 [□]	8
In Operation	15	114 611	7 641	10 006*	1429
Project abandoned	4	26 860	6 715	n.a	n.a
No information	3	19 500	6 500	n.a	n.a
TOTAL	26	389 774	14 991	10 014	1251

□ N (number of observations) =1 deal,
* N=7 deals

- 65% of the concluded deals are operational (start-up and in production)
- This being said, the average size under production is less than 5% of the average size under contract
- 15% of signed projects have been abandoned (the land ownership might still be with investor)

Figure 2: Concluded deals over time (2000 to 2015)



- Land deals have been concluded consistently since 2003
- Their pace increased since 2011
- Highest number of deals being concluded was in 2011 and 2014
- Largest size of land was contracted in 2012, totalling 199 577 ha (45% of the total size under contract)- covering only three deals



INVESTORS AND INVESTOR COUNTRIES

Table 4: Top 10 Investor countries* according to size under contract.

INVESTOR COUNTRIES	INTENDED SIZE (HA)	SIZE UNDER CONTRACT (HA)	% OF LAND ACQUIRED	NUMBER OF INTENDED DEALS	NUMBER OF CONCLUDED
South Africa	271 878	226 962	83.5	8	7
Zimbabwe	45 700	45 700	100.0	4	4
Germany	62 700	41 460	66.1	2	2
United Kingdom of Great Britain	31 172	30 172	96.8	5	4
India	731 000	17 000	2.3	4	2
Hungary	17 500	10 000	57.1	1	1
United States of America	5 000	5 000	100.0	1	1
China	303 400	4 400	1.5	3	2
Singapore	5 866	4 380	74.7	1	1
Denmark	3 000	3 000	100.0	1	1

* Note: deals with investors from various countries are represented by the investor with the largest share in the deal.

- Overall 32 investors from 14 countries engaged in LSLA in Zambia
- South African investors have most concluded deals and largest size under contract
- Indian and Chinese investors have largest share of intended size but often fail to conclude these plans



Table 5: Dynamics of deals by investor type.

INVESTOR TYPE	INTENDED SIZE (HA)	SIZE UNDER CONTRACT (HA)	% OF LAND ACQUIRED	NUMBER OF INTENDED DEALS	NUMBER OF CONCLUDED DEALS
Private Company	384 000	234 594	61.1	10	6
Stock Exchange Listed Company	169 866	47 140	27.8	6	5
Investment Fund	44 600	35 590	79.8	4	4
Individual Entrepreneur	400	400	100.0	1	1
Public Private Partnership	30 000	30 000	100.0	1	1
State-owned	3 000	0	0.0	1	0
Other	5 000	0	0.0	1	0
No Information	952 050	42 050	4.4	10	9
Total	1 588 916	389 774	24.5	34	26

- The investor type of many investors is not clear (lack of information)
- But, private companies seem to be the major type of investors, followed by stock-exchange listed companies

Table 6: Involvement of domestic partners.

	INTERNATIONAL INVESTORS WITHOUT DOMESTIC PARTNER	INTERNATIONAL INVESTORS WITH DOMESTIC PARTNER	TOTAL	% WITH DOMESTIC PARTNER
Intended size (ha)	653 916	935 000	1 588 916	58.85
Size under contract (ha)	373 774	16 000	389 774	4.1
Intended deals	30	4	34	11.76
Deals under contract	24	2	26	7.69

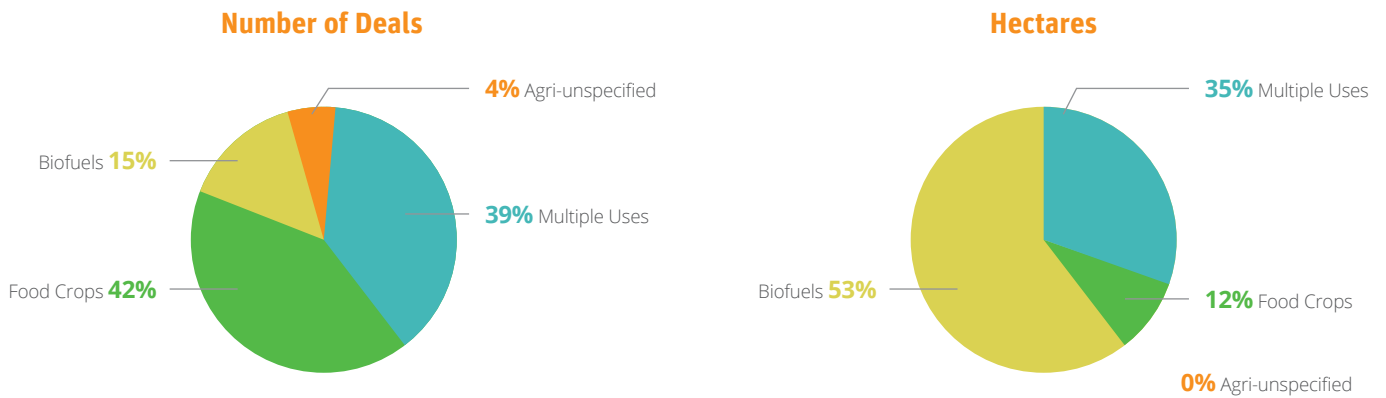
- Here again, information regarding domestic actors is scarce
- Only a minority of the deals seems to be with domestic investors
- The size of these projects are smaller (although their intended size is often high)





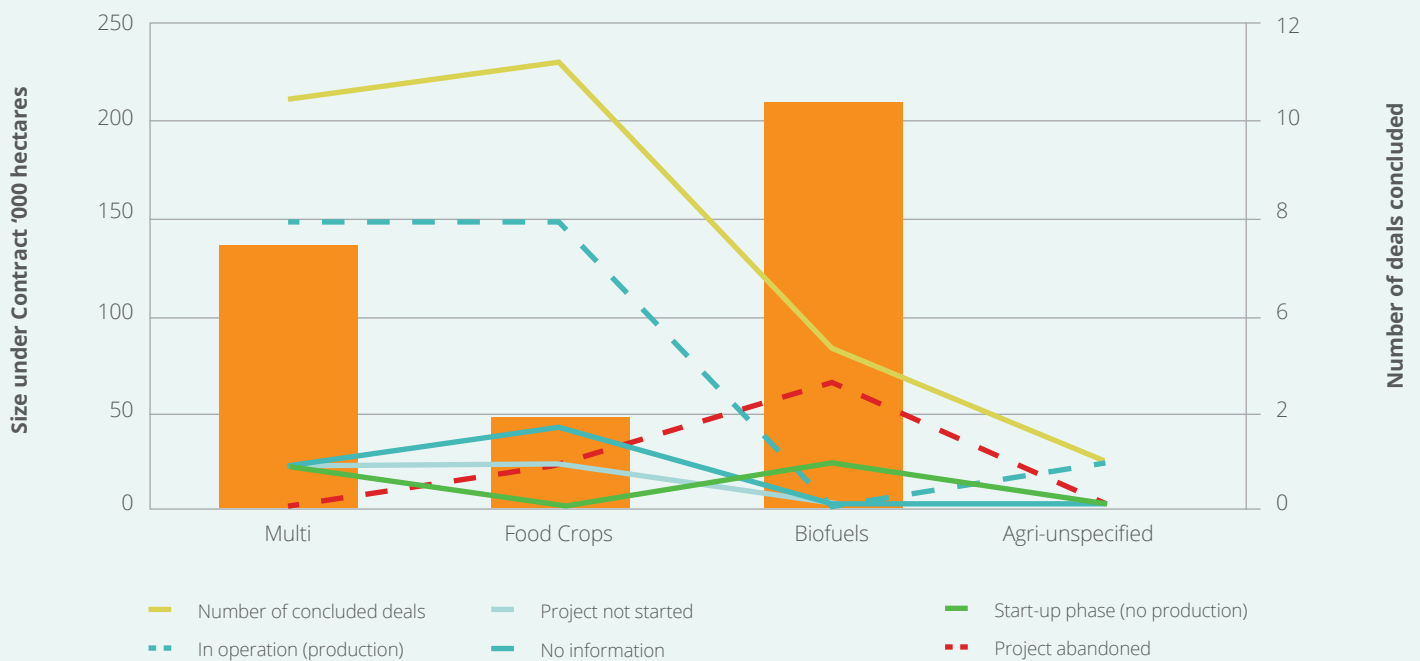
AIM OF INVESTMENT²

Figure 3: Aim of investment (concluded deals).



- The majority of concluded deals aim at food production and projects with multiple use crops (maize, soybeans, rice, wheat on irrigated land and cattle on marginal land)
- Despite large number of deals (42%), food crops cover a small size under contract (12%)
- The largest area under contract is for biofuel crops (53%), although they concern only small number of projects (15%)

Figure 4: Land acquisitions by category of production, according to implementation status.



- Most cases producing food crops (64%) or multiple use crops (70%) are in operation
- Biofuel deals have lowest implementation rate with most cases being abandoned

² Intention of investments include: food crops only, biofuel crops only, non-food crops only (e.g. cotton or tobacco) – no reported cases in Zambia, livestock (including fisheries), forestry – no reported cases in Zambia, agri-unspecified crops which can be used for multiple purposes (mostly palm oil), multiple uses: a combination of the above options.





FORMER LAND USE, TENURE AND OWNERS

Table 7: Former land use for concluded deals and deals in implementation.

FORMER LAND USE	INTENDED SIZE (HA)	SIZE UNDER CONTRACT (HA)	% OF LAND ACQUIRED	INTENDED DEALS	DEALS UNDER CONTRACT
Commercial agriculture	118 288	89 656	75.8	6	6
Pastoralists	17 500	10 000	57.1	1	1
Smallholder agriculture	541 103	201 093	37.2	5	4
Conservation	5 000	0	0.0	1	0
No Information	907 025	89 025	9.8	21	15
Total	1 588 916	389 774	24.5	34	26

- Most land concerned by LSLA (intended projects) was previously used by smallholder communities
- Deals on previously commercial agriculture land have highest conversion rate
- The former land use is not known for a large number of cases



POTENTIAL BENEFITS AND IMPACTS

Table 8: Contract Farming in concluded deals.

CONTRACT FARMING	NUMBER OF DEALS	NUMBER OF FARMERS	CONTRACT SIZE (HA)
Yes	11	26 000	153 600
<i>Not on the lease</i>	9	26 000 [#]	153 600 [*]
<i>On the lease</i>	0	0	0
<i>No information</i>	2	n.a	n.a
No	12	n.a	n.a
No Information	3	n.a	n.a

[#]N=2, ^{*}N=4

- Nearly 50% of concluded deals involve contract farmers and include local farmers, operating their own land, outside the investor's lease area
- There is little information on other benefits for local communities

DATA FIELDS WHICH WERE NOT INCLUDED IN THIS COUNTRY PROFILE DUE TO A LACK OF DATA

Please help us enhance the data, by contributing to the following fields:

- The destination of production from large-scale land deals
- In-country processing activities
- Water usage
- Former Legal Land Owner
- Involvement of the community in pre-contract negotiations
- Number of projects with reported evictions
- Compensation received by communities
- Reported community benefits
- Employment (planned and actual)

View the **Zambian database here:**

http://www.landmatrix.org/en/get-the-detail/by-target-country/zambia/?order_by=&starts_with=Z

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The purpose of the Country Profile brief is to enhance data and data quality. Please help us to achieve this by directly contributing to www.landmatrix.org

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- Contact the Africa team: africa@landmatrix.org

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