THE BUKANGA LONZO DEBACLE
THE FAILURE OF AGRO-INDUSTRIAL PARKS IN DRC

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Acknowledgements

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In 2014, The Democratic Republic of Congo (DRC) embarked on a plan to establish 22 agro-industrial parks (Parcs agro-industriels) across the country on over 1.5 million hectares (ha) of land. The first agro-industrial park was conceived as a pilot project in Bukanga Lonzo, some 260 km South-East of the capital Kinshasa. It was set up through a public-private partnership between the government and Africom Commodities (A.C.), a South African company, on 80,000 ha of land for the production of corn and other agricultural commodities. The government allocated US$92 million of public funding to the park – resources that were to be managed by Africom. When production started in 2014, ambitious plans were announced for the large-scale agricultural production. The park was hailed as a game changer for country’s development. “The time has come to transform Congolese agriculture from a subsistence sector to a powerful engine of global economic development,” claimed President Joseph Kabila Kabange, while celebrating the first harvest in March 2015.

The ambitious plan, however, was never implemented. Three years after the launch, the Bukanga Lonzo pilot park collapsed in 2017. The South African staff left the country, the local staff was fired, and in June 2018, Africom launched a court action against the country at the International Court of Arbitration in Paris for non-payment of their expenses. While activities remain on stand-by, the government announced in 2018 its plans to revive the park and pursue plans to establish 21 other projects.

This report analyzes this pilot project and draw important lessons, which should inform future decisions around agricultural investments in the country and the plans of the government and two international institutions that have encouraged and supported agro-industrial parks, namely the World Bank and the African Development Bank (AfDB or BAD in French).

Beyond the many flaws identified in the design and implementation of the project, the research shows that agro-industrial parks are a false solution for the challenges faced by DRC and Africa when it comes to food, agriculture and poverty-alleviation schemes.

First of all, the manner in which the land was acquired fits well the definition of a land grab. Land acquisition took place in the most deceitful fashion and did not follow legal requirements that should have led to proper assessments, consultations, and negotiations. Locals were misled into giving their land away by signing documents against the delivery of a truckload of basic goods and commodities. Today, they have lost access to their land and face violence and repression by the police forces assigned to the park when accused of trespassing. Furthermore, the industrial project involved environmental pollution and uncontrolled use of harmful chemicals, such as glyphosate, while waterways in the vicinity of the park constitute the main source of water for drinking, bathing and gardening for surrounding villages.

Though the success of the project was celebrated in the media and at public events, a leaked audit of the project provides a damning picture of its design and management, identifying numerous issues of mismanagement and raising suspicions of embezzlement and corruption. The research confirms that the management of the production and agricultural inputs has been disastrous. For instance, significant quantities of corn crop from the park were never shipped out and were left to rot on site. The research also uncovered the creation of a mining company in 2015 using the cover of the park, which, far from the claimed food security goal of the park, was created for “prospecting, research, exploitation, treatment and other operations including the commercialization of minerals.” Lastly, the research details horrendous practices around labor rights and working conditions for the local workers, including mass firings overnight in response to labor strikes. Staff incapacitated following accidents while working in the park report not receiving adequate care and losing employment—and at least one person died from injuries.

Whereas this first park was designed as a pilot, many of the issues identified by this research highlight mistakes that not only can be corrected, but that are likely to occur again in the establishment of any future park. Agro-industrial parks are the wrong model based on wrong assumptions for the agricultural sector in DRC. While there is no doubt that investing in Congolese agriculture should be a priority, focusing on large-scale, industrial farming, to be conducted by foreign investors, does not address the need to improve productivity and income of the farmers. It is a misconception that the Congolese are mostly subsistence farmers, because most of them actually
produce both for their own consumption and for the market. The sale of agricultural produce provides 97 percent of the income of so-called subsistence farmers. However, they face many constraints to produce and commercialize their crops such as poor transport and storage infrastructures, high cost of transport, and lack of negotiating power with intermediaries. As a result, they receive little income from their production and have no resources to invest in their farms.

As called for by farmer organizations, instead of taking land away from the people to develop industrial production in agro-industrial parks, the government needs to address farmers’ needs. These include access to good seeds and credit, and ensuring the transport, processing and commercialization of the products.10

The establishment of agro-industrial parks is based on a development model, which the World Bank has been promoting in Africa in recent years by encouraging growth poles, development corridors, and special investment zones as instruments to attract foreign investment.11 It is also consistent with the World Bank’s efforts to privatize public and customary land and make it available for industrial agriculture.12 Together with the AfDB and the government, they advertise millions of hectares of land that would be available to potential investors in agro-industrial parks.13 The Bank and the AfDB are key financiers of this strategy, selecting potential sites, funding, and conducting feasibility studies for the parks, while blatantly ignoring many of the issues detailed in this report, including the stealing of land from local communities.14

Two international banks supposedly in charge of development thus focus their efforts on making land available for private firms. This is puzzling in a country that has seen already decades of exploitation of its natural resources with little to no return for the people. The two institutions have failed to demonstrate how giving away more natural resources to foreign investors will eventually provide tangible development outcomes to the people.

In 2009, the government announced its policy for agriculture and rural development policy (Note de politique agricole et de développement rural (NPADR)),15 which provided a comprehensive vision for agricultural development of the country and detailed the relevant actions required to improve production and income for the rural Congolese. This policy has never been implemented, despite a 2011 agricultural law that was supposed to put the policy in action.16 Instead, emphasis was put on agro-industrial parks, which, as in the case of Bukanga Lonzo, do not contribute to the objectives of the policy, and instead grab land from local communities.

It is time for the government of DRC, along with its supporters, the World Bank and the AfDB, to learn from the Bukanga Lonzo debacle and give up plans to develop additional agro-industrial parks in the country. The millions spent in Bukanga Lonzo show that there is funding available. The government must implement an agricultural policy that will allow the country to end hunger and poverty in an effective and sustainable manner.
Introduction

The Democratic Republic of Congo (DRC) is the second largest country in Africa with a land surface area of 2.3 million square kilometers. Following its independence from Belgium in 1960, the country has seen a mix of unrest, secession movements, a long dictatorship, armed conflict and foreign intervention. Protracted conflicts continue today in different parts of the country. The United Nations has maintained a peacekeeping presence in DRC for 23 of the 58 years since independence. The current peacekeeping mission, MONUSCO, counts over 16,000 foreign troops as of 2018.

DRC is known for the abundance of its natural resources, the world’s largest diamond reserves and major reserves of other minerals, including copper, gold, cobalt, rare earths, cassiterite and columbite-tantalite (coltan). In recent decades, foreign investments in the country have been mostly confined to resource extraction (mining, logging) and largely linked to the violent conflicts that have plagued different regions of the country at a huge cost for its population of 77 million people (as of 2018).

In what has been labeled a “resource curse,” decades of resource extraction have not translated into tangible development outcomes for the country. Despite its abundance of natural resources and a climate relatively favorable to agricultural production, DRC is the country in Africa with the highest prevalence of chronic child malnutrition (stunting), which affected over 42 percent of children under five in 2017. Life expectancy is only 59 years and DRC’s human development index remains among the lowest in the world (176th).

Whereas agriculture accounts for only 18 percent of the DRC’s Gross Domestic Product, it is the main livelihood for the majority of the population, which is still mostly rural (60 percent). Despite its vast land and water resources, DRC is structurally a food deficit country, having to import over US$1 billion worth of food per year.

In 2013, the government launched its National Plan of Agricultural Investment (Plan National d’Investissement Agricole) with a budget of US$5.7 billion. The stated objective of the plan was to fight undernutrition and food insecurity, reduce the amounts of food imports, and ensure sustainable economic growth. To achieve these goals, the government adopted a dual strategy, supposed to support both family farmers and large agribusiness. Claiming that DRC has 75 million hectares (ha) of agricultural land available, with only 10 million currently used, the government is keen to attract agribusinesses and investors to expand large-scale agricultural production. It is in this context that DRC embarked in 2014 on a plan to establish 22 agro-industrial parks (parcs agro-industriels) of between 1,000 ha and 150,000 ha across the country on over 1.5 million ha of land. The same year, the first of these parks was launched as a pilot project in Bukanga Lonzo.
The Bukanga Lonzo Debacle

The Bukanga Lonzo pilot agro-industrial park was set up through a public-private partnership between the government and a South African company, Africom Commodities (A.C.). The company created through this partnership, the Société d’exploitation du Parc Agro-Industriel de Bukanga Lonzo SA (SEPAGRI SA) was to use 80,000 ha of land for agricultural production. Production started with corn in 2014 and was expected to expand to other commodities (cassava, soya, vegetables) as well as poultry and other animal husbandry (to be fed with the corn produced).

The establishment of the park involved the construction of infrastructure, including roads, buildings, power plant, and water supply. Silos were built with a 40,000 metric tons (MT) grain capacity. Production was to be highly mechanized: The company purchased some 300 machines, over 50 tractors, and two planes for spraying. Around 300 locals were hired as workers for the project, led by a team of South African managers and technicians.

Established some 260 km southeast of Kinshasa, the park was conceived with the objective of creating a direct supply chain from the production site to retail stores in Kinshasa. Six mini-markets (Mini Marchés) were set up in Kinshasa to sell the production from the park directly to consumers.

5,000 ha of maize were planted in September 2014, from which 20,000 MT were allegedly harvested in March 2015. The surface planted with maize was expected to increase to 50,000 ha in six years. Cassava was initiated in 2017 on 60 ha, with the plan to expand to a total of 1,000 ha and to share the production half for the Park and half for local villages.

Production plans for different commodities were very ambitious, including harvesting 500 MT of fruits and vegetables per day 365 days a year; 20 MT of cassava flour, from 80-100 MT of cassava to be harvested and processed every day. The production of maize on 50,000 ha was expected to reach up to 350,000 MT per year.

This ambitious plan was never implemented. After the 5,000 ha planted the first year, the surface cultivated was reduced to 3,000 ha the following year, and was down to 2,000 in 2016.

Three years after it was launched, the Bukanga Lonzo pilot park collapsed in 2017. Activity stopped after Africom, the company managing the park left the country, saying it had not been paid by the government in nearly a year. Its South African staff left the park in August 2017. According to Africom’s chief executive, Christo Grobler, the problem was high costs and the unreliability of the government, which would change its mind from day to day about the project’s direction. He said Africom had incurred more than US$50 million in losses at Bukanga Lonzo.

By early 2018, only two dozen staff remained. Machines, including tractors, two planes and other equipment were left on site without maintenance.

Whereas the government had repeatedly celebrated the success of Bukanga Lonzo during the first three years, in May 2018, the economy minister, Joseph Kapika finally acknowledged that Bukanga Lonzo had “completely failed,” and blamed the South African company Africom for the failure.

In June 2018, Africom Commodities launched a court action against the country for non-payment of expenses. The company filed for arbitration with the International Court of Arbitration in Paris, seeking $19.79 million in outstanding payments. Apart from this announcement, the firm appears to have brought its website down and ceased public communication in mid 2017.

Meanwhile, the government has announced plans to re-launch the park with a focus on livestock while it seeks new partners and financers for the project. The African Development Bank (AfDB) has been asked to help fund the revival of the project and conducted several assessments and consultations in 2018. The future of the project is unclear at the time of writing, but essential lessons can be drawn from this debacle.
Diagnosis of a Failure

GRABBING LAND FROM LOCAL COMMUNITIES

At least nine villages, with over 5,000 people, lost land to the Bukanga Lonzo park: Baringa Ngasi, Famwe 1, Famwe 2, Kitoka 1, Kitoka 2, Kinsiami, Mumbanu, Mvula Banku, and Tandudi. The land acquisition for the project took place in the most deceitful way. Local communities were initially told that the government would set up an “agricultural village” (“Village Agricole”) that would bring development and support local farmers. In a sad evocation of colonial practices, government officials then gave local communities consignments of goods as compensation for the land that was being taken away. The local chiefs from the villages with customary rights over the land were made to sign “Acts of Engagement” as receipts for the items delivered.

In their mind, signing a receipt for the goods received was not intended to give away their land, but was viewed as a friendly gesture to welcome a project that they expected to be involved in and benefit from. Misled about the project, the local communities were initially enthusiastic about the promises made prior to the establishment of the park. However, they were soon frustrated and disappointed. What was supposed to be an agricultural village to benefit them turned out to be an industrial park on their ancestral lands to which they were denied access by the police forces and security guards. The local villagers complain that contrary to claims made by the government, the establishment of the project in Bukanga Lonzo did not involve them, and that they didn't benefit from the park activities. Although the company had promised “schools, clinics, churches and all that is needed for modern day living” and claimed that clean water and electricity was supplied to surrounding villages, none of these promises materialized.

THE ACT OF ENGAGEMENT USED TO ACQUIRE THE LAND FROM THE VILLAGE OF BARINGA NGASI IN JULY 2014

1) FC 2,000 ($1.25) worth of cola nuts (makasu)
2) Farde stela (cigarettes)
3) 1 carton of matches
4) 8 blankets
5) 10 loincloth (pagnes)
6) 25 bags of salt (mungwa)
7) 20 cartons of soap
8) 1 chainsaw
9) FC 100,000 (US$62) worth of beer
10) US$ 7,000
11) 1 Haogin motorbike
Allocated land will be developed not only for effective food farming, but also livestock farming and several villages together with the electrical supply in order to maintain this new development from the raw earth comprising schools, clinics, churches and all that is needed for modern day living [...] Electrical contractors have established an intricate and effective system to allow for irrigation on the uneven terrain and to supply the villages with electricity. This enables the irrigation system to pump water to the fields where it will be required for superb crop yields and also for household use.

—Africom Commodities

They only brought electricity to the park, not to the surrounding villages.

—Father Anaclet, Provincial Superior for the Congregation of the Blessed Sacrament

“We were fooled.”

—Chief Mbuma Mpawa of Mwala Banku

Local communities have officially complained in several petitions to the President of DRC and in meetings with government officials. They point to a number of issues with the establishment of the project:

- The opacity of land acquisition
- The lack of consultation with local populations
- The lack of contract between the company and the locals
- Forced displacement of local farmers
- Lack of information of the actual surface and the boundaries of the park
- Lack of compensation for loss of land and displacement
- The extensive use of polluting products
- The lack of recognition of land rights for customary land owners

The petitions and letters sent by local leaders have allegedly been ignored so far.

There is no worse sorrow than to lose your ancestral land.

—Mr. Akuben Baben, Cooperative Bucopac, Bukanga Lonzo
Letters and petitions by local chiefs and community members detailing their complaints about the project.
LAND ACQUISITION VIOLATED LAND RIGHTS AND NATIONAL LAWS

When confronted in public meeting by local leaders, the ultimate argument of government officials was that “land belongs to the state, not to the people.”58 Yet, if it is accurate that the Congolese land law establishes that all land belongs to the state,59 it does not mean that local communities had no say in the allocation of their customary land to the park. Our research actually establishes that the acquisition of land for the park was done in violation of national laws.

Customary land rights are recognized by the law in DRC. According to the Loi 11/022 of December 22, 2011 (art. 18), “it is recognized to every community land and customary rights exercised collectively or individually on this land according to the law…. All the land recognized to each local community constitutes its entitled land domain, and includes reserves of land, crops, fallow land, pasture land, reforesting areas used on a regular basis by the local communities.”60

The same law that establishes state’s ownership of land61 also requires, as detailed in articles 193, 194, and 195, that awarding a land concession must follow a number of legal steps and procedures, including a physical survey of the land, identification of all local customary land owners, proper consultation with all concerned populations, public display and information, and more.62 None of these steps were followed in Bukanga Lonzo – the locals were not consulted, nor did they give their consent for the establishment of the park.

No official document was provided or shown to local communities, who are shocked and see it as a humiliation that the Act of Engagement they signed for the truckload of goods is considered as an official deal depriving them of their land.63

Not respecting national laws, the land acquisition process also violated the internationally recognized principle of free, prior, and informed consent of the local communities, since locals were misled about the project and the benefits to expect.

For large agro-industrial enterprises...the poor availability of secured land is a major constraint. In practice, the land market is characterized by: (i) a high risk of disputes caused by the dualism of the land regime (written law vs. oral customary law); (ii) slow access to land due to burdensome administrative procedures; and (iii) the lack of a rural land registry.

–The World Bank65

They tell us that all our land belongs to the state. We have inherited these lands from our ancestors. This is where they are buried. These lands can’t be sold and we need to preserve them for future generations.

–Chief Nzasi Ndakupala of Baringa Ngasi64
Villagers at Baringa Ngasi describe violence by police forces guarding the park

**HUMAN RIGHT ABUSES**

Beyond the violations of customary land rights, the establishment of the park has led to multiple violent incidents adversely impacting villagers from the area.

Though the company hired a few hundred people (between 300 and 500 depending on the source),\(^{66}\) many were not from the villages adjacent to the park that had lost land to the park. Furthermore, the number of job openings was relatively small in a province of nearly three million inhabitants, and tens of thousands living in the immediate vicinity of the park. High expectations were created among the local population, leading to many locals showing up at the park with hopes of employment. According to a number of witnesses, this has been the cause of many violent incidents, as local villagers looking for a job at the park have been arrested by the police and beaten. In several instances, men were whipped, tied to a tree, facing the trunk, in a posture that became known as “married to the tree.”\(^{67}\)

We have written to the President because our children were being arrested and tortured.
–Chief Nzasi Ndukupala, Baringa Ngasi\(^{68}\)

**MARRIED TO THE TREE**

Another cause of alleged violence has been the lack of access to the land occupied by the park. People found walking across the park have been arrested and beaten, even though the land occupied by the park never had any clear delimitation—an issue repeatedly raised by local villagers. Encounters with the police have been fatal, as happened in early February 2017, when Paul Kweyi Sakumuna was caught by the policemen. He was carrying a gun, on his way to hunt in the savanna. He was beaten, kept in jail in the nearby town Kenge for two days, and was then allowed to go home. According to the villagers, Mr. Sakumuna died two days later, on February 4, 2017. These allegations, confirmed by several villagers, could not be corroborated by other sources, but deserve an official investigation.
AFRICOM COMMODITIES

Established in 2011, Africom Commodities is a South African holding company with some 30 subsidiaries involved in the production and trade of agricultural products, especially fertilizers through the Triomphe brand, but also other inputs such as pesticides and seeds, as well as machinery.69

The subsidiary established in DRC, Africom Commodities RDC, was a shareholder in several of the companies involved in the park, including 15 percent of the SARL Parc agro-industriel de Bukango-Lonzo, 50 percent of the SARL Marché international de Kinshasa, 30 percent in the SARL Société d’exploitation parc-agro-industriel, and 60 percent in the SARL JIVENTO. In addition, the company controls the SARL TRIOMF RDC, which produces and sells TRIOMF brand fertilizers in the country.70

The South African company’s website www.africom.co was brought down in the summer of 2017, around the time the South African staff left DRC. In June 2018, Africom launched a court action against the country for non-payment of expenses, filing for arbitration with the International Court of Arbitration in Paris, and seeking $19.79 million in outstanding payments.71

ORGANIZATIONAL CHART AS OF 201672
Another important issue raised by the local population is the environmental pollution and the uncontrolled use of harmful chemicals by the project. This is a legitimate concern given the company’s financial records, which indicate massive purchase of various chemicals for the project. The largest quantities supplied are for glyphosate, for close to 60,000 liters. Glyphosate has been found responsible for causing cancer and other health hazards. As documented around the world, the risks seem higher with aerial spraying of the herbicide, with harmful health effects on the neighboring population (including skin rash, respiratory problems, and miscarriage). Furthermore, aerial spraying makes drifts into neighboring land common, which is very destructive to crops and livestock.

In addition, the park is surrounded by farmland as well as the Lonzo and the Kwango rivers, which constitute unique sources of water for drinking, bathing and gardening for surrounding villages. More than ‘just’ environmental pollution, this unchecked use of chemicals therefore constitutes a direct threat to people’s health and well-being.

The leaked audit of the project performed in 2015 by Ernest & Young for the Ministry of Finance provides a damning picture of its design and its management. According to the audit, the state has spent over US$100 million of public money on the project, including over US$53 million directly paid to Africom, the South African partner.

The audit’s findings include:

- Lack of financial accountability for the project, with all financial accounting being done in South Africa, in violation of Congolese laws
- Refusal by the company to produce some of the financial records, information on returns, sales, purchases, bank accounts, etc.
• Lack of tender notices for the purchase of equipment and supplies by the South African partner Africom
• Missing money in the financial flows between the government and Africom
• Lack of physical stock inventory
• High suspicion of overpricing of some of the services paid

Based on these findings, at the end of 2017, the Congolese League for the Fight Against Corruption (LICOCO) asked the Attorney General of the Republic to take up the Bukanga Lonzo case, claiming that “millions of the state have ‘illegally’ enriched certain Congolese authorities and project leaders.” LICOCO accused government officials of the mismanagement of the US$92 million allocated to the project.

Though the success of the project was loudly trumpeted in the media and at official events, the management of the production and of the agricultural inputs has been disastrous. Quantities of corn produced in the park were never shipped out, instead left to rot on site. Several former farm workers explain that they were assigned to bury large quantities of rotten corn and expired chemical fertilizers in the park.

Furthermore, according to local agricultural experts, the sandy soil in the area chosen for the park is not suited for maize cultivation, and it remains unclear why maize was selected as a crop to grow. A local agricultural expert also claims that the experience of Les Moulins du Congo, another large project in the area, shows that growing maize in the region is only possible with a heavy reliance on fertilizers and that, as a result, soil’s fertility deteriorates in a matter of a few years. Allegedly, Les Moulins du Congo have thus ceased maize production on their 10,000 ha farm because intensive agriculture led to loss of fertility of the soils and declining yields overtime.

LABOR RIGHTS AND WORKING CONDITIONS

Former workers at the park, speaking to the research team, alleged that the South African management had horrendous labor practices. While the park’s video presentations showcased modern living infrastructures for the workers, they did not explain that the accommodations were built for the management staff, while most workers had to build their own basic huts with branches and tree leaves in a different corner of the park. In 2015, workers went on strike because the management cut off their drinking water supply. In response, between 100 and 150 workers were fired overnight. In February 2016, again, 152 workers were laid off overnight.

Several witnesses also allege that a 36-year-old man, Nzoko Pasi, died a few days after being sprayed with chemicals in the face and the eyes while manipulating the products without equipment. Another worker, Mr. Ngonzo Ngu lost his eye in a similar incident and was dismissed, without compensation, on February 5, 2015.
ENSURING FOOD SECURITY THROUGH THE PARK OR SECURING MINING RIGHTS?

A puzzling finding from the research is the creation of a mining company in 2015, under the cover of the park. The company Lonzo Natural Resources SARL, to be led by Christo Grobler, Africom’s CEO as manager, was established by a consortium bringing together Africom and several affiliated companies (see table below). These include the Africom subsidiary Jivento Group and Agri-Kwango SARL, also managed by Christo Grobler.85

Far from the claimed goal of promoting food security through the agro-industrial park, the new company was created for “prospecting, research, exploitation, treatment and other operations including the commercialization of minerals.”86 Former workers interviewed confirmed that South African staff of the company Africom were involved in mining prospecting, and that they hired locals to “dig holes around the concession,” looking for diamonds. 87

Table 1: Shareholders of Lonzo Natural Resources SARL

<table>
<thead>
<tr>
<th>N°</th>
<th>Associés</th>
<th>%</th>
<th>Nombre des parts</th>
<th>Montant souscrit en CDF</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>AFRICOM COMMODITIES DRC SARL</td>
<td>30 %</td>
<td>300</td>
<td>6.000.000</td>
</tr>
<tr>
<td>2</td>
<td>FEED AFRICA SARL</td>
<td>25 %</td>
<td>250</td>
<td>5.000.000</td>
</tr>
<tr>
<td>3</td>
<td>JIVENTO GROUP SARL</td>
<td>30 %</td>
<td>300</td>
<td>6.000.000</td>
</tr>
<tr>
<td>4</td>
<td>AGRI – KWANGO SARL</td>
<td>15 %</td>
<td>150</td>
<td>3.000.000</td>
</tr>
<tr>
<td>TOTAL</td>
<td></td>
<td>100%</td>
<td>1,000</td>
<td>20.000.000</td>
</tr>
</tbody>
</table>

The current status and activities, if any, of Lonzo Natural Resources SARL and the other associated companies is unclear. The official registration of the company showed on the screenshot below has since been removed from the Guichet Unique (the government-managed one-stop shop for the creation of companies) website.88
A Wrong Model Based on Wrong Assumptions

“The time has come to transform Congolese agriculture from a subsistence sector to a powerful engine of global economic development,” claimed President Joseph Kabila Kabange while celebrating the first harvest of the Bukanga Lonzo Park in March 2015. There is no doubt that investing in Congolese agriculture should be a priority for the country. While its population is largely comprised of farmers, it has one of the worst records on food insecurity and undernutrition in the world. Joseph Kabila’s statement, however, raises two major questions: First, should Congolese agriculture really be considered as a subsistence sector? And second, is the industrial park the right model to make agriculture a powerful development engine for DRC?

MISCONCEPTIONS ABOUT CONGOLESE AGRICULTURE

Considering Congolese agriculture as a subsistence sector is a serious misconception. Most Congolese farmers produce crops for their own consumption and for the market. This was documented clearly in a 2014 comprehensive analysis of food and agriculture in DRC, produced by the World Food Programme, the International Food Policy Research Institute (IFPRI), and the government. The study provides important insights about food and agriculture in the country. First, it found that agriculture provides 97 percent of the income for rural Congolese, and that on average, farmers rely on the market for over 42 percent of their food needs. Farmers do rely on their own production for about half of their food consumption, and the vast majority obtain cash and income through the sale of their crops. So-called subsistence farmers therefore do sell their crops, which provides them with the necessary income to purchase food and cover other expenses.

These findings at the national level are confirmed by the data provided by the Ministry of Agriculture in the Kwilu Province, in which Bukanga Lonzo is located. According to official statistics, local farmers sell about two-thirds of their production in the market. Most of their production goes to the capital Kinshasa. The constraints they face in commercializing their crops are numerous and include poor transport and storage infrastructure, high cost of transport and lack of negotiating power with intermediaries. Interviews with local farmers and cooperative staff indicate that agricultural goods from Bukanga Lonzo area are sold in Kinshasa at a price that is five to ten times what farmers receive for their products at farm gate. When considering
the limited or non-existent state support for production and commercialization, the harsh conditions of transport from rural villages, and many other constraints they face to produce and sell their goods, Congolese farmers should be considered innovative and hard-working entrepreneurs.

When considering the limited or non-existent state support for production and commercialization, the harsh conditions of transport from rural villages, and many other constraints they face to be able to produce and sell their goods, Congolese farmers should be considered innovative and hard-working entrepreneurs.

The misconception about farmers being backward and agriculture having to evolve to the Western-industrialized model seems to be common among Congolese politicians and decision makers. The NGO platform AgriCongo Alliance notes that "Although 80% of politicians in Kinshasa come from peasant families...most politicians find themselves today totally cut off from their roots. For them, peasant agriculture is synonymous with poverty and their vision of agriculture is that of mechanization, concentration of land in extensive concessions, the promotion of agro-industrial technologies at the large commercial companies, or even return to monocultures plantations..."95

The World Bank has been at the forefront of promoting this misleading narrative among decision makers in DRC, as well as in the rest of the continent. Together with the AfDB, it has played a key role in guiding agricultural development in the country towards wrong "solutions" such as the agro-industrial parks.

THE FALSE SOLUTION OF INDUSTRIAL PARKS

The issue for Congolese farmers is not to move from subsistence to commercial farming, become entrepreneurs and start integrating the markets– they have already done that. The question is rather: How can they be supported to grow and sell their crops, receive adequate prices for their products, and increase their income so they can invest and cover their basic needs?

The main farmer organizations in DRC (COPACO, CONAPAC and UNAGRICO) don’t reject agro-industrial parks altogether, but insist that such initiatives support smallholders instead of the corporations. Instead of taking the land away from the people to develop industrial production, an agro-industrial park should address farmers’ needs, for instance helping with access to good seeds, and ensuring the transport, processing and commercialization of the products.

There is a valid rationale in guiding investments in the agricultural sector that can increase domestic food production, reduce food imports (valued at over US$ 1 billion per year), ensure value-adding to farmers’ produce through transformation and better access to markets, and promote trade between rural and urban areas. Such investments are critical to poverty reduction given the majority of the DRC population is rural and involved in farming, whereas the country’s public revenue is heavily reliant on extractive industries. However, an objective assessment of the challenges faced by Congolese agriculture would have never led to the creation of an agro-industrial park such as Bukanga Lonzo.

It is remarkable that the plan to establish agro-industrial parks was neither initiated nor led by the Congolese Ministry of Agriculture but directly managed by the then Prime Minister. This may explain its disconnection with the country’s agricultural policy, which is discussed later in this report.

The government wants Monsanto and Caterpillar to come. But these corporations are not interested in farmers.
–Paluku Mivimba Methusaleem, President CONAPAC-DRC

Despite its many flaws and its failure, the government of DRC still intends to revive the Bukanga Lonzo project. In May 2018, Congo’s economy minister Joseph Kapika announced the plan to re-launch the park with a focus on livestock. Even more concerning is the fact that despite the complete failure of the pilot, the government intends to carry out its plan to establish 22 agro-industrial parks across the country. Details of these parks are provided in Table 2 below. With surfaces ranging from 1,000 ha to 150,000 ha, together, these projects would cover over 1.5 million hectares. Moreover, additional parks not included in the list are also being considered. For instance, in June 2018, the government awarded the construction contract to a private firm for 406 million FC (US$255,000) for a park in Mbandaka, in the Equateur province.
<table>
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<tr>
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<td><strong>TOTAL</strong></td>
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<td><strong>1,588,500</strong></td>
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**Table 2: Agro-industrial parks planned in DRC through public-private partnerships**

**The World Bank and the AfDB: Key Drivers of Agro-Industrial Parks in DRC**

The role of the World Bank and the African Development Bank in the establishment of the agro-industrial parks cannot be overstated. Together, they provide an average of close to US$500 million in development aid to the country every year. Their financial weight gives them a voice that cannot be ignored. The World Bank's US$110 million West Growth Pole Development Project handles the strategy for the agro-industrial parks, which it is responsible for financing and designing. The Bank is also in charge of the site selection as well as feasibility and technical studies for the parks. The Bank’s West Growth Pole Development Project, initiated in 2013, focuses on the agri-business development in DRC. Its various components include road infrastructure, support to production by farmers and agribusinesses,
Table 2: Agro-industrial parks planned in DRC through public-private partnerships

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TOTAL 1,588,500

and regulatory “Doing Business” reforms to make the country more attractive to investors. Whereas the project finances important activities such as the construction of infrastructure, it brings what is supposed to be a balanced support to farmers (through farmer organizations) and agribusinesses. However, what may appear balanced is skewed in favor of industrial agriculture, given the sole policy guidance provided by the World Bank focuses on the promotion of private investment and agribusiness. The Bank thus overlooks the need to support institutional mechanisms, public policies and investments that could provide sustained support to farmers. What an effective agricultural policy could look like is discussed later in the report.

The AfDB is the other key supporter and financer of the Bukanga Lonzo project and agricultural parks. It initially financed US$1 million for the feasibility studies that were produced in 2014 and announced renewed support for the park in 2018. The AfDB is also planning to finance and conduct new feasibility studies for the Ngandajika, Kaniama Kasese and Mweka agro-industrial parks at a cost of over US$2 million.

For Bukanga Lonzo, in breach of its own operational safeguards, the AfDB ignored the violation of basic principles when it comes to consultation and free, prior and informed consent of local populations. In the summary of the Environmental and Impact Assessment released in May 2018, the AfDB suggests a proper process was followed for land acquisition from local communities. Contrary to the findings of this research, it claims, for instance, that “after consultation [local communities] signed Acts of Engagement transferring the land to the State, which then transferred it to the project.” The AfDB also claims that the local communities are “unanimous” in accepting the park on their land. Field research and interviews with local villagers clearly contradict these claims. This misrepresentation by an international development institution such the AfDB is shocking given the amount of frustration and anger that can be easily assessed when visiting local communities.

But the responsibility of the World Bank and AfDB does not stop here. Both institutions are partners of the DRC Agricultural Business Parks, the public-private partnership that offers land and public money to corporations interested in taking up parks. The website, which they co-finance, http://agroparksdrc.com advertises the land available to potential investors as a “unique investment opportunity” and provides legal and practical guidance for private investors.

With the agro-industrial park model, the World Bank explicitly encourages DRC to prioritize industrial farms with the claim that “a focus on large commercial farms has the advantage of tackling many constraints simultaneously to promote faster growth in a challenging environment.” For the Bank, the country needs a “green revolution [that] would pursue a two-track approach: (i) enable traditional small-scale farmers to transition from subsistence farming to small holder commercial farming; and (ii) promote private investment in commercial agriculture using modern technologies geared toward mechanized farming and agro-processing for domestic and regional markets.”
This promotion of large-scale agriculture goes hand in hand with a continued push to implement probusiness reforms to attract foreign investment in the country through the various advisory services of the Bank. The Bank’s Foreign Investment Advisory Service (FIAS) helped DRC set up a new investment code that led to the creation of DRC’s national investment promotion agency (ANAPI) in 2002. It has financed ANAPI, which serves as a one-stop-shop to investors—registering enterprises, providing advisory services, and granting customs and tax incentives.123

Central to the Bank’s vision is the idea that foreign investment will result in economic growth, which would in turn somehow lead to poverty reduction.124 However, the Bank does not provide evidence that such investments would effectively alleviate poverty and improve the life of the Congolese. Moreover, it is evident that decades of so-called foreign investments in the country, whether in the extractive sector or in large-scale agriculture, have failed to bring development to DRC. On the contrary, the adverse impact of existing large-scale agricultural projects, such as palm oil plantations, is well documented. For instance, local communities claim that poverty and hunger are widespread and worsening around the Canadian agribusiness Feronia Inc’s palm oil plantations in the Provinces of Tshopo and Equateur because of the lack of land for local farmers and miserable labor conditions for the workers.125
In 2009, the government released its policy for agriculture (Note de politique agricole), which provided a comprehensive vision for the agricultural development of the country and on the relevant action required to implement such vision. The key objectives of this policy were to:

- improve market access and the value added of agricultural production
- improve the productivity of the agricultural sector (production of food, horticulture and vegetable, fish and livestock)
- promote decentralized financial systems that adapt to the activities of the agricultural sector
- strengthen the technical and organizational capacities of the public and private institutions that support production
- support the organization of the rural world into self-managed structures
- support the promotion of appropriate technologies to reduce hardship and increase the income of rural families
- improve access to basic social services (drinking water, health, etc.)
- improve basic socio-economic infrastructure

Two years later, in December 2011, an agricultural law was promulgated so that the policy could be put into action with the aim of boosting agriculture and organizing public support to the sector. Seven years later, Congolese farmer organizations denounced the fact that the law still has never been implemented, as most of the decrees and measures required for its implementation haven’t been produced. Out of 16 decrees expected to be produced by the government, only three had been released as of July 2018. The most significant of these decrees exonerated from duty the imports of agricultural inputs such as fertilizers and pesticides.

It is puzzling that the establishment of agro-industrial parks completely violates the government’s own policy, and goes against what farmer organizations and agricultural experts have been advocating for. Whereas the government and its donors continue to spend massive amounts of public money in support of agro-industrial parks (US$92 million spent on Bukanga Lonzo alone), it must be asked why public resources have failed to finance the agricultural policy that was designed and agreed upon.

This report lists the issues that must be taken as lessons learnt from the Bukanga Lonzo debacle. Whereas this first park was designed as a pilot, many of these issues highlight not just mistakes that can be corrected or adjustments that can be made, but are likely to occur again in the establishment of any future park.

- The emphasis on large-scale industrial agriculture does not address the constraints faced by farmers and the Congolese agricultural sector as a whole.
- Large-scale industrial agriculture takes away land and vital resources from farmers, undermining their access to land and water.
- Such projects create increased opportunities for corruption and mismanagement of the significant public resources allocated.
- There is a lack of consideration for the rural poor, an absence of the rule of law, and a poorly functioning legal system that favors human rights violations and land grabbing around such projects.
- The DRC’s wealth of mineral resources leads foreign interests to undertake mining projects under the cover of agriculture.

It is time for the government of DRC, along with its supporters, the World Bank and the AfDB, to learn from the Bukanga Lonzo debacle and halt plans to develop additional parks in the country. What has to happen is already known, listed in the agricultural policy and recommended by farmers. The funding is there, with significant public revenue available from the extractive industries and international aid. What is missing is the government willingness, as it is its responsibility to shift gears and start funding and implementing an agricultural policy that will effectively allow the country to end hunger and poverty.

What an Effective Agricultural Policy Would Look Like

Look at Kivu, export crops such as coffee, cacao, or quinquina are all produced by family farmers in an effective and sustainable manner. So why do they want to establish large-scale plantations?

–Paluku Mivimba Methusalem, President CONAPAC-DRC
16 République Démocratique du Congo

14 African Development Fund. OSAN Department.

13 Both institutions are partners of the DRC Agricultural Business Parks, the

12 See Mousseau, F.


10 Farmer organizations’ statement on agro-industrial parks.

9 Incorporation documents for Lonzo Natural Resources SARL. 2015.

8 Interview with former workers June 23, 2018.

6 Ernest & Young audit provides a list of the large amount of chemicals used

5 Ross, A. “Africa’s green revolution stumbles at Congo project to solve food

3 “RDC : le parc agro-industriel de Bukanga Lonzo produit 20.000 tonnes de

2 Ernest & Young.


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The website http://africom.co/ has been down since 2017. It can still be retrieved through web archive http://web.archive.org/web/20160714234905/http://africom.co/


The Alliance is a platform of Belgian NGOs promoting sustainable agriculture by family farmers in DRC. https://www.agricongo.net/(accessed November 26, 2018).


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Ibid.

Interview with former workers June 23, 2018.

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Ibid.


Ibid.


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See the Oakland Institute’s reports at https://www.oaklandinstitute.org/our-land-our-business.


Ibid.


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This innovative project will dramatically increase agricultural production in one of the most fertile countries in the world.