

## POLICY BRIEF 64

# The voices of women and smallholder farmers in Angola's Lobito Corridor

MAY 2023

### Key messages

- The development of the Benguela railway in the Lobito Development Corridor links Angola's interior with its coastal port of Luanda.
- This corridor has boosted the mobility of the poor, as well as professionals – teachers, nurses and others – while also yielding other benefits.
- A key outcome has been the growth of 'intermediate trade centres' where goods, knowledge, information, and news are exchanged.
- The corridor's multiplier effects have not been maximised because of poor public- and private-sector investments in key sectors such as agriculture and agriculture-related infrastructure – irrigation, inputs, extension services, and feeder roads.
- The corridor authority and operators of the railway facility need to cater for each user's needs, especially women farmers' associations and women traders dealing with perishable goods, particularly vegetables.
- Government and its development partners need to directly support women and smallholder farmers' cooperatives to develop and maintain technical, financial and agricultural commercialisation capacities through educational programmes and by distributing agricultural inputs.

### Background and context

The Lobito Development Corridor, a multimodal transport system anchored to Lobito Port, is an indispensable and powerful element for economic reconstruction and development in Angola and the region. Lobito Port is one of the biggest commercial ports on Africa's Atlantic coastline and the network it supports runs deep into the Democratic Republic of the Congo (DRC) and Zambia.

To assess the participation of smallholders and especially women, this policy brief identifies, characterises, and assesses the small-scale dynamics that have emerged along the Lobito Development Corridor. We identify complementary developments and dynamics in the Lobito Corridor, which enhance its capacity to reduce poverty and improve smallholder inclusion and participation; by re-establishing trade and information links between urban and rural areas, and between inland and coastal areas.

The corridor includes: (i) a rail network, owned by the Benguela Railway Company, which was rebuilt with support from China and runs from Lobito Port to the DRC and Zambia; (ii) a planned direct rail link from Solwezi in Zambia to Luena in Angola; (iii) a road network (in bad condition) from Lobito Port to the DRC and Zambia through the Luau-Dilolo border and parallel to the Benguela railway; (iv) an international airport in Catumbela (Benguela province); (v) a new domestic airport in Luau (Moxico province); and (vi) a planned national network of logistics platforms. The deep-water port is replete with a dry dock, a container terminal and a bulk-ore terminal. A nearby 200,000 barrel-a-day oil refinery is under planning for construction.

The Benguela railway is crucial to the Angolan economy, particularly in the provinces the Lobito Corridor crosses. It addresses the problems of long-distance travel while opening new destinations that are poorly served by road transport. These localities have very basic social facilities, while low levels of socio-economic development prevail. By creating, stimulating, and supporting internal and external trade and commercial links, the train service significantly improves trade dynamics. It facilitates the resettlement of communities and contributes towards the development of the agricultural sector. Nearly one-quarter of Angola's population lives in four rural provinces covered by the Lobito Corridor (Bié: 56%; Huambo: 53%; Moxico: 45%; Benguela: 37%).

## Smallholder farming along the Lobito Corridor

i. Angola has about 35 million hectares of arable land (16% of which is cultivated) and 50 million hectares of forest, suggesting that it is possible to increase agricultural development, particularly along the Lobito Corridor, which spans vast tracts of fertile land. Most (90%) of the cultivation is done by the family agricultural sector, with 63% using hoes for cultivation.

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ii. Because of poor public and private investments in agriculture, family farmers produce low-quality food irregularly. And they are therefore unable to compete with imported products.

Public policies and strategies, approved by the government in late-2018, aim to reverse this situation by providing improved seeds, inputs, fertilisers, and ploughs for animal traction. However, the government has not proposed any mechanisation policy or strategies in this regard.

Investments in large- and medium-scale agricultural projects have been a failure and have not transferred the required skills and expertise.<sup>3</sup>

iii. Such projects are costly because all agricultural inputs and qualified labour have to be imported. The precarious market for inputs, supplies, and services means that investments are rarely realised within contractually-defined deadlines. In the current economic and financial crisis, it is even more difficult to meet payment deadlines. Productive capacity has reduced as equipment and infrastructure budgets

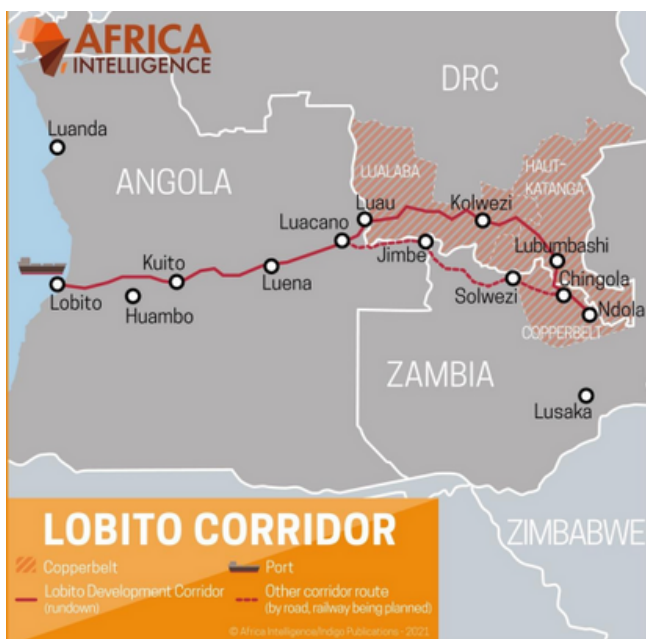


Figure 1: Case study sites

Source: Used with permission from Africa Intelligence/Indigo Publications – 2021

were cut due to currency devaluation. More realistic, profitable, and inclusive projects should be anchored in family, micro, small and medium enterprises, which have typically supported about 80% of domestic agricultural production.<sup>4</sup>

### Complementarity of Lobito Corridor road and rail systems for small-scale enterprises

Road and railway systems influence small-scale dynamics and developments along the Lobito Corridor. Improvements in the road and rail systems increasingly meet the mobility needs of the poor by re-establishing trade and commercial links between urban and rural areas and between inland and coastal areas. In the urban and peri-urban areas along the Lobito Corridor, formal unemployment is very high; most communities, therefore, rely on small-scale trading and a myriad forms of doing business (fazer negócio) for their livelihoods.

A complex system of regulations, licences, fees, and fines discourages small traders from registering their activities. This has led to flourishing informal street markets. Men and children sell various manufactured consumer goods in the streets, on the sides of roads, door-to-door, or at established marketplaces.

These goods include shoes, clothes, belts and a vast range of portable household goods. Women and children also carry large headloads of fruit, vegetables and other agricultural surpluses, fresh and dried fish, bread, grilled chicken, and other prepared food and drinks.

Women further make an income by selling second-hand clothes donated by Western aid agencies. Such petty traders struggle to survive but are vital intermediaries in providing basic goods to the general population, especially as very few goods are produced in urban areas, and none are distributed by the government. Apart from market activities, women in peri-urban areas guide those arriving with agricultural products from the interior and rural areas to places where they can offload the merchandise – but they demand fees for these services. Those who do not use the services of the guides are at risk of being robbed.

Along the Lobito Corridor, rural homesteads and settlements are spread over the whole interior, with people generally living close to their cultivated fields. Due to the small scale of trade activities, the dominance of small-scale agriculture, a non-existent industrial sector, and a low population density, those in the Lobito Corridor catchment zone need to move small quantities of goods between dispersed areas.

Prior to the reopening of the railway, communities relied on hiring road transport services to collect their goods and take them to urban areas. Privately-operated vehicles, such as lorries and pick-up trucks, met the transport needs of communities living close to the main road network. However, areas distant from the main road network have unmet transport needs because private transport providers appear disinterested in travelling inland to collect agricultural surpluses or to distribute manufactured goods, making smallholder inclusion and participation difficult for some.

Given these limitations, the railway plays a complementary role in re-establishing rural-urban trade links by providing alternative, affordable transport services to poorer households who can then get surplus produce to markets and receive deliveries of non-agricultural goods.

Market systems have therefore been reorganised and rationalised, creating different marketing opportunities and new market outlets at train stations and stops along the Lobito Corridor. Areas where passengers, traders and communities gather, operate as ‘intermediate trade centres’, i.e. trade areas too small to be considered urban centres but too large to be called rural settlements.

The intermediate trade centres act as collection points where poor households sell their agricultural surpluses, charcoal and other local products destined for urban areas. These centres also serve as distribution points for imported manufactured goods and agricultural inputs. Hence, rural communities are now able to buy goods that were previously unavailable and travel to and from collection and distribution points at a lower cost and with larger loads than by road. Train passengers use the train service for travel, but also to access income-earning opportunities by selling items from the coastal areas inland, and selling inland products at urban markets.

Many who use the train service to do business are women. Because women tend to be less educated and low-income earners, informal, small-scale trade is their primary means of survival. Women previously had difficulties transporting and marketing their agricultural surpluses, as they had to either headload the produce to the nearest main road and sell it to drivers of private vehicles or urban-based transport operators. Or they had to use road transport services to access markets in the closest urban areas.

Both options involved high transportation costs, including high fares and the time and effort to headload the produce. The train service has increased women's mobility, profits from selling their surpluses, and their bargaining power. As a woman operator in Bailundo municipality explained:

"Previously, goods were transported by road using an expensive rented lorry ... [and] would get deteriorated as bad road conditions implied long travel times. They are now transported by railway ... it's cheaper and goods will arrive faster at the destination."

Another woman interviewed in Caála explained how she also moved in the opposite direction:

"I travel to Lobito with avocado, potatoes, manioc, garlic, beans, or tomato, depending on the season, that I collect from different producers and will sell it at the marketplace in Lobito ... once I sell it all, I will return, bringing with me soap and other goods that now I can sell back in the marketplace in Caála ... this is our life now that the train is running."

Such trading activities provide higher earnings, are physically less demanding, and allow women to attend to family and personal matters neglected before. Thus, the train has indirectly increased the time available to women, reduced costs and increased their profit margins. On days when the train does not run, women have more time and energy to concentrate on their domestic activities and productive agriculture. They are also able to participate in healthcare, education, and other community activities. Ultimately, reducing women's and children's commuting time impacts economic and social development, leading to poverty reduction.

The intermediate trade centres also facilitate the flow of information, which has a major economic effect.<sup>5</sup> Communities living in the areas along the Lobito Corridor were highly isolated and subjected to severe living conditions during almost three decades of conflict. This improved access to information is having a positive impact on traders' and farmers' decision-making processes – helping them to find trading partners, negotiate trade, manage opportunistic risk, and enforce contracts.<sup>6</sup> Communities with access to information are also able to communicate more effectively and thus become better integrated into political, social, and cultural processes.

The intermediate trade centres now have basic social facilities, including schools and health centres, as well as water and firewood sources.



Because education and healthcare facilities require a sufficiently large catchment population to justify investments in building and employing staff, non-transport measures can be located near the intermediate trade centres. Ultimately, the Benguela railway service is indirectly reducing the cost of providing social services in previously underserved areas.

### **Mobility vs accessibility dynamics in smallholder inclusion and participation**

The economic potential of the Lobito Corridor has not yet been fully realised because it could carry more passengers and freight, thereby better integrating smallholders. Despite many intermediate trade centres having emerged along the railway line, they are separated by long stretches with sparse populations and low production. Therefore, the railway line could be extended to 'open up' the interior and rural areas to maximise multiplier effects by creating a suitable transportation strategy that prioritises accessibility over mobility and also pays attention to women's transport patterns and needs.

Apart from making transport faster, less burdensome, and cheaper, the need to travel could be obviated by providing better and closer access to facilities (including schools and health facilities), services, and goods, and by improving paths, tracks, and unpaved and unclassified roads that link communities to the Benguela railway.

The urgent and increased demand for transport has exposed the train services' limitations, which have impacted negatively on small-scale dynamics. For example, storage facilities are not available at train stations and stops; loading cargo, such as agricultural products and other goods, into the wagons is chaotic; train passengers are allegedly charged different fees for moving their agricultural surpluses and other commodities. It is also difficult to buy tickets due to ticket offices operating for only a few working hours.

Mobility over short distances could be improved by introducing motorcycles as an intermediate means of transport. Since many areas have irregular and narrow roads, paths, and streets that are often full of potholes, motorcycles could provide an interim transport solution until improved roads and vehicular transport systems become more widespread, organised, and affordable. This could also serve to create self-employment for those who own and drive motorcycles and provide wage labour for those who are only drivers of motorcycles.

### **Conclusions**

The Lobito Corridor has led to the re-establishment of commercial links between urban and rural areas and between inland and coastal areas. The Benguela railway and the road network operate as complementary transport modes, which has led to the emergence of small trade centres at strategic points that create an intermediate step between urban and rural settlements.

These intermediate trade centres act as collection and distribution points for low-income households. They also provide key social infrastructure as information and ideas can now spread more freely.

The centres provide a basis for a more equitable distribution of social services, attract small-scale traders and transport operators and serve as training grounds for rural-to-urban migrants. Villages and settlements along the railway that appeared to be deserted during the war period are now bustling with small-scale trade, market farming, and passenger activity along the Lobito Corridor. This economic activity contributes towards the reduction of poverty, including among smallholders, and the re-establishment of both urban-rural and interior-coastal trade and commercial links.

The Lobito Corridor plays a vital role in redistributing the benefits of transport-sector development to geographically-isolated areas. However, more options for better transport services are needed to increase economic activity.

## Recommendations

- **Identify anchor economic projects** for political actors and stakeholders along the Lobito Corridor – to define strategies to promote existing social and economic dynamics, including empowering women farmers' associations and women operators and marketers.

- **Expand the intermediate trade centres** to provide a more equitable distribution of basic social services (such as schools, healthcare facilities, and other public administrative services).
- **Capacitate the Lobito Corridor Office** to define intermediary programmes, such as linking kupapatas (motorbike taxis) for short-distance travel, and trains and candongueiros (taxi vans) over long distances.
- **Rehabilitate the corridor**, including the railway line and subsidiary roads, to reflect the current peace in the country, and prioritise development for post-conflict reconstruction.
- **Develop anchor projects in the agricultural sector**, working with farmers' associations and cooperatives to boost the productivity of micro, small and medium-sized enterprises, and provide farmers with technical and financial support.
- **Consider strategies and define practices to empower women** in the agricultural-sector anchor projects, such as removing the constraints and obstacles women experience when doing business while travelling by train with perishable produce.
- **Develop women's cooperatives'** technical, financial and commercialisation capacities through educational opportunities and by distributing agricultural inputs.
- **Provide warehouse facilities** near train stations and stops.

- **Develop anchor projects around the mineral sector**, based on the rail transport of minerals from the DRC and Zambia.
- **Design realistic programmes and plans to meet regional transport infrastructure agreements** around the Lobito Corridor with the DRC and Zambia.
- **Establish logistics platforms** to discuss and coordinate logistics issues and to maximise emerging opportunities within the corridor.

## Acknowledgements and disclaimer

This policy brief was written by Ana Duarte and Emmanuel Sulle. Ana Duarte is a lecturer in the Department of Economics at Lusíada University, Angola. Emmanuel Sulle is a research associate at the Institute for Poverty, Land and Agrarian Studies (PLAAS), University of the Western Cape, South Africa. He holds a PhD in Poverty, Land and Agrarian Studies.

The authors are grateful to Ruth Hall for reviewing initial drafts of this brief, to Ursula Arends for proofreading and copy-editing this brief, and to Andile Cele for helping with layout and design.

This policy brief is based on a research paper. It was supported in part by aid from the UK government (Foreign, Commonwealth and Development Office – FCDO, formerly DfID) and forms part of PLAAS's contribution to the Network of Excellence on Land Governance in Africa.

The opinions are those of the authors and do not necessarily reflect the views or policies of PLAAS, the Institute of Development Studies (IDS) or the UK government.

## Endnotes

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