OUR LAND. OUR CHOICE.

#LANDFORFARMERS

The Great Land Heist

How the world is paving the way for corporate land grabs

ActionAid International May 2014
Acknowledgements:

This report was written by Julian Oram for ActionAid International.

The author would like to acknowledge the invaluable contributions of various individuals to the material contained within this report. Particular thanks go to Soren Ambrose, Antoine Bouhey, Kysseline Cherestal, Mark Curtis, Alexander Birk Petersen Ege, Doug Hertzler, Aftab Alam Khan, Elias Mtinda, Sumathi Pathmanaban, Tim Rice, Sara Shaw, Kim Trathen and Ruchi Tripathi. Any factual errors or inaccuracies remain the author’s responsibility.

Front cover photo:
Leoni Maniraguha Sebijumba from the Democratic Republic of Congo had her land grabbed by her brothers. Through an ActionAid project she has learnt about her rights and successfully regained her land. PHOTO: ACTIONAID
Contents

Acknowledgements 2

Contents 3

Glossary 4

Introduction 5

1. The global scramble for land 8
   A vital asset in the fight against poverty 8
   Where are land deals happening? 9
   Who is the land going to? 11

2. Drivers of land grabs: global crisis and public incentives 12
   Land as a safe port in a global investment storm 12
   Weak land governance regimes 13
   The need to bridge the agricultural investment gap 13
   Government-led land grabs 14
   Public policy incentives for land grabs 16
   The role of international financial institutions 20
   Government-backed agricultural investment funds 23

3. Counting the costs of land grabs 25
   Disempowerment and marginalisation 25
   Displaced communities 26
   Human rights violations 27
   Women bear the brunt 29
   Lost livelihoods and increased food insecurity 29
   Social breakdown and cultural impacts 32

4. Developing alternative models of investment 34
   Securing the rights of traditional land users 34
   Supporting sustainable and resilient smallholder farming 36
   Ensuring more just relations in markets 40
   Taking an integrated approach to empowering women 41

5. Conclusions and recommendations to governments 42

References 45
## Glossary

<table>
<thead>
<tr>
<th>Acronym</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>AECF</td>
<td>Africa Enterprise Challenge Fund</td>
</tr>
<tr>
<td>AfDB</td>
<td>African Development Bank</td>
</tr>
<tr>
<td>AGRA</td>
<td>Alliance for a Green Revolution in Africa</td>
</tr>
<tr>
<td>CDC</td>
<td>Commonwealth Development Corporation</td>
</tr>
<tr>
<td>CFS</td>
<td>World Committee on Food Security</td>
</tr>
<tr>
<td>CRSA</td>
<td>Climate Resilient Sustainable Agriculture</td>
</tr>
<tr>
<td>DANIDA</td>
<td>Danish International Development Agency</td>
</tr>
<tr>
<td>DEG</td>
<td>German Development Bank</td>
</tr>
<tr>
<td>DfID</td>
<td>UK Department for International Development</td>
</tr>
<tr>
<td>EBA</td>
<td>Everything But Arms Initiative</td>
</tr>
<tr>
<td>EDF</td>
<td>European Development Fund</td>
</tr>
<tr>
<td>EIB</td>
<td>European Investment Bank</td>
</tr>
<tr>
<td>FAO</td>
<td>UN Food and Agriculture Organisation</td>
</tr>
<tr>
<td>FPIC</td>
<td>Free, Prior and Informed Consent</td>
</tr>
<tr>
<td>GDP</td>
<td>Gross Domestic Product</td>
</tr>
<tr>
<td>IFAD</td>
<td>International Fund for Agricultural Development</td>
</tr>
<tr>
<td>IFC</td>
<td>International Finance Corporation</td>
</tr>
<tr>
<td>LPI</td>
<td>Land Policy Initiative</td>
</tr>
<tr>
<td>NEPAD</td>
<td>The New Partnership for Africa’s Development</td>
</tr>
<tr>
<td>NMFA</td>
<td>Netherlands Ministry of Foreign Affairs</td>
</tr>
<tr>
<td>OECD</td>
<td>Organisation for Economic Co-operation and Development</td>
</tr>
<tr>
<td>PAA</td>
<td>Programa de Aquisição de Alimentos - Food Acquisition Programme</td>
</tr>
<tr>
<td>SAGCOT</td>
<td>Southern Agricultural Growth Corridor of Tanzania</td>
</tr>
<tr>
<td>TAAS</td>
<td>Technical assistance and advisory services</td>
</tr>
<tr>
<td>TGs</td>
<td>Voluntary Guidelines on the Responsible Governance of Tenure of Land, Fisheries and Forests in the Context of National Food Security</td>
</tr>
<tr>
<td>UN</td>
<td>United Nations</td>
</tr>
<tr>
<td>USAID</td>
<td>United States Agency for International Development</td>
</tr>
<tr>
<td>WEF</td>
<td>World Economic Forum</td>
</tr>
</tbody>
</table>
The Great Land Heist: How the world is paving the way for corporate land grabs

Over recent years, a global land rush has resulted in a massive rise in the number of people in developing countries being evicted or denied access to their own land – sometimes in violent confrontation with the authorities – as big business moves in. Offered little in the way of compensation or alternative livelihoods, millions are being forced into increased poverty, hunger and dispossession.

More than 1,600 large-scale land deals have been documented since the year 2000, targeting over 60 million hectares. That’s a massive area larger than Spain, Germany or Kenya. It is likely that a good many more large and mid-sized acquisitions of community land have occurred, but remain undocumented and unquantified.

“I got to know of the project when I saw bulldozers clearing the forest and attempting to forcefully evict people from their homesteads. Yet I am a village elder here,” says Jacob Kokani, a community member from Marafa, a small settlement in the coastal region of Malindi in Kenya.

In October 2009, members of Jacob’s community and many others across Malindi complained to local authorities that their land was being transferred without their consent to an Italian company.

ActionAid found out that Malindi County Council was leasing out 50,000 hectares of community trust land to Kenya Jatropha Energy Ltd, a company specialising in the production of biofuels and owned by Italian company Nuove Iniziative Industriali. The council was to receive €100,000 in annual revenue arising from a 33-year lease of the land. According to ActionAid calculations the project would require the eviction of around 20,000 people, as well as destruction of the Dakatcha forest, home to rare bird and tree species.
However, communities had not been consulted and had not given their consent to this plan. As 26-year-old smallholder farmer Henzanani Merakini said, “If the pilot project for the plantation is approved by the government, I will lose my plot and I am going to be evicted so I am not happy. The company has not offered me any alternative land or accommodation and I have not yet been given any notice to vacate. The day they approve it is the day that we will be evicted.”

Local communities moved to court and filed a case to demand an immediate stop to the project, while a petition gathered tens of thousands of signatures in Kenya and abroad. In September 2010, the Kenyan government asked the county council to develop a multiple land-use plan that would conserve all forested areas, and the company to provide concrete evidence of the economic, social and environmental impacts of the proposed project. A year later, in September 2011, the government banned the growing of jatropha in the coastal region, stressing that the Italian company had failed to “provide any scientific evidence that the development of jatropha was going to be sustainable and economically profitable for the country and communities.”

Such narrowly avoided disaster might be shocking, but it is by no means unique. In the wake of the food crisis of 2007-08, the rate of large-scale land deals such as this rose dramatically as demand for agricultural land intensified, before slowing as food prices declined in 2010. But the long-term trend is an increase in attempts by governments, agribusiness investors and financial sector interests to acquire land in low-income countries, whatever the price for those who already live there. Land is in demand for food, fuel, fodder and fibre production, as well as for other purposes such as forestry, mining or tourism. Projected changes to global population, income and consumption patterns over the coming decades mean that competition is only likely to intensify.

But these drivers are not occurring in a vacuum. The Great Land Heist highlights how land grabs are being facilitated through public financing and policy incentives by both ‘host’ country governments, as well as by investor ‘home’ country governments, donors and multilateral agencies. Most of these deals are happening without the informed consent of community members, many of whom earn their living and feed their families from that land. Mechanisms via which taxpayer money and public policies are fuelling land grabs include:

- Direct sale and lease to investors by host country governments.
- Enticements by host country governments for agribusiness investment in land, e.g. tax holidays and tariff waivers, often geographically focused within special economic zones or agricultural ‘growth corridors’.
- Failure of both host and home country governments to reform land governance laws based on international best practice – such as the Voluntary Guidelines on the Responsible Governance of Tenure of Land, Fisheries and Forest (TGs) – making it easier for powerful vested interests to assert control over land in conjunction with investors.
- Initiatives led by G8 and other donor governments to facilitate corporate land investments in host countries but which are failing to ensure strong safeguards and implementation of the TGs, e.g. the New Vision for Agriculture and the New Alliance for Food Security and Nutrition.
- Donor backed agricultural investment funds providing finance to agribusinesses to acquire land, often without transparent and accountable systems for ensuring such investments do no harm.
- Government-funded multilateral financial institutions providing financial, technical and policy support to projects and programmes involving land deals in the agricultural, forestry, energy, mining, infrastructure and tourism sectors.
- Bilateral, regional and multilateral trade agreements that strengthen the rights of foreign investors while failing to safeguard the human rights of communities in host countries.
- Publicly mandated biofuel quotas, particularly in Europe, driving demand for land to grow energy crops in other countries for export.
As an organisation that has worked for many years with agricultural communities in Asia, Africa and Latin America, helping rural women and men to claim their right to food, ActionAid has witnessed first hand how the absence of secure land rights contributes to hunger and poverty.

In *The Great Land Heist*, ActionAid presents cases highlighting how land grabs in Cambodia, Kenya, India, Mozambique, Senegal, Sierra Leone and Tanzania are leading to forced evictions, human rights violations, lost livelihoods, divided communities, destruction of culturally significant sites, rising food insecurity and, ultimately, increased poverty. Crucially, it also shows how women, who undertake the majority of household food production in many countries, often fare worst from land grabs.

But this disastrous trend can be stopped. Reforms are urgently needed to remove the array of public finance and policy incentives that buoy land grabbing, and redirect resources into types of agricultural production that are both more equitable and more sustainable.

In many countries, agriculture is badly in need of investment. But rather than incentivising land grabs by offering land, cheap loans and corporate tax breaks to foreign investors, governments and development cooperation agencies should focus efforts on improving access to resources for the largest group of private investors in agriculture – smallholder farmers.

Public money should be redirected to support small-scale food producers, helping them to improve the resilience, profitability and sustainability of their farms. This could be achieved through capacity building for smallholder producer groups, assisting with the uptake of climate resilient agro-ecological farming systems, access to capital and credit, strengthening links to local markets and improving local value chain options, particularly for women.

Governments must also ensure that national and global land governance regimes are strengthened to protect the rights of traditional land users, especially women; for example by implementing the TGs, and by adopting a strong set of human rights-based principles on Responsible Agriculture Investment at the Committee on World Food Security meeting this year.

It's time to put a stop to the great land heist.
1. The global scramble for land

A vital asset in the fight against poverty

For millions of people living in the world’s poorest countries, access to land is a matter not of wealth, but of survival, identity and belonging. Most of the 1.4 billion people earning less than US$1.25 a day live in rural areas and depend largely on agriculture for their livelihoods, while an estimated 2.5 billion people are involved in full- or part-time smallholder agriculture. Small farmers, pastoral societies, forest dwellers and fisher men and women all rely directly on land and natural resources for their livelihoods, as a primary source of food for their families, and for the innate value their environment often holds as the centre of their cultural identity.

According to UN figures, smallholders manage approximately 500 million small farms and provide over 80% of the food consumed in large parts of the developing world, particularly south Asia and sub-Saharan Africa. Rural women produce half of the world’s food and, in developing countries, between 60-80% of food crops. Economic data has shown that a 1% rise in agricultural per-capita GDP reduces poverty five times more than a 1% increase in GDP in other sectors, especially amongst the poorest people. Ensuring that women and men smallholder farmers, pastoralists and fisher folk have secure rights over land and natural resources is therefore essential to combatting poverty and hunger, to upholding people’s social, economic and cultural rights, and to ensuring they can live life with dignity.

Yet across the globe, these rights are coming under threat. In many of the world’s poorest countries, vast tracts of land are being sold or leased under long-term deals to domestic and multinational companies and foreign governments looking to secure farmland for commercial agriculture, timber, energy or mining projects, or simply as an asset. Extensive research over the past few years has shown that many of these land deals are characterised by lack of transparency, consultation and adverse human rights effects. In many instances these deals are happening with the backing of governments, international agencies and multilateral financial institutions.
Box 1: What is a land grab?

The most widely referenced definition of what constitutes a land grab is that arising from the ‘Tirana Declaration’, agreed by governments, international organisations and civil society groups participating in a major conference on land regulations and rights in May 2011. It defines land grabs as land deals “that are one or more of the following:

1. In violation of human rights, particularly the equal rights of women;
2. Not based on free, prior and informed consent of the affected land-users;
3. Not based on a thorough assessment, or are in disregard of social, economic and environmental impacts, including the way they are gendered;
4. Not based on transparent contracts that specify clear and binding commitments about activities, employment and benefits sharing, and;
5. Not based on effective democratic planning, independent oversight and meaningful participation.”

In this report, we use the term land grabs in accordance with this definition. By contrast, we will refer to ‘land deals’ for any deal that has not met one or more of the above criteria. As defined by the Land Matrix, land deals:

- Entail a transfer of rights to use, control or ownership of land through sale, lease or concession;
- Cover an area of 200 hectares or more;
- Imply the potential conversion of land from smallholder production, local community use or important ecosystem service provision to commercial use.

Where are land deals happening?

The true extent of the global rush to land is impossible to evaluate for certain, because information is often kept out of the public domain and much of it lacks transparency (see box 2). But what is clear is that large-scale land deals are happening in every region in the world – from Rwanda to Romania, Colombia to Cambodia. As figure 1 illustrates, the vast majority of documented large-scale land deals have been happening in southeast Asia, sub-Saharan Africa and Latin America.

Figure 1: Number of land deals by region (total land deals: 1515)

Data source: The Land Matrix (accessed April 2014)
Box 2: Data on land deals: a known unknown

The first organisation to attempt to quantify the alarming rise in land grabs was the non-government organisation Grain, which produced a global assessment in 2008. Grain still maintains the biggest database of cases of land grabs via the website farmlandgrab.org, from which many other databases derive much of their information.

Perhaps the most comprehensive attempt to document large-scale deals has been the Land Matrix Initiative, an online database supported by a variety of non-government organisations, donors and intergovernmental bodies.

Although this report draws on the Land Matrix for many of the headline global and regional figures around the scale of large land deals, it is worth noting that data reported on the Land Matrix has its limitations. Due to the lack of transparency in many countries, even comprehensive national studies can struggle to determine which land deals are being abandoned and which are going forward, and on what amount of land. Also, in many cases deals might seem to have been abandoned, only to arise again later, often under a new name.

The Land Matrix is interested in recording all deals over 200 hectares that “imply the potential conversion of land from smallholder production, local community use or important ecosystem service provision to commercial use.” However, the median sized deal in the database is over 8,000 hectares. This may indicate that very large deals are more likely to be documented, while many significant deals in the hundreds and low thousands of hectares may go unreported.

Of the top 10 countries targeted by investors for large-scale land deals, six (South Sudan, Democratic Republic of Congo, Mozambique, Liberia, Sudan and Sierra Leone) are in Africa. As of the end of 2013, total large-scale land deals documented by the Land Matrix in Africa stood at nearly 40 million hectares; roughly the size of Switzerland. Other prominent targets include: Papua New Guinea, Indonesia, Brazil, Ukraine, Uruguay, Congo Brazzaville, Ethiopia, Guyana, Ghana, Cambodia, Zimbabwe, Zambia, Madagascar, Argentina, Gabon, Lao PDR, Tanzania, Vietnam, Colombia and Senegal.

Investors and local elites involved in land deals often describe the areas being targeted as ‘empty’, ‘idle’ or ‘under-utilised’. Yet this is a misleading portrayal of reality. Investors generally target areas that are easily accessible, have a high yield potential and often have considerable population densities. Of the deals documented by the Land Matrix database, almost half of land targeted was already being used for crop production.

Even so-called ‘empty land’ usually has legitimate tenure rights holders who might use that land for a variety of purposes. For example, very little land in Africa is truly idle, given pastoralist activities, traditional land management techniques in semi-arid regions, use of land for ritual/religion, and natural forests providing a source of many essential products. Given this, large-scale land deals mean that competition for land between investors and traditional users is inevitable. Another important aspect of this worth noting is that traditional land use management systems, particularly in semi-arid
areas, are better suited to the environment than
intensive irrigated agricultural practices, which can
quickly degrade fragile soils and over-exploit fresh
water resources.

This situation is compounded by the complex
mosaic of land tenure systems in many countries.
There is often a mixture of informal and traditional
tenure systems (tribal land, customary inheritance
practices, loaned land, family sharing arrangements,
etc) overlaid onto various classifications of publicly
held land, as well as private property ownership
titles and formal lease agreements. In sub-Saharan
Africa, for example, only around 10% of rural land
is officially registered.18

**Who is the land going to?**

According to the Land Matrix data, the primary
origin of concluded land investments is the USA
(7.09 million hectares), followed by Malaysia (3.35
million hectares), United Arab Emirates (2.82
million hectares), the UK (2.96 million hectares),
India (1.99 million hectares), Singapore (1.88 million
hectares) Netherlands (1.68 million hectares),
Saudi Arabia (1.57 million hectares), Brazil (1.37
million hectares) and China (1.34 million hectares).19

The parties involved in land deals include a range
of different domestic and international investors,
who often work in conjunction with influential
local actors. A study by Deutsche Bank Research
highlights three broad groups of economic players
in agricultural land: 1) governments seeking to
acquire land in other countries in order to secure
food and energy supplies, 2) agricultural companies
either looking to expand or to integrate the supply
and 3) financial investors.

In addition there are other business sectors looking
to acquire land, including mining companies,
tourism concerns and timber concessions. The
Deutsche Bank study notes that these groups do
do not work in isolation. By putting pressure on land,
the interests of one group drives the actions of the
others.20
2. Drivers of land grabs: global crisis and public incentives

Land as a safe port in a global investment storm

While land deals had been increasing in frequency since the late 1990s, the recent wave of land grabs really began in earnest following the food and financial crises of 2007-2008. Brought about by a combination of increased competition for land between food, fuel and animal feed crops, fluctuating harvests due to climate change and long-term neglect of the agriculture sector in many countries, skyrocketing food prices triggered riots in dozens of major cities around the world. Suddenly, political leaders had to sit up and take notice that the global food system was in such a precarious state that stability in their own countries was at risk.

This rising demand led to sudden increases in the amount of land used for crops globally, and triggered a scramble for cross-border land grabs by foreign governments, sovereign wealth funds, private equity funds, agribusiness firms, and other key players. After following a relatively flat trend in 1990s, the global harvested area has increased sharply over recent years, expanding by 30.6 million hectares between 2004 and 2012.

In addition to rising demand for land to cultivate food crops since 2007, competing pressures from other sectors also continue to drive interest in land deals – including the production of energy crops (biofuels), animal feed, livestock grazing and fibre, as well as for forestry, mining, tourism, industry and property development.

Livestock and biofuel production have been particularly key drivers. A third of global croplands are now used for livestock feed production, while 13 billion hectares of forest area are lost annually due to conversion for use as pastures or cropland, for both food and livestock feed crop production.

The growing demand for global energy crops, propelled by publicly mandated minimum levels of bio-ethanol and bio-diesel consumption in the EU and US, has also fuelled interest in land deals.

Another driver has been the aftermath of the global banking and financial crisis, which had financial institutions scrambling around for new ‘safe’ vehicles for their investments, including commodity derivatives, shares in commodity-based companies, and physical assets such as land. Furthermore, international initiatives designed to place a value on natural resources for their function in regulating climate change, such as the Reducing Emissions from Deforestation and Forest Degradation (REDD+) scheme, have provided a further incentive for governments and companies to ‘zone off’ and seek to profit from land.
Weak land governance regimes

Weak governance and regulation over land uses and agriculture investments are another enabling condition in the rise of land grabs. Smallholder farmers and indigenous peoples often lack legal recognition over their land rights, even if they have resided in or used that area for generations. This makes them susceptible to corrupt land deals and expropriation without consent or fair levels of compensation.

Governments are often unable or unwilling to accommodate communities’ preferred methods of land rights recognition. This is despite internationally agreed principles, such as the Voluntary Guidelines on the Responsible Governance of Tenure of Land, Fisheries and Forests in the Context of National Food Security, which call upon states to recognise, respect and safeguard the legitimate tenure rights of traditional land users, whether formally recorded or not (more on this in section 4).

Investors are also generally targeting the world’s weakest-governed countries to acquire land. A 2013 study by Oxfam on the relationship between governance and land deals found that, of the 56 countries where large-scale land deals were agreed between 2000-2011, 78% scored below average on four key governance indicators used by the World Bank: accountability to citizens, rule of law, the quality of private sector regulation, and control of corruption. It also found that the average score across the four governance indicators in countries with large land deals was 30% lower than those without such deals.25

The need to bridge the agricultural investment gap

Recent moves to attract investment into agriculture have been largely pre-occupied with expanding the uptake of conventional commercial agricultural technologies and practices. This includes both schemes that have been introduced to engage small-scale producers – such as contract farming and out-grower schemes – and those designed to stimulate the growth of medium-to-large-scale commercial agriculture enterprises. In many instances, the intention is to link farmers adopting this production model into national urban and international markets, rather than to boost the availability of quality nutritious food within local economies.

The political rationale behind promoting this investment model is clear. In order to compensate for the massive shortfall in public spending on agriculture by both developing countries and donor nations, governments have looked towards multinational input suppliers, commodity buyers and food manufacturers to fill the investment gap.26 Developing countries hope that this will generate agricultural jobs, boost food production, increase export revenues and create other agro-industrial links that stimulate rural economic growth. And as the largest multinational agribusiness companies are based in industrialised nations, the expansion of market opportunities for these firms also represents a prospective boon for the economies of donor countries.

It is, then, no surprise that governments are looking to attract private capital into agricultural land, under the auspices of improving food security and accelerating growth. Below we highlight four ways in which governments are facilitating land deals in order to support the expansion of corporate food, fibre and fuel production in developing countries. These are:

- direct land sales and long-term lease agreements by host country governments
- public policy incentives for commercial land deals linked to agricultural growth strategies, e.g. tax holidays and tariff waivers for agribusiness investors, often centred around special ‘growth corridors’ and increasingly backed by international initiatives such as the New Alliance for Food Security and Nutrition
- support for large commercial land deals by government-backed multilateral finance institutions
• land deals conducted by companies financed through publicly-financed agricultural investment funds.

These strategies ignore the fact that smallholder farmers are currently the majority of investors in agriculture. Studies have long shown that smallholder farmers are capable of producing more per unit of land, and supporting more livelihoods than large scale farms, if they are enabled rather than disadvantaged by government policies.27

**Government-led land grabs**

National and local governments are playing a role in land grabs through direct interventions in land sales or leasing arrangements, as well as by promoting and facilitating such deals (see box 3).

In some instances, governments are the principal actors in terms of directly acquiring and/or allocating land. Countries such as Ethiopia and Vietnam, for example, vest the ultimate authority to allocate land within the power of the state. Even where the state does not hold the majority of land, governments may play an active role in land purchases through the use of executive powers. This is often mediated through local political and economic elite who help investors to identify ‘available’ land and negotiate access to and compensation for this land. As land ownership is legally connected to public authorities, it constrains the ability of rural communities to assert their rights and resist takeovers of their land and associated natural resources.28

Some governments have also enacted strategies to themselves become active investors in farmland or in agricultural companies overseas; e.g. through sovereign wealth funds and state-owned enterprises, as well as via bilateral investment treaties and cooperation agreements in agriculture.29 The Gulf States have been particularly active in acquiring land in African countries over the past decade.

---

**Box 3: Communities resisting forced displacement in Senegal**

In 2010, the Dakar-based company Sénéthanol SA sought to gain access to 20,000 hectares of land in the Fanaye region of Senegal, in order to cultivate sweet potato for the production of biofuels intended for European consumers. Most of the local population firmly opposed the proposal, as they need the land in order to feed themselves and meet their basic needs. Tension mounted rapidly and culminated in tragedy on October 26 2011, when two farmers were killed and dozens of others injured during an organised protest against the project.30

The project was repeatedly suspended and then reauthorised by presidents of Senegal over the next few years, and operations have since been implemented by Senhuile SA, a joint venture owned by the Italian-based Tampieri Financial Group – which holds a 51% stake in the venture – and Sénéthanol SA, which holds the remaining 49% stake.

**Serious consequences for local populations**

The project has now been moved to the nature reserve of Ndiaël, 30 kilometres away, which encompasses 37 villages and hosts a population of up to 9,000 people, who subsist primarily on a semi-nomadic farming basis. The operations of Senhuile SA now prevent these villagers from accessing some of their grazing land, food, water and firewood.
“The limitation of animals’ mobility has seriously affected our livelihoods… We cannot collect milk to sell in the market… The population of Ndial is a low income population. Given their dynamism in the sale of milk and collection of fallen trees for firewood, women farmers, already marginalized, are the main victims and earn the least amount of money”.

Madame Fatouma Sow, a woman farmer from Thiamene Village Rural Community of Ngith

Women in particular are now forced to cross large distances in order to access food and water. Driven from their land, local people are no longer able to support the needs of themselves and their families. As villager Rougi Sow says, “If the project stays here, we will be obliged to leave our village.”

In order to defend their rights, a large number of members of the local communities – who opposed the project from its inception – created the Collective for the Defence of the Ndial Reserve. Multiple attempts at negotiation and community protests have not succeeded in providing solutions that communities deem satisfying, and there was no room for them to refuse the investment. In view of the negative impacts on their livelihoods, most of the local population now demand that the company cease all operations and withdraw from the region, and for their land rights to be restored.

“We want a project that belongs to us, not a project that robs us of our rights as Senhuiel Project; we ask them to move from here. They didn’t consult women, youth, and children.”

Madame Awa Sow, Member of the Ndial Women’s Pastoralist Association in Ngith
Public policy incentives for land grabs

Aside from these direct incentives, the wider legal and policy environment is also a crucial determinant of the frequency of land takeovers within low-income countries. Countries that maintain ill-defined or weak land rights for existing customary land users make it easier for powerful local and foreign interests to acquire land.32

In addition, progressive rounds of trade liberalisation through the World Trade Organization and bilateral and regional trade agreements have facilitated the entry of overseas investors into agricultural production and exports, and made it easier for companies to access land overseas. These liberalised investment regimes have also been vigorously promoted by multilateral agencies such as the OECD, World Bank and even the UN Food and Agricultural Organisation (FAO), without equal attention to the land rights and wider human rights of communities within host countries (see box 6). In Madagascar for example, a series of reforms supported by international organisations paved the way to land grabs that had not been possible under the previous legal regime. In 2006, the World Bank had supported the creation of the Economic Development Board of Madagascar, which channelled Foreign Direct Investment to several sectors, including agriculture. This was followed in 2008 by the adoption of an investment code that allowed foreign investors to buy or lease agricultural land more easily. A few months after, South Korean company Daewoo Logistics announced it was about to lease for free 1.3 million hectares of land over 99 years, to produce maize and palm oil for Korean and international markets.33

More directly, governments are also stimulating large-scale land deals via public policies designed to attract private capital into the agriculture sector, including business tax holidays, export tariff exemptions, relaxation of foreign capital controls, infrastructure provision and access to low-interest finance. These incentives are often linked to geographically defined special economic zones or ‘growth corridors’, usually in areas of high agricultural potential (see box 4).

While many countries were already adopting such strategies to attract inward investment, the role of public policy in incentivising land deals has gained momentum over recent years with the advent of several key international initiatives designed to kick-start investment into the agricultural sectors of low- and middle-income countries.

Prominent amongst these has been the roadmap of the New Vision for Agriculture, launched at the World Economic Forum in 2010. This vision places private sector investment at the heart of delivering future food security, economic growth and sustainable agriculture, in the context of a need to increase food production by 70% to meet the demand of an expected global population of nine billion people in 2050.

The New Vision has catalysed public-private partnerships designed to stimulate investment in commercial agriculture. At a global level New Vision has partnered with the G8 and G20 and facilitated high-level informal dialogues that have spawned subsequent initiatives, such as the New Alliance for Food Security and Nutrition (discussed below). At the regional and country level, it has catalysed multi-stakeholder partnerships in 14 countries in Africa, Asia and Latin America, including a regional partnership called Grow Africa, that between them have mobilised over US$5.7 billion in agricultural investment commitments in the next 3-5 years (see table 1). In 2014, the World Economic Forum and the secretariat of Association of Southeast Asian Nations (ASEAN) will develop and launch a parallel Asian regional platform to facilitate partnership for agricultural investment in south and southeast Asia.34
Grow Africa describes itself as “a partnership platform that seeks to accelerate investments and transformative change in African agriculture”. It seeks to do this through catalysing public-private partnerships and increasing private sector involvement, by “supporting partner countries in developing investment blueprints, building a pipeline of investments, and strengthening cross-sector collaboration”.35

One of the key concepts promoted by the New Vision and Grow Africa has been establishing several large agricultural hubs or ‘growth corridors’ to attract investment.36 In these zones, companies are incentivised by host governments and supporting donors to establish their operations via a series of tax, regulatory and land incentives, as well as by new infrastructure (roads, railways, ports, irrigation, storage, processing facilities, etc). The projects focus mainly on commercial agriculture, but also include forestry and mining.37

Two of the largest African agricultural growth corridors – Beira in Mozambique and the Southern Agricultural Growth Corridor of Tanzania (SAGCOT) – have launched investment blueprints to identify specific business opportunities, while setting out the model underpinning the corridor-based approach. They aim at catalysing combined investments of US$5 billion over a 20-year period, with analysis showing a multi-billion dollar potential for annual farming revenues.38

<table>
<thead>
<tr>
<th>Country</th>
<th>Initiative</th>
<th>Summary</th>
</tr>
</thead>
</table>
| Mexico  | New Visions for Mexico’s Agrifood Development (VIDA) | • Engages over 40 companies and stakeholders in collaboration with Mexican Ministry of Agriculture to complement the country’s agriculture sector policy plans.  
• Focuses on four commodity groups: grains, oilseeds, fruits and vegetables, and coffee & cocoa.  
• Aims to mobilise US$740 million of investment by 2018. |
| Burkina Faso, Ethiopia, Ghana, Kenya, Malawi, Mozambique, Nigeria, Rwanda, Tanzania | Grow Africa | • Regional partnership platform initiated in 2011 and co-convened by the African Union, the New Partnership for Africa’s Development (NEPAD) and the World Economic Forum.  
• Works to accelerate investment for agricultural growth in Africa in alignment with national plans.  
• Has mobilised over US$5 billion. |
| India   | Maharashtra state public-private partnership | • Launched in 2011 and engages 20 companies and the state government.  
• Currently undertaking 17 integrated value-chain projects on maize, soybeans, pulses, tomatoes, potatoes, onions, grapes, pomegranates, sugar and cotton.  
• Has reached over 160,000 farmers to date and aims to reach one million farmers by 2016. |
| Vietnam | Vietnam Public-Private Task Force on Sustainable Agriculture | • Formed in 2010 and engages over 30 companies and other stakeholders working with the Ministry of Agriculture.  
• Focused on coffee, tea, fruits and vegetables and fisheries. |
| Indonesia | Partnership for Indonesia’s Sustainable Agriculture | • Formed in 2011, engages over 30 companies and other stakeholders (including four government ministries).  
• Collaborates on 10 value chains: rice, soya, potato, maize, dairy, cocoa, coffee, palm oil, rubber and tropical fruits. |
| Myanmar | Myanmar Agriculture Network | • Initiated in June 2013 and engages over 30 companies and organisations, including government ministries, to identify common interests and explore potential collaboration on specific crops and crosscutting issues. |
The Beira corridor, launched at the World Economic Forum in 2010, is described as “a partnership between the government of Mozambique, the private sector, local farmers and the international community”. Its focus is on attracting investment into arable land, with donor support coming from Japan, the United States, the UK, the Netherlands and Norway, as well as the World Bank, African Development Bank, and the Alliance for a Green Revolution in Africa. It ultimately aims to bring 190,000 hectares of land cultivated for food and other crops under commercial irrigation, with a total planned public and private investment of US$1.7 billion by 2030.

The SAGCOT corridor, meanwhile, is even more ambitious. Derived from the government’s Kilimo Kwanza (‘Agriculture First’) strategy, it is looking to attract US$3.3 billion of private investment within the area’s 350,000 hectares of farmland. It aims to boost food production and increase annual farming revenues by more than US$1.2 billion while generating 420,000 new jobs, establishing southern Tanzania as a major regional food exporter. The approach is based on the experiences of other agricultural growth corridors, notably those within Mozambique, Vietnam, Malaysia and Thailand.

Box 4: Kilimo Kwanza Growth Corridors: a blueprint for agricultural public-private partnerships in Tanzania

‘Kilimo Kwanza Growth Corridors’ is an international public-private partnership launched at the World Economic Forum on Africa in May 2010 in Dar es Salaam, Tanzania. Its mandate is to mobilise private sector investments and partnerships to help achieve the goals of Tanzania’s Kilimo Kwanza strategy in several growth corridors. By catalysing large volumes of private investment, the initiative aims to stimulate rapid agricultural growth, improve food security and reduce rural poverty.

Members of the partnership represent the Tanzanian government, the private sector, foundations and donor institutions. These include Diageo, Dupont, Monsanto, SAB Miller, Standard Bank, Syngenta, the Irish embassy of Tanzania, the Norwegian embassy of Tanzania, Norfund and USAID, as well as FAO and the WEF.

It has been led by an Executive Committee co-chaired by the Minister of Agriculture of Tanzania and the Executive Vice President (North and Central Africa) of Unilever. So far the Executive Committee has prepared an Investment Blueprint for development of the Southern Agricultural Growth Corridor (SAGCOT).

Like the Beira corridor, the SAGCOT intends to link investment from the public sector, development partners and Tanzanian and international investors to “kick start” the region’s latent potential for highly productive agriculture and efficient value chains. Its direct partners include the governments of Ireland, Norway and the USA, as well as the FAO and World Bank. According to the European Commissioner for Development, EU donors had €50 million worth of investment committed to the SAGCOT in 2013.
Another major initiative has been the New Alliance for Food Security and Nutrition, launched by President Obama at the G8 Summit in July 2012. The New Alliance has proclaimed a new phase of global investment in food security and nutrition, emphasising public-private partnerships. It acts as a joint initiative between G8 governments, African countries and large private enterprises, and aims to accelerate investment into African agriculture and lift 50 million people out of poverty by 2022. Ten African countries have signed framework agreements with the G8 so far. For some G8 countries, the New Alliance now represents a principal conduit for aid to agriculture in Africa. For example, the UK intends to channel £600 million of public support into the initiative between 2012 and 2016.

Several New Alliance companies have already been subject to allegations of land-grabbing. For example, Cargill, which has signed letters of intent for investments under the framework agreements with Côte d’Ivoire and Nigeria, was discovered to be evading land concentration restrictions by creating 36 shell companies to acquire over 52,000 hectares in the department of Vichada in Colombia; 30 times the maximum allowed for a single owner. Dominion Farms, a US-based company with a US$40 million investment agreement with the government of Nigeria under the New Alliance framework, has been accused of land-grabbing in the Yala swamp area of Kenya. More generally, an unpublished report by USAID on Tanzania’s SAGCOT growth corridor states that it will require the use of large amounts of village lands and thus transfer of tenure rights from communities into the hands of companies.

**Box 5: Big land deals for big results?**

In May 2013 the Tanzanian government released detailed plans for its ‘Big Results Now!’ initiative covering numerous policy areas including agriculture. Government officials and private sector stakeholders emerged from several weeks of workshops called the ‘Big Results Now! Agricultural Laboratory’ to declare headline grabbing plans for establishing 26 large-scale commercial sugarcane and rice farms by April 2015. The total area of these 26 large farms is planned to be 430,000 hectares. For comparison purposes the average size of one of these farms is larger than the city of Washington, DC.

Big Results Now! is modelled on a Malaysian programme known as Big Fast Results, and is being funded by UK’s Department for International Development. The Big Results Now! agricultural laboratory was largely an attempt to address supposed bureaucratic delays slowing implementation of the SAGCOT initiative.

Unfortunately for the Big Results Now! planners, the major difficulty with SAGCOT is not bureaucratic barriers to land acquisition, but rather that the land is occupied and not readily available. Even though politicians and distant analysts with satellite imagery are fond of saying that Tanzania has plenty of unused land, the reality is that the vast majority of Tanzania’s land belongs to villages who not only need land for crops, but they also use grasslands, forests and water resources as important parts of their livelihoods. In contrast to the idea of unused land, there is in fact competition for land in some places between different farming villages, especially between farmers and pastoralists.
Even if New Alliance companies do not engage directly in land grabs, they are likely to fuel land grabs and conflict over land simply by lending their support to the cooperation framework agreements, many of which contain explicit clauses related to land.

For example, Ghana has committed to create a database of suitable land for investors, simplify procedures for them to acquire lands, and establish pilot model 5,000 hectare lease agreements. Meanwhile, the Ethiopian government announced changes in the country’s legislation to facilitate large-scale selling and leasing of land in order to allow for commercial agriculture in areas under cultivation following its Cooperation Framework agreement with the New Alliance.

In order to “improve and accelerate reforms to encourage the private sector to invest in the agricultural sector”, the government of Senegal has agreed to “taking steps to facilitate access to land and its productive use by all”. For its part, the government of Tanzania will map the fertile and densely populated lands of Kilombero District to make it easier for outside investors to find and acquire the lands they want, while Burkina Faso has promised to accelerate the implementation of a new resettlement policy.

But perhaps the clearest illustration of the corporate land acquisition agenda under the New Alliance comes from the Côte d’Ivoire. Under its Cooperation Framework agreement with the New Alliance, in exchange for pledges of US$284.9 million in donor assistance, Côte d’Ivoire promises to reform land laws and make other policy changes to facilitate private investment in agriculture. This includes the completion of a new Rural Land Act, implementation of programmes to demarcate village land, issue land certificates, and make land available for eight foreign companies and their local partners who intend to invest nearly US$800 million in the development of massive rice farms.

Groupe Mimran of France wants an initial 60,000 hectares, and plans to eventually expand its holdings to 182,000 hectares. Another firm, the Algerian company Cevital, is reported to be seeking 300,000 hectares. On January 31, 2013, the CEO of the French grain trader Louis Dreyfus, the biggest importer of rice in Côte d’Ivoire, signed an agreement with the country’s ministry of agriculture, giving it access to between 100,000-200,000 hectares for rice production.

Fundamentally, however, agricultural growth corridors and the policy frameworks devised under the New Alliance are themselves a manifestation of a bigger driver fuelling land grabs, which is the tendency for government policies to implicitly or explicitly back large-scale commercial farming as the preferred agricultural model for delivering rural growth, poverty reduction and improved food security objectives.

Agricultural policies that favour the intensive production of commercial crops or livestock on large-scale farms stimulate demand for land from commercial investors, potentially undermining the position of smallholder farmers and other traditional land users such as pastoralists, fishing communities and forest dwellers. This, alongside doubts over the extent to which this model of agriculture is itself fit for purpose, suggests the need for a more fundamental rethink in the design of both public and private investment in agriculture. We return to this in section 4.

The role of international financial institutions

In addition to bilateral activities, governments are also helping to finance large-scale land deals around the world via their support to multilateral banks and development finance institutions – such as the World Bank Group, European Investment Bank (EIB), Inter-American Development Bank (IDB), Asian Development Bank (ADB) and African Development Bank (AfDB). These
institutions act as anchor investors in a range of international funds, and play a crucial role in enabling land grabs by private capital.

The World Bank Group, for example, acts as a facilitator of land deals in several ways. It directly lends support to agribusinesses, particularly through its International Finance Corporation arm, as well as by offering loan guarantees. Second, it provides technical advice on how to set up regulations, reform laws and establish outreach mechanisms to land investors. The World Bank also helps developing country governments establish investment promotion agencies, now common in African countries (see box 6). These agencies offer generous tax incentives and regulatory waivers to prospective overseas investors, and in some cases are even spared from sharing information on their activities with the Finance Ministry.

As an additional tool, the World Bank began piloting its Benchmarking the Business of Agriculture (BBA indicator) in 2013. The project aims “to inform and to leverage policy reforms which lead to a more modern agriculture sector, built primarily on the basis of commercially viable family farms”.

According to the World Bank, the tool can help policymakers identify and monitor regulations and policies that are preventing smaller scale farmers from becoming more productive and competitive. But it has yet to demonstrate how smallholder farmers will benefit from the benchmarking of the agricultural sector in their own country, while private agribusiness investors appear to be the primary beneficiaries of the project.
This is consistent with the Bank Group’s approach to promoting foreign direct investment in developing world agriculture, including land, as its overriding strategic goal. This objective has been clearly illustrated in the Bank’s latest three year agricultural ‘action plan’, in which the authors state: “while a smallholder model has a proven track record in promoting equitable development, in some situations access to significant tracts of land must accompany agribusiness investments.”

The European Investment Bank, meanwhile, is also heavily involved in a variety of investments linked to large-scale land deals worldwide; for example through investments in private sector initiatives engaged in the forestry, power, infrastructure and mining sectors today, and probably agribusiness in the future (see box 7). This is also true of the other regional development banks, including the ADB, which is also a major ‘basket donor’ in Tanzania’s Southern Agricultural Growth Corridor (SAGCOT).

---

**Box 6: Investment promotion agencies: ‘one stop shops’ for land investors**

Since the end of the nineties, agencies of the World Bank Group, mainly the International Finance Corporation (IFC) and the Foreign Investment Advisory Service (FIAS), have been providing technical assistance and advisory services (TAAS) to developing country governments with the aim of facilitating foreign direct investment.

While IFC’s primary work is private sector financing, in recent years its work in administering TASS has taken on an increasingly important role. TAAS comprises specific projects and initiatives designed to improve the investment climate of client countries. This involves creating the conditions necessary to attract foreign investment and facilitating the investment process for investors. Such activities include investment legislation reforms, the reduction of administrative and institutional barriers to investment, the provision of policy assistance to governments regarding tax, customs and land laws and the development of investment and export promotion agencies in these countries.

Such agencies are created as ‘one-stop shops’ to assist investors starting a business via the provision of flexible tax rates, facilitating regulatory processes and providing new investment incentives. For example, the Tanzania Investment Centre was mandated with identifying available land and offering it to investors, as well as helping investors obtain all necessary permits. In many cases a ‘Land Bank’ has been created to identify millions of hectares of ‘idle’ land suitable for investment projects.

Throughout Africa, the World Bank Group has helped to establish National Access Leasing Companies to encourage investors to take advantage of opportunities to acquire ‘idle’ land. The first such company in Africa was the Ethiopia Access Leasing Company, but since then many others have been established. These agencies provide potential investors with information about the availability of land in African countries, outlining the strengths and weaknesses of their investment climates and the relative ease of accessing land to establish export production in the country. At the same time IFC works to develop the country’s leasing sector through joint investment and advisory services projects. The creation of the Country’s Leasing Company and helping the national government to draft a new legal framework for leasing in the country is the culmination of IFC’s work.

*Source: Africa Europe Faith and Justice Network*
The Great Land Heist: How the world is paving the way for corporate land grabs

Government-backed agricultural investment funds

In addition to their support for investment into large agricultural growth corridors, donor governments and multilateral financial institutions are also providing funds and other incentives (such as policy guidance and technical assistance) for land deals. This is both directly through investments in particular projects, as well as indirectly via support to ‘framework’ initiatives such as agricultural growth corridors, and via a series of investment vehicles that are facilitating land deals.

For example, the Africa Enterprise Challenge Fund (AECF), a US$207 million fund capitalised by...
multilateral and bilateral donors, provides private sector companies looking to work in Africa with kick-start grants of between US$150,000 and US$2.5 million. It is backed by, amongst others, the governments of Australia, Denmark, Sweden, the UK and the Netherlands.

The fund has so far committed more than US$30 million to 40 business deals, leveraging about US$150 million from the private sector. The AECF is supporting commercial ventures involving land deals, for example for maize production in South Sudan.

Another such initiative is the US$300 million African Agriculture Fund (AAF), a food and agriculture focused private equity fund that involves a partnership between the International Fund for Agricultural Development, the African Development Bank, French development agency Agence Française de Développement, the Spanish Agency for International Development and Cooperation, and the West African Development Bank. The fund is managed by the finance advisory firm Phatisa Group.

The fund acknowledges that land issues are ‘very sensitive from both a social and political point of view’, and that large-scale foreign-owned export-oriented ventures may be at odds with African food security.

However, it goes on to state that “Phatisa believes these two goals: large-scale land projects and food security most certainly can be and should be compatible and sustainable.” It then asserts that “the only and most important consideration for businesses buying large-scale farming projects should and must be sustainable investment – building long term equity value for all.”

Of course, it must be stressed that many of the investments made by these funds are not linked to land acquisitions, and that the land deals backed by such ventures (or other public funds) do not automatically represent a ‘land grab’, as defined by the Tirana declaration. But the fact remains that, where large-scale land deals do occur, they often lead to highly unequal outcomes that can undermine the rights of local communities and aggravate power imbalances that perpetuate poverty, as the next section shows.

<table>
<thead>
<tr>
<th>Company</th>
<th>Type of investment</th>
<th>Development institutions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Actis Africa Agribusiness Fund</td>
<td>Private equity investments in agricultural infrastructure, agro-processing, and biofuels.</td>
<td>CDC Group (UK)</td>
</tr>
<tr>
<td>Africa Enterprise Challenge Fund</td>
<td>Special partnership initiative of AGRA to encourage private investors</td>
<td>Australian Government Aid Program, DFID, IFAD, DANIDA and the NMFA</td>
</tr>
<tr>
<td>African Agriculture Fund</td>
<td>Private sector companies with strategies to increase and diversify food production and distribution</td>
<td>IFAD, AIDB, the French and Spanish Agencies for International Development Cooperation</td>
</tr>
<tr>
<td>Africa Agribusiness Investment Fund (Agri-Vie)</td>
<td>Agri-business value-chain</td>
<td>AfDB, Industrial Development Corp (using money from EIB)</td>
</tr>
<tr>
<td>Fanisi Venture Capital Fund</td>
<td>Agribusiness, retail, financial services</td>
<td>Proparco (French development finance institution) Finnfund, IFC</td>
</tr>
<tr>
<td>India Agribusiness Fund</td>
<td>Agribusiness, agro-infrastructure</td>
<td>IFC, FMO, CDC, DEG</td>
</tr>
</tbody>
</table>

Source: Da Vià (2011)
3. Counting the costs of land grabs

Disempowerment and marginalisation

One of the most serious flaws with land deals is that the majority of them are struck in the absence of public scrutiny. The parties to these deals often complete them in secret and overlook the concerns of existing land users, who may have lived in the area for generations. Even where information is made publicly available, it may be little more than notice of a fait accompli, rather than as the start of a process of dialogue with sufficient checks and balances to ensure the interests of affected communities are placed first and foremost.

In the majority of documented cases, the lack of transparency and accountability behind large-scale land deals means that local farmers and other residents have not given their ‘free, prior and informed consent’ to the transfer of land title (see box 8).

Box 8: The principle of free, prior and informed consent

Free prior and informed consent, initially developed with regards to defending the rights of indigenous peoples, is the principle that a community has the right to give or withhold its consent to proposed projects that may affect the lands they customarily own, occupy or otherwise use.

This means that those who wish to use customary lands belonging to local communities must enter into negotiations with them. It means providing accurate and relevant information in the local language to all affected people, with special attention paid to marginal groups and to women. It is the communities who have the right to decide whether they will agree to the project or not, once they have a full and accurate understanding of the implications of the project on them and their customary land. Specifically, this means:

- **Free** – people are able to make decisions freely and without coercion, intimidation, punishment or manipulation.
- **Prior** – people have sufficient time to engage in decision-making processes before key project decisions are made and impacts occur.
- **Informed** – people are given full information about the project and its potential impacts and benefits, and are able to access various perspectives regarding the project (both positive and negative).
- **Consent** – there are effective processes for people to approve or withhold their consent, consistent with their customary decision-making processes, and that their decisions are respected and upheld.
Of the 86 large-scale land investments analysed by the Land Matrix on the extent of community involvement as of 2012, it estimated that only six had ensured the prior and informed consent of communities before the start of the project. In 29 cases there was limited involvement of communities and in 51 none. As such, the vast majority of those deals constitute land grabs.

The opaque nature of most land deals gives justifiable rise to fears amongst people living within agricultural growth corridors and other schemes designed to attract foreign capital into agriculture, that investors will simply take over their land, homes and the resources they need to earn their livelihoods.

These fears have been expressed by communities living within the SAGCOT zone in Tanzania. According to an interim strategic environmental and social assessment of the SAGCOT released by the government of Tanzania in July 2012, there is “significant public concern over what is perceived to be ‘land grabbing’ by investors and an increasingly vocal civil society willing to speak out on land issues.” In addition there were comments on the lack of security of tenure and limited rights and negotiating power over land transfers and land use planning. Other related concerns raised by local people included weak land governance, endemic corruption, detrimental impacts on biodiversity and increased use of agrochemicals.

This combination of weak community land rights and minimal access to information about prospective land deals leaves smallholder farmers in a position of great insecurity, and further marginalises them politically and economically. Transparency is therefore a prerequisite of the ability of individual women and men, households and communities to decide whether a potential land deal would benefit them.

However, it is only a first step. It must also be accompanied by the protection of people’s right to reject any such deal, as well as the right of communities to seek out and develop alternative models of investment that match their needs, particularly in the case of small-scale producers and women farmers. The dilemma that rural communities face is that if they reject large-scale land investments, the alternative is neglect. This represents a false choice, and makes the realisation of ‘free consent’ to proposed land investments highly problematic. Governments must be reminded that land deals are not the only – nor on current evidence, the best – way to invest in agriculture, and therefore that they must diversify their efforts to support small-scale food producers.

Displaced communities

The most immediate impact associated with land grabs is displacement. Although many deals allow people to remain in their homes, large-scale land deals mean that areas previously used for farming, animal grazing, fishing and gathering wild foods, as well as for wood and water collection, are lost to local communities – with specifically severe consequences for women, on whose shoulders the burden of providing food, water and fuel for the family primarily falls.

The sheer scale of land deals and their location means conflict between investors and traditional land users is inevitable. A recent study by US consulting firm the Munden Project, commissioned by the Rights and Resources Initiative, analysed over 153 million hectares of concessions in 12 countries. It found 3,750 commercial concessions that overlapped with indigenous lands, covering a total of 48.4 million hectares (31% of the total area analysed).

In some countries, the proportion is higher: for example, the study showed that 83% of Cameroon’s timber concessions overlapped with community forests. In Cambodia, human rights group LICADHO evaluated that half a million people (almost 3.5% of the population) have been affected by state-involved land conflicts since 2000. Often these displacements are involuntary, causing enormous distress to affected households.
Human rights violations

As plans for land deals emerge, communities who rely on that land for their livelihoods can suddenly be faced with a stark choice. They can accept their fate, take whatever (often meagre) recompense is offered to them and move on. Or they can organise themselves and challenge the decision, either to secure a better compensation package, or to resist the takeover of their land.

In some cases, communities are divided as to which approach to take. Even if the compensation deal is woefully inadequate and families are loathe to relocate, people in the community may be too frightened to protest, or lack capacity to seek an intervention through the courts or local authorities. Also, the costs and benefits of the proposed project may not be entirely clear, leading to confusion and disagreement about whether people would actually gain from the deal.

This fear is, unfortunately, often well founded. There have been hundreds of documented cases around the world where communities that have tried to stand up for the right to stay on their land have been threatened, harassed and attacked. Outspoken community members leading the resistance to land grabs often become targets of violence and intimidation. In some cases, community leaders opposing land grabs have been killed.78

These human rights violations are often perpetrated by those who should be protecting vulnerable communities, including state police and military forces. In Cambodia, for example, Human Rights Watch reported in its World Report 2013 that the country’s human rights situation had taken a ‘nosedive’ following government backed land grabs, including forced evictions and violence against communities that tried to resist the takeover of their ancestral lands.79

Box 9: The bitter taste of sugarcane in Cambodia

For several thousand villagers in the Cambodian provinces of Oddar Meanchey, Koh Kong and Kampong Speu, recent land deals to grow sugarcane have left them with a bitter legacy.

In 2008, three sugar companies (the Angkor Sugar Company, Tonle Sugar Cane Company and Cane and Sugar Valley Company) received 70-year long Economic Land Concessions (ELCs) from the Cambodian government, granting them access to 19,700 hectares of land. Over the course of the next year, Angkor Sugar Company set about forcibly evicting approximately 250 families. Hundreds of villagers were also prevented from using the land that they had been farming for many years.80 Although some compensation was paid to some of the displaced households, an outcry by local communities and NGOs forced the government to set up a working group to re-evaluate the levels of compensation.

In Koh Kong province, two sugar companies (Koh Kong Plantation and Koh Kong Sugar Industry) received ELCs covering 19,100 hectares. These ELCs have dispossessed 456 families of their property.81 In Kampong Speu province, the government granted ELCs for a total land size of 23,000 hectares between 2010 and 2011 to the Phnom Penh Sugar Co Ltd and Kampong Speu Sugar Co Ltd. Both companies are registered to a couple, Cambodian Senator Mr. Ly Yong Phat and his wife, Kim Heang. These concessions have affected approximately 1,110 families spread across 10 villages.82
In the past few years, affected communities in each province have continually demanded that their land be returned, claiming their legitimate rights over the land under Cambodian law. However, to date their battles have yielded no positive outcomes. Indeed, those who have spoken up against forced eviction and called for an end to the land grab in their villages have faced multiple instances of intimidation and physical violence. Some have been shot at, wounded and jailed.

There are many similar stories from those affected, revealing how food insecurity and poverty have increased greatly as people lost their crops, cattle, land and access to forest products, as well as suffering at the hands of the authorities. Local people now have few livelihood options other than migrating to seek work elsewhere, or working for the sugar companies for low wages on land they formerly called their own.

In January 2014, a member of the Development Committee of the European Parliament visited affected communities to investigate the devastating alleged human rights impacts of these large-scale land concessions to private investors. Cambodia’s main exports are rice, rubber products, timber products and sugar, 97% of which goes to the EU. These exports benefit from preferential trade agreements with the EU and the ‘Everything But Arms’ (EBA) initiative, which provides incentives for international investors to produce in Cambodia as they can rely on inexpensive production and export costs.

The EBA trade deal has been criticised by Cambodian NGOs for lacking effective human rights safeguards and fostering widespread human rights violations in Cambodia’s sugar industry. As a response to these criticisms, the Cambodian government announced in February 2014 the creation of a working group gathering Ministers, companies involved in land grabs and the EU delegation to Cambodia to re-evaluate compensation to local communities. Whilst it may be a step in the right direction, sugarcane production in Cambodia demonstrates how global and regional trade deals that put the rights of corporate investors before those of local communities easily lead to the fuelling of land grabs.

Villager Hoy Maï was five months pregnant when she lost her 20 hectares of land to the sugar companies. “The soldiers arrived in trucks to take our lands. I refused. I walked for three days to get to Siem Reap, then to Phnom Penh, to protest near to the Prime Minister,” she says. Hoy Maï was arrested and imprisoned for eight months without judgement. “I did not leave prison until the day I gave birth, and then I was put back in prison with my baby.” Hoy Maï’s husband has since died, leaving her struggling to raise her children without any land of her own. “Now I don’t protest any more,” she says, “but I want to get my land back.”
It is also not uncommon for companies to employ private security forces and armed guards to evict people from their land and/or prevent access to common property resources acquired under land takeovers. Often this occurs with the blessing of local or national officials, and sometimes even with the backing of international donors.

For example, a report made public in January 2014 by the World Bank Group ombudsman criticised the Bank’s private lending arm, the International Finance Corporation, citing its failure to adhere to its own policies when investing in a company at the centre of a spate of violence and killings in Honduras. The ombudsman concluded that IFC staff did not adequately assess and respond to risks of violence and forced evictions in the investment.

The palm oil and food company involved, Corporacion Dinant, has already received US$15 million of a US$30 million IFC loan. The ombudsman found that IFC staff had underestimated risks related to security and land conflicts, and that they did not undertake adequate due diligence even though the situation around the project and the risks had been raised publicly.

Human rights violations extend far beyond physical violence. Forcible evictions, loss of access to clean water, decreased food security, lost livelihoods, increased poverty, increased hardship for women, and denial of information are all aspects of the multiple rights abuses associated with land grabs.

Women bear the brunt

Women play a central role in agriculture systems around the world. Women produce 60-80% of the food in most developing countries and are the main producers of the world’s staple crops – rice, wheat and maize – that provide 90% of food consumed by the rural poor.

The importance of land to rural women goes beyond growing food. Having secure access to, and independent control over, land can mean the difference between, on the one hand, enjoying rights such as education and freedom from violence or, on the other, continual subjugation in society. The security of land tenure for impoverished rural communities is a fundamental component of dignified, sustainable development and a crucial step towards reducing poverty and inequality.

Women are more likely to be negatively affected than men because they generally face systemic discrimination in relation to their access to, ownership of, and control of land, including the level of legal protection of their land rights. Women are also more vulnerable to land grabs because they often lack power and influence within economic and political decision-making fora, denying them their ability to exercise freely both ‘voice’ and ‘choice’ in decisions that affect their lives and livelihoods.

Women may also be marginalised by changes in land use from food crops to cash crops, where men commonly take control. In addition, women are often assigned the worst jobs in cash crop production, such as spraying chemicals with inadequate or no protective clothing to prevent exposure to harmful residues.

Aside from their direct role in production, women also often have the task of gathering fuel, fodder, medicine, water and food, and may rely more on access to common land for this purpose, as well as for additional resources to sell to pay for their children to go to school, for example. This means they will be more adversely affected by the privatisation and enclosure of common resources that frequently occurs with the shift to contract farming or land conversion.

Lost livelihoods and increased food insecurity

One of the most devastating impacts of land grabbing is the loss of a stable source of livelihoods for local communities. With ownership of almost half the developing world’s rural, forest and dryland areas contested, the livelihoods and food security of
The Great Land Heist: How the world is paving the way for corporate land grabs

millions of people are under threat. The 2012 Global Hunger Index noted a ‘definite correlation’ between lack of access to arable land and hunger.90

Across Africa and Asia, farmers, pastoralists and fisher folk have developed particular strategies for using available natural resources to obtain food and income for their families. Land grabs occurring on occupied territory mean traditional users often lose not only their claim to that land, but also their primary source of feeding themselves and their family. Even where compensation measures include resettlement of households onto other land parcels, this can often take time and leave communities in limbo.

One example is Kisarawe in Tanzania, where the inhabitants of 11 villages lost access to land after it was allocated to Sun Biofuels for the production of jatropha, a biofuel crop. A detailed study by ActionAid Tanzania in 201191 found that households in these villages lost access to natural resources, particularly village forest land, that had been an important source of livelihoods such as firewood and charcoal making, or harvesting of construction poles. It also documented a decline in the production of the main food crop of the area, cassava, while other important sources of local livelihoods, such the production of cash crops (e.g. cashew nuts and coconuts), had also declined.

Aside from urban migration, the main alternative source of livelihood was employment on the jatropha plantation. But with long hours and low wages, and considering the rising cost of food in local markets, the study noted that the households reliant on work at the plantation were highly vulnerable to food insecurity. The seasonal jobs did not provide enough income over the course of the year, and then the company went bankrupt and the jobs disappeared. The land is still lost to the community, as it has been transferred to a new owner, who has not yet taken steps to cultivate the land – leaving it apparently abandoned. The villagers are demanding return of the land or further compensation since they received hardly any of what they were promised.

Ramadhani Athumani Lwinde eats lunch at his home in Kisarawe, Tanzania. Lwinde and his family lost 1,800 acres of land to Sun Biofuels' plantation.
PHOTO: TOM PIETRASIK/ACTIONAID
Box 10: Land deal for sugar fuels poverty in Sierra Leone

“Well, the situation is getting worse now. Before Addax came we used to plant on those lands and feed ourselves sufficiently...we even used to have something to give our friends. But now we can no longer have food to give them because Addax has said they are going to do the planting for us, but [this] is not even enough for us to eat...So things are becoming difficult, prices are now increasing for food stuff.” Farmer Yaema Koroma, Sierra Leone.

Addax Bioenergy Ltd, a subsidiary of the Swiss-based company Addax Petroleum, has been developing a sugar cane-to-ethanol project in Sierra Leone near the town of Makeni. The sugar cane production area covers an area totalling 10,000 hectares, with the majority of the ethanol produced exported to the EU. The processing factory and related infrastructure (including a biomass power generation plant), fields developed for rice farming and ecological conservation areas cover another 4,300 hectares.

The Addax project represents the largest single agricultural investment in the country. It is backed directly or indirectly (e.g. via the Emerging Africa Infrastructure Fund) by a number of European development funds – including those of the UK, Netherlands, Sweden, Belgium, German and Switzerland – as well as the African Development Bank. It has been held up as a model of how to develop a sustainable biofuel project, with extensive social and environmental audits, and was showcased at the 2012 World Bank spring meeting.

However, over 13,000 people are being affected by the project. And ActionAid’s research suggests that it is causing increased levels of hunger and loss of income.

"Before we were eating up to 10 cups of rice [per family, per day]. But since Addax came, we can no longer eat that amount. Now we are eating five cups we cannot even imagine to get six cups because our source of getting money is very slim,” says local farmer Zaria Conteh.

A sign at the Addax Bioenergy site in Bombali District, Sierra Leone.
PHOTO: DANIELE VOLPE/ACTIONAID
Zariah is not alone. An ActionAid survey of 100 people across the region found that:

- 99% said that hunger was prevalent in the Addax project area
- 99% suggested that food production has declined in their communities
- 90% said that hunger was due to land issues with Addax
- 78% said that they have never seen the land lease agreement
- only 2% believe that they were well represented by a lawyer
- 85% did not give prior consent for their land to be taken or said that information provided to communities before the project started was inadequate
- 82% said that they are dissatisfied with Addax’s operations.

Apart from its very real effects on people’s rights, food security and livelihoods, the Addax project also represents questionable value as an investment for the government of Sierra Leone. Addax has been given a corporate income tax exemption for 13 years, reductions in withholding tax and the ability to write off some other expenditure against tax. Calculations in a recent report are that the tax incentives given to Addax will incur revenue losses for the government of US$140.9 million in the 10 years from 2013-2022.

Social breakdown and cultural impacts

In many societies, land is more than just a physical and economic asset. It is deeply attached to social and cultural practices, beliefs and rituals. This includes everything from how land is passed through customary marriage and inheritance practices; to its connection with the self-identity of people; to its purpose and meaning within local religious and spiritual belief systems, including both as a physical site of temples, chapels, burial sites, etc, and as places vested within an innate sense of value, such as holy sites, forests, fresh-water springs and sacred natural formations.

Box 11: Defiling the sacred mountain: Kondh people resist land grabs in Orissa

In January 2014, the Kondh people of Orissa, India, won a decade-long fight, supported by ActionAid, to stop the UK-based mining giant Vedanta Resources from mining bauxite on land they regard as sacred.

The Indian Environment Ministry finally rejected Vedanta’s plans for a multi-million dollar bauxite mining project after local communities voted overwhelming against the project. The Niyamgiri hills, site of the proposed mine, is the ancestral home of three tribal groups; the Dongria Kondh, Kutia Kondh and Jharania Kondh. The area is a pristine ecosystem rich in biodiversity, including many endangered species.

For generations, the Kondh people have lived in small groups across the mountain, which they have depended upon for their lives. The perennial springs supply them with freshwater and the plants and animals provide their food, as well as their medicines and livelihoods. They also worship Niyamgiri mountain as their living god.
Under India’s constitution, tribal people are supposed to have their lands protected, as their distinctive way of life and culture makes them one of the country’s most vulnerable indigenous groups. Vedanta’s Indian subsidiary, Sterlite, wanted to extract over one million tons of bauxite per year from within Niyamgiri mountain. Official reports suggested that an open-pit mine would have resulted in massive deforestation, destruction of local ecosystems and threaten water sources. Had the project been approved, the traditional livelihoods of thousands Kondh tribal people would have been destroyed. But more than that, mining would have spelled the end of a way of life that has existed for centuries, and defiled a sacred mountain that is the epicentre of the Kondh people’s religious and spiritual identity.

When land deals are done and boundaries are drawn over territories assigning new property rights to an investor, these cultural meanings and values of land are often completely overlooked. Monetary compensation is an impossible and often deeply unsatisfactory (even offensive) measure of the significance of the destruction or loss of access to these places.

Furthermore, land deals that have differential impacts on various groups of people within communities – or at least create the impression of such – can be hugely divisive and lead to conflict within communities and even families. Such divisions can lead to bitter feuds and erode the fabric of kinship and friendship ties that are often vital in binding communities together. Apart from the inherent value in these relationships, strong social bonds are often vital in helping poor communities deal effectively with collective challenges; e.g. deforestation or watershed management.

Kalawati Devi, a Dalit woman from Bhadai in Bihar State, India, participates in a 10-day land march in Bihar in December 2010. At the time she lived with her two sons, four daughters, two daughter in laws and one grand son in a small hut, without a title for the land they lived on. PHOTOS: RANJAN RANI/ACTIONAID
4. Developing alternative models of investment

Securing the rights of traditional land users

Despite the rhetoric from governments about the potential of large-scale agricultural investments to improve smallholder livelihoods and stimulate rural development, the evidence suggests that the opposite is more likely to be the case. The danger of large-scale land deals is that they involve drastic changes and large risks for communities in terms of land access, food security, environmental hazards and opportunity costs. Even if large deals stimulate economic growth, they redistribute resources to those who are already well off and create inequality in land tenure holdings that is likely to last for generations.

Remarkably, although the UN Food and Agriculture Organization is party to several large public-private partnership initiatives and growth corridors that risk facilitating land grabs, it acknowledges that, in many cases, major land ‘investments’ may be counter-productive to the interests of local communities:

“For investment involving large-scale land acquisitions in countries where land rights are unclear and insecure, the disadvantages often outweigh the few benefits to the local community, especially in the short run… Consequently, acquisition of already-utilised land to establish new large farms should be avoided and other forms of investment should be considered.”

In order to address the considerable risks arising from the grey area in land governance – governments, intergovernmental organisations and civil society groups including ActionAid have been working to develop and promote international guidelines for protecting the legitimate rights of traditional land users. These include the Land Policy Initiative (LPI) and the UN Committee on World Food Security’s Voluntary Guidelines on the Responsible Governance of Tenure of Land, Fisheries and Forests in the Context of National Food Security.

Box 12: The Land Policy Initiative

The Land Policy Initiative is a joint programme between the African Union Commission, the African Development Bank and United Nations Economic Commission for Africa. Its mission is “to enable the use of land to lend impetus to the process of African development.”

Under the LPI African governments, parliamentarians, civil society and traditional leaders met at a High Level Land Policy Forum in Nairobi, Kenya, in 2011 to discuss the growing investment opportunities in agriculture as well as the challenges encountered by African states in their efforts to promote land based investments. The meeting culminated in the Nairobi Plan of Action on large-scale land based investments. The main elements are:

1. Assessments of large-scale land investments, including gender differentiated and poverty impacts, in support of evidence-based advocacy that draws on best practices and ongoing initiatives of governments, private sector and development partners to promote profitable, equitable and sustainable land-based investments.
2. Support to governments, traditional leaders, civil society organisations and communities to facilitate fair and transparent negotiations that lead to equitable land related investments.

3. Establish a monitoring and reporting mechanism for tracking large-scale land based investments with a view to ensuring that these ventures are beneficial to national economic development and local communities, including women.

4. Develop principles that encourage sound and sustainable investments in land and guide fiscal policy.

5. Implement policies and land use plans that facilitate equitable access and secure land rights for communities – including women – and investors.

At a special session held in May 2012, the UN’s World Committee on Food Security (CFS) endorsed the Voluntary Guidelines on the Responsible Governance of Tenure of Land, Fisheries and Forests (sometimes referred to as the Tenure Guidelines). The overall goal of the Tenure Guidelines is to help countries improve their governance of land tenure so as to ensure better food security of their population with special attention given to smallholder farmers, indigenous communities and women’s rights.

**Box 13: The CFS Voluntary Guidelines on the Responsible Governance of Tenure**

The Tenure Guidelines are grounded in countries’ obligations to ensure the progressive realisation of the right to food, and set out steps that both state and non-state actors (e.g. companies) should take to prevent land grabs as part of their duty to ensure the right to food. It calls on states to:

1. Recognise and respect all legitimate tenure right holders and their rights, whether formally recorded or not, and to refrain from infringement of people’s tenure rights.

2. Safeguard legitimate tenure rights against threats and infringements, and protect tenure right holders against the arbitrary loss of their tenure rights, including forced evictions.

3. Promote and facilitate the enjoyment of legitimate tenure rights.

4. Provide access to justice to deal with infringements of legitimate tenure rights.

5. Prevent tenure disputes, violent conflicts and corruption.100

The Tenure Guidelines also describe the responsibilities business enterprises have to respect human rights and legitimate tenure rights, and, in the case of transnational corporations, the role of their home states in assisting both the corporations and the host states in ensuring that businesses are not involved in abuse of human rights and legitimate tenure rights.
These principles, if adopted and enforced through national laws, would help to ensure that communities could defend their land against unwanted claims. They would also enable traditional land tenure systems to remain intact, without requiring people within communities to register individual property claims, a process that can not only be socially and economically divisive, but also lead to the fragmentation and unsustainable use of land and natural resources.

This is something that governments themselves realise. Most donors say they support international efforts by the Tenure Guidelines to promote effective land governance systems recognising and protecting legitimate tenure rights, as well as improving transparency and accountability in land-related decision-making.¹⁰¹

The UN Committee on World Food Security has also launched a process to develop principles for Responsible Agricultural Investment (rai). This process is a follow-up to earlier principles developed in 2010 by the World Bank and FAO, which drew considerable criticism from civil society as an attempt to sanitise and legitimise land grabs. The CFS consultation and negotiation on the second set of principles is due to conclude in October 2014. ActionAid has called for the CFS to ensure that the final rai principles discourage land grabs by international investors; recommend careful public scrutiny and screening of potential human rights abuses for all new land investments; and ensure that land investments do not compromise access to land for smallholders, women, fisher folk and forest dwellers.

Supporting sustainable and resilient smallholder farming

Land grabbing represents a double tragedy for vulnerable rural communities. Firstly and most immediately, it constitutes a threat to the lives, livelihoods – and, at times, safety and security – of women and men farmers, pastoralists, forest dwellers and fisher folk. But it also represents a massive missed opportunity. Studies have repeatedly shown that small-scale farmers with access to the resources they need can get greater yield per unit of land than large farms (primarily due to labour investment and attention to detail).¹⁰²

Large-scale monocultures ignore differences in soil and topography and are not as sustainable as the mixed crop practices of small-scale farmers who adjust to their environment. Large-scale farming also tends toward continually reducing the number of agricultural jobs, and large monocultures present a greater risk for massive crop failure than diverse small farms. Small farmers who have been neglected and discriminated against in getting access to resources or basic government services and infrastructure may struggle to reach this potential, encouraging an exodus out of rural communities towards urban areas, particularly amongst young people. This is why public investment is needed, rather than land deals.

ActionAid’s experience of working with smallholder and women farmers around the world has yielded key insights into the policy measures and investments that really work in supporting improvements to rural livelihoods. ActionAid believes that four key elements are needed.

1. Securing the rights of women and communities to land and natural resources

Although smallholders as a group represent the world’s single largest body of ‘investors’ into agriculture, people without secure land rights may have less incentive to commit precious household resources into measures that will only yield benefits in the medium- to long-term; such as establishing live fencing, agro-forestry, conversion to organic farming, construction of fishponds or soil erosion control techniques such as contour bunds. Securing land users’ customary rights can therefore play a vital role in incentivising additional household investments that can help rural families earn a better livelihood.
From both a social justice and food security perspective, it is particularly vital to secure the rights of rural women over land and natural resources. It is crucial from a justice point of view because women suffer particularly harshly from the impacts of land grabs.

From a food security perspective, securing land rights for women is essential because it could make a huge difference to the ability of millions of households worldwide to feed themselves. The UN estimates that if women had access to the same level of resources as men, they could increase their yields by 20-30% and agricultural output in developing countries would increase by between 2.5 and 4%; potentially reducing the number of undernourished people in the world by 100–150 million people. This analysis is supported by ActionAid’s own assessments.

**Box 14: Women’s land rights: from marginalisation to empowerment**

“...it is my pride and dignity that I have land of my own and have no fear that I won’t get a meal the next day – my land is my present and future and through it I can survive and also help others survive.” A *dalit* woman – a member of one of the lowest castes in India, expresses what owning land means to her.

Between 2010 and 2013 ActionAid worked with women smallholder producers belonging to some of the most socially and economically marginalised groups in Sierra Leone, India and Guatemala to assess how changes in access to and control over land changed their lives.

The intimate glimpses into the women’s lives point to the complexity of what the process of empowerment involves. The analysis revealed that having rights to own, access or control land marked significant progress for those women, and particularly in ways that are distinctly related to their contexts and cultures.

Compared to those with no land security, women who have access to and control over land and its productivity are in a relatively stronger position to supplement family food requirements. In most cases, it increased the probability of the women achieving their aspirations and ambitions, and improved their sense of empowerment. Many of the women cited the significance of ownership, access or control of land in terms of the value of land as a productive resource, as security, as legacy, as a symbol of status, and as a social or political mobilising force.

In fighting for their rights to claim and control land, some women are *de facto* empowering themselves, sometimes quite dramatically so. Further, once they feel secure about their access to land some feel able to do and accomplish more – not just for themselves, but for their children first and then...
their communities. Loosely defined, land offers women a platform for action, a sense of status, and opens up possibilities for participating in nation-building – all of which can be interpreted as empowerment.

However, the research also illustrated that empowerment is a non-linear process of change rather than a targeted or defined outcome. It is constantly negotiated and contested on an individual basis and at household and community levels. Ultimately empowerment does not come through land rights alone, but is a gradual process that comes from being able to use the land for production.

2. Promoting climate resilient sustainable food production systems

While resilience has always been an important consideration for resource-poor family farmers, it is becoming even more so in the face of global climate change, which is already having a devastating impact on food production and food security in many low income countries. For this reason, it is vital that government, donors and others seek to enhance the resilience of smallholder farmers to climate change by investing in sustainable and climate resilient sustainable agriculture (CRSA).

Rather than distributing blueprint investment models based on a formulaic package of agricultural inputs, ActionAid is proposing to design local alternatives based on the knowledge and practices of the communities themselves. Although not a panacea for all problems, these knowledge systems contain key insights that, when appropriately combined with scientific knowledge and modern technology, can promote local food production systems better adapted to climate change and in tune with local contexts and needs.

CRSA encompasses approaches to farming such as agro-ecology, low external input agriculture, agro-forestry, organic agriculture, integrated crop and pest management, and water harvesting in dry land areas. As it relies on local renewable resources and locally-based innovation and biodiversity, CRSA is particularly well-suited to poor, remote or marginalised communities.

Promoting CRSA requires understanding of the needs of smallholder producers, especially women farmers, within their local agro-ecological context. This means identifying, documenting, testing and disseminating local knowledge and alternative agro-ecological practices and encouraging local innovation; supporting the improvement of these through appropriate agricultural research, extension services and technologies that help farmers adapt to climate change and build on and reinforce local knowledge; and helping farmers access and benefit from local market opportunities.
Sustainable agriculture approaches essentially seek to boost both resilience and overall productivity by focusing on soil structure improvement, soil nutrient management, crop rotation and the integration of crop and livestock/aquaculture systems. In doing so, they help to improve soil structure, nutrient content and moisture retention capacity, and thus can significantly cushion the impacts of climate change, while lowering farmers’ costs by reducing their reliance on purchased seeds and chemical inputs.

Investment options that could enhance sustainability and climate resilience include: improved techniques for organic and low-input systems, increasing water use efficiency and reducing water pollution; biological controls of current and emerging pests and pathogens; biological substitutes for agrochemicals; and reducing the dependency of the agricultural sector on fossil fuels.\textsuperscript{106}

\textbf{Box 15: Investing in climate resilient sustainable agriculture in South Africa}\textsuperscript{107}

For many years, communities in Gamonedi village in South Africa’s Northern Cape Province have gone without adequate government support to access land, water and other resources to produce food for their families. On a number of occasions, an informal group of villagers sought to access an agricultural subsidy from the Department of Social Development. However, they were unsuccessful in accessing the grant due to not fulfilling the requirements, which included owning land and having a registered organisation.

ActionAid South Africa started working with villagers in 2009. Since then, the group has been formally registered and received two hectares of land from the local chief to start a vegetable growing scheme. Once these minimum requirements had been met, the group was able to access a subsidy grant of R150,000 (approximately US$18,000), which they used to construct boreholes, water pumps and fences.

ActionAid then supported the group to start the Gamopedi Food Garden Project, which was informed by a local resident’s strong desire to adopt sustainable agricultural practices after their experience of the failure of hybrid seeds and the unpredictability of rainfall patterns in the area. With training on sustainable agriculture, farmers are now focusing on soil and water conservation measures through the use of green manures and composts; as well as by introducing various crop farm techniques such as crop rotation, intercropping and ridge tillage. Farmers have also started a process of seed multiplication to preserve and build on their local seed varieties and to improve local agro-biodiversity.

Although the long-term benefits of these changes have yet to be fully realised, farmers are already starting to see improvements in crop productivity over the past few years, and are now able to produce enough food for their families. Most importantly, they now feel confident and more convinced than ever of the need to make the transition to sustainable agriculture in order to build their resilience and adapt to climate change.
3. **Ensuring more just relations in markets**

The vast majority of smallholder farmers in poor countries still produce for domestic markets. Yet many face tremendous obstacles in earning a decent living because of unequal power relations between producers and buyers, traders, processors, agents and exporters in the food supply chain. Investment is therefore badly needed to help smallholders benefit more from local markets.

For instance, the International Assessment of Agricultural Knowledge, Science and Technology for Development (IAASTD), a landmark international joint initiative including the FAO, the World Bank and other United Nations Agencies, recommended that governments look to enhance intra-region links between rural producers and urban consumers, as well as providing incentives for alternative markets such as green products, certification for sustainable forest and fisheries practices and organic agriculture products.\(^{108}\)

This idea of not just strengthening existing local market infrastructure, but building alternative local markets, is a crucial innovation in thinking about how and where to prioritise new investment in agriculture. Another important way of investing in smallholders is to link producers into local public procurement schemes, e.g. school meal programmes.\(^ {109}\)

---

**Box 16: Expanding market access to smallholders for agroecological products in Brazil\(^ {10}\)**

In Brazil, support for family farmers through credit access programmes, technical assistance, insurance and access to channels of distribution are critical components of an agroecology-based farm system.

The Food Acquisition Programme (PAA or Programa de Aquisição de Alimentos) is a national scheme established in 2003 that buys food from smallholder farmers’ organisations at market prices and distributes it to hospitals, schools and families in need. Food is bought from farmers and their associations by the National Food Supply Company, and either forms government food stocks or is distributed by local social organisations to food-insecure people. Some food supplies popular restaurants, community kitchens and food banks.

The programme is vital since, with the exception of some successful examples of collective access to local markets, most smallholders find it difficult to sell their produce. Usually, their farms are located far from main markets and are served by very bad roads. Local and regional markets are also generally controlled by exploitative middlemen who pay low prices for produce.

The PAA provides a guaranteed market for farmers at fair prices. Research shows that it is a stimulus for the production of more food, which in turn motivates farmers to look for new market opportunities.
4. Taking an integrated approach to empowering women

Boosting the agricultural sector and reducing poverty requires an understanding of the specific issues facing women farmers, and to develop investment strategies that enhance their rights and meet their needs.

Through our work with women’s groups in a number of different countries, ActionAid has identified several priority areas for investment to support women producers, including securing land rights and water rights, improving access to farm inputs (with an emphasis on appropriate technologies), targeted agricultural research, better marketing and opportunities for value-added products, and access to credit. ¹¹¹

Essentially, government investment (and donor support to agricultural budgets) must be predicated upon a proper analysis of which interventions can help women strengthen their position in terms of securing their economic rights (e.g. access to land, water), socio-cultural rights (e.g. position in the home vis-à-vis men) and political rights (e.g. freedom of association and participation in governance structures).
5. Conclusions and recommendations to governments

“Large-scale land investment may improve some macroeconomic indicators of development, but it may also result in considerable environmental and social costs to the host country, and loss of livelihoods or lost economic opportunities for its citizens. An analysis of various economic issues related to foreign investment in land demonstrates that the opportunities for economic development are in fact limited.”

– UNCTAD Trade and Environment Review 2013

The current wave of land grabs is not simply an opportunistic response by investors looking to cash in on the rising value of land and agricultural resources since the 2007-08 food crisis, but is rather the acceleration of a longer-term process via which corporations, assisted by governments, have been trying to assert control over all stages of the farming and food system, often at the expense of smallholder farmers.112

This battle over not just land, but over the future model of agriculture itself, poses an immediate threat to the future of smallholder farming. Because land rights in many low-income countries are based on a blend of traditional claims, customary inheritance practices, public land use entitlements, common property usage, informal tenancy arrangements and private ownership, millions of people around the world face the destruction of their livelihoods and ways of life.

Allowing land to become vehicles for wealthy corporations and individuals to become richer while pushing vulnerable rural people into poverty and hunger is unjust, unwise and unethical. It is politically and socially intolerable for corporations, donors and investors to continue to engage in or fund land grabbing, and for host governments to allow such deals to take place.

ActionAid asserts the need for an immediate end to land grabs. Alternative approaches to investment in agriculture must be pursued, even if they may be slower in generating economic growth. As a starting point, significant reduction of poverty and increased food security can be achieved by focusing on extension services and public investment and in smallholder staple crop production.

At the farm level, there is ample literature demonstrating that small-scale food producers are more productive per unit area than large-scale commercial growers. At the macro-economic level, there is also strong evidence that great inequality of assets, especially land, slows economic growth. Almost every low-income country that has achieved sustained mass poverty reduction began with improved performance of small farms.

Public and private agricultural investment must be re-oriented towards supporting sustainable agricultural practices and technologies suited to the needs of smallholder farmers, particularly women. Specific measures that should be taken include:

1. Commit to and demonstrate zero tolerance for land grabs, including the incentives which fuel them:
   - Governments in the South and North must eliminate policy and fiscal incentives that promote land grabs. These can include tax holidays, subsidies, regulatory exemptions, biofuel production or consumption mandates, support by export credit agencies and support to public-private partnerships whose effects threaten the right to food and/or the legitimate tenure rights of women and communities.
- Governments in Southern countries must review participation in public-private investment programmes such as the G8’s New Alliance and decline or withdraw from projects that fail to promote the right to food and the legitimate tenure rights of women and communities, or prioritise business interests over vulnerable people.
- Northern governments, donor agencies, International Financial Institutions and the private sector must refrain from pressuring Southern governments to provide such incentives to land-based investments, whether as part of explicit loan conditions, investment conditions or technical advice.
- All support by donors and International Financial Institutions for public and private sector investment must be transparent and demonstrate that land rights of women and communities are not negatively affected.
- Private corporations must publicly commit to zero tolerance for land grabs, including by declining incentives that fuel them.

2. Foster investment in women and smallholder food producers, and ensure their participation in the planning and decision-making process of land-based policies, programmes and projects:
- Governments in the global South and North must commit to and increase public investment in serving the needs of women and smallholder food producers, including climate resilient sustainable agriculture, fair value chains and sustainable and democratic food systems.
- Southern governments must ensure the participation of women and communities in designing, adopting and enforcing agricultural and investment policies that promote the right to food and climate resilient sustainable agriculture.
- Northern governments must shift the focus of the New Alliance and similar public-private partnership programmes away from encouraging large corporations’ investment that leads to land grabs and toward promoting smallholder food producers’ own investment in line with the Voluntary Guidelines on the Responsible Governance of Tenure (Tenure Guidelines).
- Donor agencies and International Financial Institutions must prioritise the needs and participation of women and communities in the planning and decision-making process of all projects involving land use or land transactions.
- Private corporations must invest responsibly by respecting the rights (including land rights) of women and communities, ensuring that investments benefit smallholders and enhance food security, in particular by investing directly in supporting smallholder producers, climate resilient production and fair value chains.

3. All actors must stop their participation in or support to any large-scale land deals that risk violating the principles of the Tirana Declaration until satisfactory implementation of laws and policies derived from the Tenure Guidelines and the African Union’s Land Policy Initiative principles protecting land rights of communities and women.

4. All actors must ensure transparency and democratic oversight of large-scale land transactions in developing countries, and that adequate and consistent safeguards enforcing the rights of legitimate land users – especially women – are included in all land, trade, investment and development agreements, policies, programmes and projects.
- Southern governments must set up multi-stakeholder platforms – representing all legitimate land and resource users – at national level with small scale food producers, in particular women, in the driver’s seat to assess the state of tenure. These platforms must identify, coordinate the adoption and monitor the implementation of necessary reforms – including redistributive land reforms – in line with the Tenure Guidelines and the

- They must submit any large-scale land deal for parliamentary approval, once communities have expressed their free, prior and informed consent based on clear development alternatives to large-scale land deals.

- Northern government, donor agencies and International Financial Institutions must align all land, trade, investment and development agreements, policies, programmes and projects with the Tenure Guidelines and set up multi-stakeholder platforms to strengthen this process. This includes the adoption of adequate safeguards ensuring strong human rights due diligence and enforcing the rights of legitimate land users – especially women.

- Northern governments must support the World Committee on Food Security financially and politically to coordinate and monitor all initiatives related to the implementation of the Tenure Guidelines at global, regional and national level.

- Private corporations must commit to the Tenure Guidelines and ensure strong human rights due diligence for any activity, especially respecting the free prior and informed consent of communities.

- They must make sure that any partnerships between small food producers and the private sector is based on equal and fair partnership, so that small food producers maintain control over their means of production and inputs and can pursue their aspirations, without interference by those private companies.

5. Respect the rights of women, communities and human rights defenders to resist land grabs and claim their land rights, ensure safe spaces for them to do so and submit to project monitoring by civil society platforms.

- Southern governments must revise and enforce policies and laws that ensure the rights of women and communities to resist land grabs and claim their land rights. This includes clearly establishing and enforcing the free, prior and informed consent of legitimate land and resource users, respecting human rights defenders, and ensuring safe spaces for women and communities to advance their own development agenda. This also includes facilitating project monitoring by civil society platforms.

- Northern governments, donor agencies and International Financial Institutions must support initiatives and mechanisms for legitimate land and resource users, especially women, to engage and defend their lands rights.

- Private corporations must align investment policies and practices with the priorities established through women’s and communities’ platforms and adhere to the Eurodad Responsible Finance Charter.

- They must also submit to project monitoring by civil society platforms.
The Great Land Heist: How the world is paving the way for corporate land grabs

1. On April 7, 2014, the Land Matrix documented a total of 1,609 large land deals totaling 60,507,739 hectares, plus another 7,286,341 hectares of failed deals http://www.landmatrix.org/en/get-the-idea/dynamics-overview/. Early versions contained reports of deals that never moved beyond media announcements, or which were later greatly scaled back. As of 2013 the Land Matrix was re-launched with data that is cross-checked and more reliable.

2. The Land Matrix defines large deals as being over 200 hectares but has documented relatively few in the thousands and hundreds of hectares. Jayne has argued that the large number of mid-sized deals from 5 to 100 hectares also represent a significant threat to the future of smallholder communities https://www.conftool.com/landandpoverty2014/index.php/Jayne698_paper.pdf?page=downloadPaper&filename=Jayne-698_paper.pdf&form_id=698&form_version=final


7. FAO. Focus on women and food security. http://www.fao.org/focus/e/women/sustin-e.htm


13. The median land contract size in the Land Matrix was 8,701 hectares when accessed on April 7, 2014. Note that this includes failed land deals.


15. E.g. see the discussion of cases of large-scale land acquisitions by South African investors in the DRC and Mozambique in: Hall, R. and Paradza, G. Foxes guarding the hen-house: the fragmentation of ‘the State’ in negotiations over land deals in Congo and Mozambique. International Academic Conference on Global Land Grabbing Land Deal Politics Initiative 17-19 October 2012, Cornell, USA.


25. In July 2003, African states committed to allocate at least 10% of national budgetary resources to agriculture and rural development policy implementation within five years under the Maputo Declaration. In addition, under the framework of the Comprehensive Africa Agriculture Development Programme (CAADP), African governments have committed to increasing their annual agricultural growth rates to 6%. The goal of CAADP is to promote economic growth through agriculture-led development which eliminates hunger, reduces poverty and food insecurity, and enables expansion of exports. The implementation of CAADP focuses on investment in four priority pillars: land and water management, market access, increasing food supply and reducing hunger and improving agricultural research and systems.


32. Ibid.


35. http://growafrica.com/about


37. Ibid.


40. Government of Tanzania/ UNDP. *Southern agricultural growth corridor: capacity development project Project Document*. Prime Minister’s Office Regional Administration and UNDP Tanzania, 2013.

41. SAGCOT (January 2011) *Southern Agricultural Growth Corridor: Investment Blueprint.*


45. These figures are in the Agriculture Laboratory report for BRN and includes the Bagamoyo project which dealt with separately in the report from main chart of commercial farms. The report is available at: http://api.ning.com/files/cvkfPcnbiYq9PR6DzT-Vz3saaaw7m2miJ96h17TYM


48. These are: Benin, Burkina Faso, Côte D’Ivoire, Ethiopia, Ghana, Malawi, Mozambique, Nigeria, Senegal and Tanzania.


55. Ibid

56. Ibid


58. This point was explored in an article by the UN Special Rapporteur on the Right to Food in January 2011.
The Great Land Heist:  How the world is paving the way for corporate land grabs


64. The Investment Facility is a revolving fund exclusively funded under the EDF, the EU-Africa Infrastructure Trust Fund is funded under the EDF, the EU budget and member state contributions.


67. To read more see http://www.aecfafrica.org/windows/south-sudan-window/projects/garden-eden-co-ltd

68. Da Vâ, 2011 op. cit.

69. http://www.phatisa.com/The_Fund_Manager/AAF/Frequently_asked_questions


71. Ward Anseeuw et. al. (2012) op. cit.


73. ibid

74. ibid.

75. ibid.

76. www.rightsandresources.org/documents/files/doc_6301.pdf;

http://www.adhoc-cambodia.org/?p=2776

78. For example, several deaths were reported in the expulsion of communities in Polochic Valley, Guatemala. http://www.actionaid.org.uk/sites/default/files/publications/feeling_the_biofuels_pressure_in_guatemala.pdf


82. Ibid.


89. Paul and Steinbrecher, (2013) op. cit.


92. This box is a summary of the research findings from a study undertaken in 2013 by ActionAid Sierra Leone entitled Study of the impact of the operations of Addax Bioenergy on food security and livelihoods in northern Sierra Leone. The research undertook a mix of desk research, social surveys, interviews and two focus group discussions. 100 people were surveyed across 10 villages by way of a questionnaire divided equally between women and men. ActionAid also shared the brief with its lead partner SIL-NORF, which supported the report’s findings.


94. Action for Large-Scale Land Acquisition Transparency in Sierra Leone, Who is benefitting?: the social and economic impact of three large-scale land investments in Sierra Leone, July 2013.


98. ibid, p.336


100. FAO, Report of the 38th (special) session of the committee on world food security (11 May 2012), Hundred and Forty-Fourth Session. Rome. CL 144/9 (C 2013/20).


104. ActionAid From marginalisation to empowerment: the potential of land rights to contribute to gender equality – observations from Guatemala, India and Sierra Leone. February 2013.

105. Sustainable agriculture can be defined as: “A whole-systems approach to food, feed, and fibre production that sustains the health of soils, ecosystems and people. It relies on ecological processes, biodiversity and cycles adapted to local conditions, rather than the use of inputs with adverse effects. It combines tradition, innovation and science to benefit the shared environment and promote fair relationships and a good quality of life for all involved. Inherent in this definition is the idea that sustainability must be extended not only globally but indefinitely in time and to all living organisms including humans.” Climate resilient sustainable agriculture is an initiative that ActionAid has been developing, based on the concept and practices of sustainable agriculture. It represents an effort to incorporate in our work the new challenges posed by climate change and its impacts on poor people’s lives. It is based on the identification of the major risks and challenges local communities face, and/or are likely to face in the near future, and on the design and implementation of site-specific adaptation strategies aimed at reducing vulnerabilities and increasing the resilience of the smallholder production systems.


112. Da Vià, E. April, 2011 op. cit.

**ActionAid** is a global movement of people working together to achieve greater human rights for all and defeat poverty. We believe people in poverty have the power within them to create change for themselves, their families and communities. ActionAid is a catalyst for that change.

International Registration number: 27264198

Website: [www.actionaid.org](http://www.actionaid.org)
Telephone: +27 11 731 4500
Fax: +27 11 880 8082
Email: mailjh@actionaid.org

ActionAid International Secretariat,
Postnet Suite 248, Private Bag X31, Saxonwold 2132,
Johannesburg, South Africa.

*The Great Land Heist* How the world is paving the way for corporate land grabs
ActionAid, May 2014.