AN OVERVIEW OF THE GLOBAL LAND RUSH IN AFRICA

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<th>Economic Growth at the Cost of Local Livelihoods?</th>
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<td>Elke Astrid Matthaei</td>
<td>Vienna, March 2016</td>
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Study

An Overview of Global Land Rush in Africa:
Economic Growth at the Cost of Local Livelihoods?

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The views expressed in this publication are those of the authors, and not necessarily those of the editors/VIDC.
<table>
<thead>
<tr>
<th>Abbreviation</th>
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<tr>
<td>AfDB</td>
<td>African Development Bank</td>
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<td>AU</td>
<td>African Union</td>
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<tr>
<td>BIT</td>
<td>Bilateral Investment Treaty</td>
</tr>
<tr>
<td>CFS</td>
<td>Committee on World Food Security</td>
</tr>
<tr>
<td>CIRAD</td>
<td>Centre de coopération internationale en recherche agronomique pour le Développement</td>
</tr>
<tr>
<td>EESC</td>
<td>European Economic and Social Commission</td>
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<td>EPA</td>
<td>Economic Partnership Agreement</td>
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<td>EU</td>
<td>European Union</td>
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<tr>
<td>FAO</td>
<td>Food and Agricultural Organization of the United Nations</td>
</tr>
<tr>
<td>FDI</td>
<td>Foreign Direct Investment</td>
</tr>
<tr>
<td>FLA</td>
<td>Foreign large-scale land acquisitions</td>
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<tr>
<td>GDP</td>
<td>Gross Domestic Product</td>
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<tr>
<td>GIZ</td>
<td>Deutsche Gesellschaft für Internationale Zusammenarbeit GmbH</td>
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<tr>
<td>GRAIN</td>
<td>Genetic Resources Action International</td>
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<tr>
<td>IFAD</td>
<td>International Fund for Agricultural Development</td>
</tr>
<tr>
<td>IFPRI</td>
<td>International Food Policy Research Institute</td>
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<tr>
<td>IIED</td>
<td>International Institute for Environment and Development</td>
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<tr>
<td>ILC</td>
<td>International Land Coalition</td>
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<tr>
<td>IMF</td>
<td>International Monetary Fund</td>
</tr>
<tr>
<td>LSLA</td>
<td>Large-scale land acquisition</td>
</tr>
<tr>
<td>MDG</td>
<td>Millennium Development Goal</td>
</tr>
<tr>
<td>NGO</td>
<td>Non-Governmental Organisation</td>
</tr>
<tr>
<td>NRP</td>
<td>National Resettlement Programme</td>
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<tr>
<td>ODI</td>
<td>Overseas Development Institute</td>
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<tr>
<td>OECD</td>
<td>Organisation for Economic Co-operation and Development</td>
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<td>SDGs</td>
<td>Sustainable Development Goals</td>
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<tr>
<td>UN</td>
<td>United Nations</td>
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<td>UNCTAD</td>
<td>United Nations Conference on Trade and Development</td>
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<td>UNEP</td>
<td>United Nations Environment Programme</td>
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<tr>
<td>UNFCCC</td>
<td>United Nations Framework Convention on Climate Change</td>
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<tr>
<td>WB</td>
<td>World Bank</td>
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<tr>
<td>WFP</td>
<td>World Food Programme</td>
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<tr>
<td>ZDA</td>
<td>Zambia Development Agency</td>
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1. Introduction

The first sentence in a recently published document by the Deutsche Gesellschaft für Internationale Zusammenarbeit GmbH proclaims that: “Land matters - more than ever!” (GIZ, 2016: 6). The author Mark Twain (1835-1910) once famously said “[b]uy land, they are not making it anymore”. What is it about land that continually puts it at the forefront in discussions around development and economic growth, and what makes land different than many other resources?

It can be argued that access to land is a fundamental human right; the basic foundation on which the majority of the world’s populations build their livelihoods - without access to land, we cannot grow food or build shelters. Land is also a contributing factor for economic growth, as vast riches can be generated from investments in land. Unfortunately, land as the basis for livelihoods for the majority of the world’s rural populations often competes with the use of land as a commodity of the global economic system:

“Through the looking-glass of the dominant economic system, which has emerged over the last centuries, land acquisition and use of land are largely about economic values, land valuation and demarcation of diverse production areas - for food, energy, shelter, mineral commodities, border and buffer areas, etc. As the global competition on land is undoubtedly growing and the key question of how land might be managed best - with a side-view on land as a common, non-replaceable, non-producible, indispensable good - the attention being given to knowledge transfer, “information brokerage” and capacity development on local to global land issues, is increasing. Concerns about the economic, social and environmental impacts of land grabbing, in particular for the poor, are at the forefront of these efforts. Hence, certain uses and “products” of land are being increasingly recognised as a public good, as its properties generate benefits in favour of a vast majority of people beyond mere private profits” (GIZ, 2016: 6).

Natural resources and the tenure systems that govern them are increasingly under stress as urban areas expand, as more land is converted for cultivation to feed the world’s growing population and produce biofuels, and as environmental degradation and climate change reduce the availability and quality of land, water and forests. Particularly the desire for developing countries to implement large-scale agricultural projects as part of their economic development strategies has resulted in stronger cooperation with the private sector. Governments hope that by leasing or selling large tracts of land to private companies for the production of food or biofuels- for which there is an increased worldwide demand- they can promote economic growth and food security through employment creation, capital and technology transfers and higher tax incomes. In this way, large pieces of land are handed over to national and international investors (GIZ, 2013).

The pressure on land has resulted in millions of hectares designated for land deals since 2000. Most of this land previously used by smallholders and local communities has been converted into medium or large-scale operations (ILC, 2015). However, these processes suppress traditional land use methods and
tenure rights through the introduction of large-scale industrial systems of production and individual land ownership structures. It can also lead to negative social and environmental impacts, e.g. displacement, the destruction of forests or the loss of access to commonage and water resources.

This study aims to give a general overview on this renewed and increasing demand for land; looking at the importance of land, key factors driving the global land rush and the impacts thereof on people and the environment. The focus of this study is on international - particularly European - agricultural investments on the African continent, with special reference to Zambia. In recent years there has been a plethora of studies, media reports, discussion papers, policies and international frameworks around investments in land - particularly on what has become referred to as ‘land grabbing’ or ‘large-scale agricultural investments’. Many of these reports are very comprehensive and much more detailed than this study, and should thus be consulted to gain a more in-depth understanding on this topic. This study should rather be seen as an introduction to large-scale agricultural investments for those who want to gain an overview and impression of the main issues concerning this topic.

The aim of the study is thus to provide a point of departure for discussions and thought on investments in land, and to familiarise the reader with some of the global initiatives to protect peoples’ rights to food and rights to land. It should be noted however, that even though this study focuses on the burning issue of ‘land grabbing’, discussions on land - specifically within international development cooperation - should not be reduced to this topic alone and should take a holistic approach on all aspects of land policy and land management.

2. The Importance of Land for Livelihoods

Despite the very high rates of urbanisation experienced across the continent, the majority of African society still live in rural areas. The livelihoods of Africa’s rural populations continue to be reliant on smallholder and subsistence agriculture, livestock production and fishing (Huggins and Clover, 2005). It is estimated that in developing countries, three out of every four poor people live in rural areas and are thus directly or indirectly dependent on agriculture, mostly subsistence farming, for their livelihoods (Graham et al., 2010). The number of rural poor in Sub-Saharan Africa is likely to rise and will most likely surpass the number of urban poor by 2040 (Graham et al., 2010).

Since most African economies are highly dependent on agriculture and the sector employs approximately 60 percent of the active population, land is considered as one of the most fundamental resources to the poor and is essential for enabling them to overcome poverty. Increasingly, off-farm and urban forms of income (e.g. remittances from family members) play a role in livelihood strategies, however access to land remains the centrepiece of most households’ asset-bases (Huggins and Clover, 2005).
However, land has increasingly been put under stress as a result of the increasing demand for food and other agricultural commodities such as biofuels. Currently, ownership and control over land is becoming concentrated in only a few hands, consequently further marginalising over 500 million small-scale producers and 230 million indigenous peoples who live on and from the land (ILC, 2016).

Land is often seen as the central subject for public debate because of its key role in socio-economic development, cultural traditions and social relations (Tarimo, 2014). Land reform programmes are being implemented across Africa as tenure security is believed to play a central role in poverty reduction. Fair access to land is seen to be the basis for improved livelihoods in agricultural societies (Dienst, 2011). Millions of people across the world are directly dependent on access to land and other natural resources, such as forests and rangelands. Having access to land is a fundamental human right and can lead to many development benefits (ILC, 2016). Secure and equitable access to and control over land is the basis for livelihoods; as it is a source of food, income and shelter. Land can also provide a safety net during times of vulnerability and can sometimes be used as collateral for access to credit. The role that land plays in development policies cannot be underestimated:

“There is widespread recognition that land rights are fundamental to address the major challenges facing humanity: achieving gender equality, overcoming rural poverty, building fair and sustainable food systems that recognise small-scale producers, peace-building, managing ecosystems, mitigating and adapting to climate change and reversing land degradation” (ILC, 2016).

An aspect of land which is often forgotten in discussions, is the fact that land also forms the basis for social, cultural and religious practices - and is thus also linked to cultural identity (ILC, 2016). Questions around land and access to land are thus not only concerned with agrarian issues such as productivity, but it is also an important social issue. It is recognised worldwide that land plays a critical role when it comes to equality, especially since there remains a considerable gender gap in access to land.

Women are responsible for between 60 to 80 percent of food production in developing countries; however they rarely own the land they work on or have control over it and tend to have limited decision-making powers over the land or how the outputs should be used (SIDA, n.d.). It is estimated that only 1 percent of the world’s women actually own land (Gomez, 2012), whilst 20 percent of women have access to land (GIZ, 2012). The World Bank states that “[r]ights to land and natural resources increase a woman’s bargaining power within the household, which results in increased allocation of household resources to children and women as well as increased household welfare” (in Gomez, 2012: 3). Therefore women are particularly vulnerable towards local and external pressures on land, especially also if they do not have secured access to land.

The Food and Agriculture Organisation (FAO, 2002) defines access to land as follows:

“Access to land is governed through land tenure systems. Land tenure is the relationship, whether legally or customarily defined, among people, as individuals or groups, with respect to land. Rules of tenure define how property rights in land are to be distributed within
societies, along with associated responsibilities and restraints. In simple terms, land tenure systems determine who can use what resources, for how long, and under what conditions”.

Similarly, the Swedish International Development Cooperation Agency (SIDA) sees access to land and property as central to economic empowerment, since land can be a basis for food production and income generation, and serve as collateral for credit. It is also recognised that land can be a social asset which is crucial for cultural identity, political power and participation in decision making (SIDA, n.d).

According to the European Union (EU) Land Policy Guidelines, land tenure is broadly defined as “the system of access to and control over land and related resources”, thereby defining the rules and rights through which appropriation, cultivation and the use of natural resources on a given piece of land are governed (in Hilhorst and Zoomers, n.d.). It is not the land itself that is owned, but the rights and duties related to it. Land rights can be categorised along a continuum (see Fig. 1), which UN Habitat describes as follows:

“...The range of possible forms of tenure can be considered as a continuum. Each step along the continuum provides sets of rights and degrees of security and responsibility. Each enables different degrees of enforcement. Security of land tenure refers to rights which are secured if they are not contested without reasons, and should there be a case of contestation” (UN Habitat, quoted in GIZ, 2016: 19).

Fig. 1: The continuum of land rights

Tenure programmes are implemented worldwide in the hope that they will protect individuals and communities from the effects of increasing global pressures on land. Large-scale agricultural investments are being criticised for playing a key role in affecting people’s tenure security and rural livelihoods. The next section will take a closer look at large-scale agricultural investments, and assess
whether the negative criticism about their adverse impacts on the lives of the world’s rural populations is justified.

3. Large-Scale Agricultural Investments

Most countries in Africa have gone through structural adjustment programmes and policy reforms aimed at liberalising the land market over the past four decades (German, Schoneveld and Mwangi, 2011). The so-called ‘structural adjustment programmes’, promoted by the International Monetary Fund (IMF) and other organisations in particularly the 1980s, advised governments in developing countries to shift away from peasant farming towards industrial agriculture (Graham et al., 2010).

Governments in developing countries continue to perceive Foreign Direct Investment (FDI) as an important source of economic development and modernisation, income growth and employment. Particularly investment in agriculture is seen as a vital development tool and thus foreign investments in large-scale agricultural projects are encouraged by governments in developing countries (Graham et al., 2010). The United Nations Conference on Trade and Development (UNCTAD) argues that “effective agricultural growth could therefore contribute to employment creation and reduce poverty in developing countries” (2009: 103). Similarly, the World Bank (2008) states that if the conditions are right in developing countries, agriculture can be at least twice as effective in reducing poverty as Gross Domestic Product (GDP) growth outside of agriculture.

However, there has been widespread criticism on the justification that large-scale agricultural investments are a tool for development. Many argue that such investments are first and foremost about meeting the needs of developed countries and the enrichment of private sector corporations, at the expense of rural populations.

3.1. Large-Scale Agricultural Investment or Land Grabbing?

The prevailing model of large-scale land acquisition is said to jeopardise the land and resource rights and livelihoods of rural populations across the world. Anseeuw et al. (2012) believe that there are hardly any findings that the term ‘land grabbing’ is not deserved when talking about large-scale land acquisitions. Similarly, Non-Governmental Organisations (NGOs) working in the rural development sector believe that investments in agriculture should not always be seen as development opportunities. GRAIN (2008) states that “[...] investment in agriculture has become the rallying cry of virtually all authorities and experts charged with solving the global food crisis [and thus] this, perhaps unintended, land grab boom boom

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1 Discussions around investments in agricultural land are normally focused on rural areas. However, Hilhorst and Zoomers (n.d.) note that investment in land is also strong in peri-urban areas. Urban expansion is an important source of land acquisition, and due to its proximity to markets, peri-urban land presents a potentially lucrative business since markets are nearby. Another market for land acquisition, even if not that big, is tourism, e.g. for lodges or game hunting farms.

2 Genetic Resources Action International
fits in well. It should be abundantly clear that behind the rhetoric of win-win deals, the real aim of these contracts is not agricultural development, much less rural development but simply agribusiness development”.

Fitzpatrick (2015) also believes that agribusiness is increasingly being promoted as the main way to address hunger and poverty, which consequently leads to the proliferation of ‘one-size-fits-all’ models of agriculture (ibid.). On a similar note, the Oakland Institute reports that “there is a dangerous disconnect between increasing investment in agriculture through rich countries taking over land in poor countries and the goal of securing food supplies for poor and vulnerable populations” (2009: 4).

It is now widely agreed that land grabbing has become a major global problem. In recent years, the media and academia have increasingly reported and studied this phenomenon, particularly in Africa. A common definition used to describe land grabbing is “taking possession of and/or controlling a scale of land which is disproportionate in size in comparison to average land holdings in the region” (Graham et al., 2010: 17). This definition thus does not look at illegal or dishonest practices in land acquisition, but rather focuses on the impacts that large-scale land sales and leases have on local people’s rights to resources.

A more detailed definition comes from the work of Borras Jr., Franco and Wang (2013), who summarise land grabbing to include the following:

“[C]ontemporary land grabbing is the capturing of control of vast tracts of land and other natural resources through a variety of contexts, forms and mechanisms that involve relatively large-scale capital that often shifts resource use orientation into extractive character, whether for international or domestic purposes, as capital’s response to the convergence of food, energy and financial crises, climate change mitigation imperatives, and demands for resources from newer hubs of global capital.”

This definition of land grabbing is very comprehensive and useful, since it does not focus solely on the quantitative aspects of land grabbing (yet scale and size remain important). Instead, the definition highlights the diversity of different forms of land grabbing, including recent discussions on ‘green grabbing’ (which will be discussed later in this study).

3.2. The Scale of Land Deals

Foreign Direct Investment (FDI) in the agricultural sector has experienced significant growth, especially in developing countries. According to data from the United Nations Conference on Trade and Development (UNCTAD), total flows have grown from less than USD 1 billion per annum between 1989-1991, to more than USD 3 billion per annum by 2005-2007 (Graham et al., 2010). Africa has risen to the top of the investors’ agenda, and in some countries such as Tanzania and Ethiopia, the share of agriculture in FDI can even be between 6-9 percent. The major global investors are often said to be the Gulf States, China and South Korea. However, foreign investments in land in Africa made by EU member
states is increasing. Six European countries are ranked amongst the biggest investors in terms of outwards FDI in agriculture, and include Italy, Norway, Germany, Denmark, the United Kingdom and France (Graham et al., 2010).

Compared to other European countries, the Austrian economy is a latecomer in outward FDI. In the 1990s, Austrian firms mostly restricted their international activity to trade and did not venture into international investments. However, since Austria’s accession to the European Union, the country’s outward FDI increased, especially in the Eastern and Central European markets (Richardson, 2012). In these markets, Austrian FDI has tripled over the past decade (BMEIA, 2016). Along with the international trend, Austrian FDI to developing countries has also increased since the early 2000s. Yet most of Austria’s outward foreign investments remain in Europe, with only 4.4 percent of Austrian FDIs in Africa and some investments in Asia. In terms of sectoral outward foreign investments, Austria is largely concerned with manufacturing industries, trading and services (such as the finance and insurance sector) (Braun and Fuentes, 2014). According to data from fDiMarkets, Austria still has a relatively low FDI outflow compared to its gross domestic product (Richardson, 2012). Thus Austria is not a global player in terms of foreign investments in agricultural production. However, the ownership of farmland by Austrians in Hungary has received considerable media attention in recent years amid the rising Hungarian debate about the role of foreign farmers and landowners. According to the Hungarian government, some Austrians got around an EU-approved moratorium from 1994 on foreigners owning farmland by drawing-up special contracts with the landlord, which give them quasi-ownership rights. The Hungarian government has drafted a law which renders those contracts illegal (Szakacs, 2014). In response, the EU launched legal action against Hungary, claiming that a ban on foreign ownership of land is illegal. This case illustrates that even between EU countries, there are heated debates about foreign land ownership.

Research has found that large pieces of land have been bought in 62 countries. The investors who have bought this land originate from 42 countries. Around 90 percent of all land acquisitions took place in only 24 countries (Michler and Ginten, 2016). In a poverty-ridden country such as Sierra Leone, more than 40 percent of the cultivated land is said to have been acquired by foreign investors, which accounts for one third of the total agricultural surface in the country. In the Philippines, the number is even higher, as it is estimated that nearly half of the cultivated land has already been handed over to foreign investors (ibid.).

Experts can only make an estimation about how much land (volume) is actually being acquired by international investors, since many land acquisitions are being done away from the public eye. The website Landmatrix.org has tried to capture data about worldwide land acquisitions. Up until the beginning of 2016, more than 58 million hectares of land have been sold or are in the process of being sold since 2000 (http://landmatrix.org/en/) (see Fig. 2). Roughly calculated, that is approximately 6.9 times the size of Austria (see Fig. 3). 70 percent of those land sales were made in Africa.
Fig. 2: International land deals in terms of size (in hectares)

![Bar chart showing the distribution of land deals.](chart.png)

(Source: Land Matrix, 2016)

Fig 3: Area equal to the size of concluded international land deals

![Map showing the location of concluded land deals.](map.png)

(Source: Land Matrix, 2016)

Of the total hectares of land being sold, 39 million hectares have already been brought under large-scale agricultural cultivation by the investors, of which only a small percentage of that land is actually being used for human food production (Michler and Ginten, 2016). The size of land acquisitions vary considerably, however they can be very large. Some significant land acquisitions can be found for a 452,500 hectares biofuel project in Madagascar, a 150,000 hectares livestock project in Ethiopia and a 100,000 hectares irrigation project in Mali (IIED, 2009).

The development organisation Oxfam has estimated the number of land sales in developing countries to exceed the 56 million hectares that the Land Matrix has put forward. According to Oxfam, more than
200 million hectares of land in developing countries alone have been sold or leased to international investors (Wiggerthale, 2011). Most of those land parcels measured between 10,000 and 200,000 hectares. In comparison: the agricultural land of all 27 European Union states combined measure approximately 185 million hectares (Michler and Ginten, 2016).

The biggest investor countries worldwide according to the Land Matrix (2016) are listed in Fig. 4. Surprisingly, China is not listed amongst the Top 10, and many emerging economies, such as India and Brazil, have become strong foreign investors. Fig. 5 indicates the Top 10 target countries for investments, where it is noticeable that most target countries are emerging or developing economies. The data indicates that Africa is the prime target of the land deals, followed by Asia. These investments do not specifically refer to agricultural investments, but refer to local and international land deals made in a variety of sectors, including mining.

### Fig. 4

<table>
<thead>
<tr>
<th>Top 10 Investor Countries</th>
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<tbody>
<tr>
<td>USA</td>
<td>8,564,913</td>
</tr>
<tr>
<td>Malaysia</td>
<td>3,322,119</td>
</tr>
<tr>
<td>Singapore</td>
<td>2,944,250</td>
</tr>
<tr>
<td>Arab Emirates</td>
<td>2,271,727</td>
</tr>
<tr>
<td>India</td>
<td>2,089,483</td>
</tr>
<tr>
<td>UK</td>
<td>2,031,159</td>
</tr>
<tr>
<td>Canada</td>
<td>1,981,272</td>
</tr>
<tr>
<td>Brazil</td>
<td>1,804,127</td>
</tr>
<tr>
<td>Russian Fed.</td>
<td>1,683,896</td>
</tr>
<tr>
<td>Saudi Arabia</td>
<td>1,604,764</td>
</tr>
</tbody>
</table>

(Source: adapted from Land Matrix, 2016)

### Fig. 5

<table>
<thead>
<tr>
<th>Top 10 Target Countries</th>
<th>Ha</th>
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</thead>
<tbody>
<tr>
<td>Papua New Guinea</td>
<td>3,733,653</td>
</tr>
<tr>
<td>South Sudan</td>
<td>3,491,453</td>
</tr>
<tr>
<td>Indonesia</td>
<td>3,367,412</td>
</tr>
<tr>
<td>DRC</td>
<td>3,024,786</td>
</tr>
<tr>
<td>Sudan</td>
<td>2,778,847</td>
</tr>
<tr>
<td>Ukraine</td>
<td>2,385,459</td>
</tr>
<tr>
<td>Brazil</td>
<td>2,200,829</td>
</tr>
<tr>
<td>Mozambique</td>
<td>2,155,706</td>
</tr>
<tr>
<td>Congo</td>
<td>2,148,000</td>
</tr>
<tr>
<td>Russian Fed.</td>
<td>1,699,012</td>
</tr>
</tbody>
</table>

Interestingly, Brazil and the Russian Federation are both top investors and top target countries when it comes to land deals. This is yet another indicator that the current land rush is more diverse in its actors than what is normally assumed. According to the Land Matrix (2016), Brazil is a top investor due to large-scale investments by local companies within Brazil itself in forestry, agriculture and renewable

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Please note that the information from the Land Matrix is based on investments concerning land deals. The information is not comprehensive, as it is only based on information on leads that could be found and thus consequently captured into their database. However, this can be seen as the most comprehensive current database on land deals.
energies. In addition, Brazil is also a main target country, whereby most land deals were made with regards to investments in forestry (such as eucalyptus) and agriculture (particularly sugarcane production). The main investors in Brazil are from South (Argentina and Chile) and North America (most notably Canada and the USA), Japan, The Netherlands and China.

The Russian Federation has significantly invested in the agricultural production of crops in mostly their own country and in the Ukraine, and smaller investments in Zambia and Zimbabwe. As a target country, Russia has attracted investors from Eastern Europe (such as Estonia and Lithuania), Western Europe (mainly Sweden), Turkey, Canada and from Russia itself. Most investments in Russia are for the production of crops such as corn, wheat and sunflower.

It should thus be noted that it is not always just foreign investments in land that lead to land grabbing, as in some countries domestic companies and local elites play a prominent part in land grabbing (Graham et al., 2010). Such cases tend to be reported on less in the media. The land areas involved in deals with local elites may be smaller and often fall under the radar, however the cumulative effect is considerable (Anseeuw et al., 2012). Evidence suggests that the increase in land acquisitions by foreign investors is driving land acquisitions by nationals, as domestic actors acquire land with the intention of entering into lucrative agreement with foreign companies (ibid.). It is therefore that many authors in this field prefer using the term ‘(trans)national commercial land transactions’, as it refers to both international and domestic land deals (Graham et al., 2010).

The figures presented highlight the significant size of investments in land worldwide in the past decade. The reasons for this so-called global rush on land are examined the next section.

3.3. Key Drivers of the Global Land Rush

There are several factors that have contributed to the rising number of foreign land acquisitions and leases in specifically Africa, which includes the new policy agenda for agrofuel production, the food crisis and the financial crisis (Herre, 2013). The current trend in investments in developing countries differ from the traditional pattern of FDI in that they are resource-seeking, i.e. land and water. In certain instances, European involvement in land grabbing is due to EU policies, which are both directly and indirectly contributing to these factors (Graham et al., 2010).

According to Cotula et al. (2009), large-scale agricultural investment in Africa is driven by two factors; namely food security and energy prices in investor countries and investment opportunities in agriculture. The first factor is a cumulative effect of limited availability of water and land in investor countries, bottlenecks in storage and distribution, expansion in biofuel production, and increasing urbanisation and changing diets. The second factor refers to expectations of rising returns in agriculture and land value, and policy reforms in African countries that have improved the attractiveness of the investment climate in Africa through i.e. a growing number of investment treaties and reforms of legislation on land, banking and taxation (ibid.).
There is now a focus on the production of food and crops for biofuel production for export to the investing country, and thus not only for domestic consumption or wider commercial export (Guara and Birhanu, 2012). Fig 6 illustrates the different land acquisitions by sector, which shows that biofuels make up the largest portion of investments in land.

*Fig. 6: Regional land acquisitions by sector (in number of million hectares)*

![Chart showing regional land acquisitions by sector](source: from Anseeuw et al., 2012)

### A. Food security

Debates around global food security tend to support arguments for large-scale farming, as it is perceived to be more productive and efficient. Hilhorst and Zoomers note the argument which is often used to defend large-scale farming to address food security: “given that by 2050 some 9 billion people will need to be fed, there is a need for a significant increase in production and productivity, which can be achieved only by replacing smallholder farming with industrial-type farming” (n.d.: 12).

As a result of the food price crisis in 2007-2008, countries tried to improve their own food supply situation by acquiring farmland in developing countries. Together with the financial crisis, this led to a global demand for land and thus to a significant proliferation of land deals across Africa. Some food-importing countries are increasingly starting to buy or lease land in developing countries in order to ensure food security for their own populations by outsourcing their own food production through sovereign wealth funds (Graham et al., 2010). There have also been reports that countries such as Saudi
Arabia, Japan, India and China are ‘treasure hunting’ for fertile farmland. This is not unique to these countries, as European countries are also increasingly interested in agricultural lands outside of Europe (ibid.).

Water scarcity is increasingly becoming a major constraint for agricultural production. Therefore access to water is one of the key factors driving international land acquisitions. A good example is the Gulf States, where declining water reserves necessitated moves to acquire land internationally. In 2007, Saudi Arabia was forced to abandon food self-sufficiency and mechanisms have been established for land acquisitions for food production overseas (Anseeuw et al., 2012).

In addition, the world has never before seen such a high demand for meat. The demand for food is projected to rise not only due to population growth, but also due to changing diets linked to economic growth in emerging countries (Anseeuw et al., 2012). Experts have predicted that more than 465 million tons of meat will be produced by 2050, which is twice as much as the current meat production (Worldwatch Institute, 2016). Since 1995, more meat and dairy products were produced in developing countries than in industrial nations. More than 60 percent of the meat production in 2007 took place in developing countries (ibid).

To meet this increasing demand for food, including the production of livestock, more agricultural land is required. Some Arabian states and China have already begun to acquire land overseas in order to have sufficient provisions for their own populations (Michler and Ginten, 2016). Nearly 60 percent of the land used to meet Europe’s demand for agricultural and forestry products comes from outside the EU borders. A report on the role of the EU on land grabbing notes that in 2007/08, “the EU’s virtual net import of land – the amount of land required to produce one unit of a given agricultural good – was close to 35 million hectares, almost equal to the size of Germany” (Hands off the Land, n.d.). The EU system of farm subsidies known as the Common Agricultural Policy (CAP) introduced new reforms in 2011, which focuses on strengthening the international competitiveness of European agribusiness, specifically for the European livestock industry (which imports 75 percent of its feedstock).

B. Green Grabbing

The rush on land is not just about food production and farmland, as evidence suggests that of the 78 percent of the agricultural land deals made, three-quarters are for biofuels (Anseeuw et al., 2012). A relatively recent debate on the rush for land is concerned with ‘green grabbing’, which is the appropriation of land and resources for environmental ends. The commodification and appropriation of nature is increasingly being done in the name of ‘sustainability’, ‘conservation’ or ‘green’ values (Fairhead, Leach and Scoones, 2012). Green grabbing as such is not new, since many colonial policies were also focused on the appropriation of land from local communities for parks and forest reserves in the name of the environment. The appropriation of nature for environmental purposes thus adds a new dimension to the wider contemporary discussion of land grabbing. Global and national environmental agendas are amongst the current core drivers of land grabs, whether linked to biodiversity conservation,
biocarbon sequestration, biofuels, ecosystem services, ecotourism or ‘offsets’ related to any and all of these (ibid.).

Policies relating to climate change are thus drivers for large-scale agricultural investments. Industrialised nations like the USA and Germany are demanding an energy conversion to biofuels, which in turn requires significant portions of land not available in those countries. The EU climate-change mitigation policies, which set minimum biofuel targets, are pushing up the demand for biofuel feedstocks. Similarly in the USA, subsidies for producing biofuel drive the demand for such feedstock (Hilhorst and Zoomers, n.d.).

Graham et al. find it interesting that “the renewed interest in agricultural investment by the World Bank and others was not expressed in 2004 when it had become clear that the MDG [Millennium Development Goal] on hunger will not be achieved, but in 2008, at the time of the agrofuels boom and the boom of the food prices on the international markets” (2010: 22). Ultimately, many argue that there is more interest in producing cash crops for the world market where rich investors get high returns, than towards investments in sustainable local agricultural development that produces food for the rural poor (Graham et al., 2010).

In 2009, the European Parliament adopted the Renewable Energy Directive (RED), which mandated that by 2020, 20 percent of the energy used in the EU and 10 percent of each member state’s transport fuel must come from renewable energy sources (Hands off the Land, n.d.). Agrofuels are a source of liquid fuel mainly destined for the transport sector, and include crops such as palm oil, sugarcane, corn and jatropha. European corporations are directly involved in the acquisition of land for agrofuels, in combination with other host governments. The drive for renewable energy is even more significant now after the Paris Agreement was adopted by 195 countries at the COP4 21 UN Climate change conference in December 2015. The main aim of the agreement is to keep a global temperature rise well below 2 degrees Celsius this century and to push forward efforts to limit further temperature increase even further to 1.5 degrees Celsius above pre-industrial levels (UNFCCC, 2016).

The EU allows member states at their own discretion to introduce support measures and incentives for agrofuel production, which include consumption incentives (fuel-tax reductions), production incentives (tax incentives, loan guarantees and direct subsidy payments) and mandatory consumption requirements (Graham et al., 2010). In Germany, France and Italy, these include reduced tax on limited quantities of biodiesel and bioethanol. European development cooperation also actively promotes the introduction of agrofuel policies in African countries. As an example, the embassy of Italy with the World Bank have conducted a study on the potential of agrofuels in Mozambique, which led to the country’s adoption of a “Policy and Strategy for Biofuels” (Graham et al., 2010). This perceived demand in the EU for biofuels has also started to push domestic investors to acquire large pieces of land for the production of agrofuels (ibid.).

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4 Conference of the Parties of the United Nations Framework Convention on Climate Change (UNFCCC)
According to Graham et al. (2010), EU government consumption targets are creating an artificial demand which is unprecedented among cash crops. This demand will most likely continue beyond the normal duration of a ‘commodity boom’ cycle. This demand driven by EU policies has also spilled over onto European development cooperation and European banks, who are supporting the production of agrofuels in African countries. In some cases, European governments even own enterprises which are investing in land for agrofuel production (ibid.).

The Economic Partnership Agreements (EPAs), a key tool in EU development cooperation to promote economic growth through EU investments in developing countries, have been criticised for providing incentives for land grabbing. The main critiques towards EPAs is that they require “for example the opening of markets in Africa for essentially all imports from Europe. Only 20% can be excluded and be put on a list of “sensitive products”. Moreover, a “standstill clause” requires African states to freeze all their import tariffs immediately at current rates. A third element of EPAs is the “most favoured nations clause” which makes it mandatory for African states to offer to the EU the same tariffs which they offer to other major trading partners” (Graham et al., 2010: 62). In essence, these EPAs enable transnational corporations relatively easy access to markets in developing countries without major obstacles. However, it must be said that the EU does have extraterritorial obligations aimed at protecting human rights, and thus the EU policy environment alone cannot be criticised for promoting land grabbing.

C. Timber

The demand for timber is also increasing, as more forest products are being commoditised. There are reports that since 2000, China has obtained 121 concessions over 2.67 million hectares of forest in Gabon and is negotiating rights in the DRC and Cameroon. Forests are further being put under pressure as land is being cleared for oil plant plantations (Anseeuw et al., 2012).

In addition to timber, the demand for other raw materials such as minerals, oil and gas, and non-food crops such as rubber and fibre crops are also driving land acquisitions. The demand for such commodities has been a key feature of economic relations between the global North and the global South since colonial times. However, the rapid industrialisation in some areas, including in the BRICS countries, is fuelling the demand for these commodities (Anseeuw et al., 2012).

D. Land Prices

Large-scale land acquisitions are not always motivated by the demand for land-based commodities, but are drawn by the expectations of rising land values as a result of this rising demand. The renewed rush for land is also a result from the fact that banks, investment companies and hedge funds seek financial capital in new and allegedly safer investment options and models (Herre, 2013). As Anseeuw et al., observe “[g]iven the global weakness of bond and equity markets in recent years, and the minimal purchase or lease prices being demanded by some governments, particularly in Africa, land in the global South has become increasingly attractive as an object of speculation. Such speculation involves both national actors and transnational ones such as hedge funds” (2012: 28).
After the financial crisis in 2008, land is increasingly being regarded as a source of solid financial returns by actors in the finance sector. Traditionally, land acquisition was not seen as a typical investment for investment funds due to political instability and no guarantee on long-term returns. However, as a result of the food crisis and the growing demand for agrofuels, land has become a new strategic asset for such funds. Graham et al. (2010: 6) note that

“[i]ndirectly, by increasing demand for agrofuels production, recent EU directives have increased demand for land by private finance institutions. Throughout 2008 many investment houses, private equity funds, hedge funds and the like have been snapping up farmlands throughout the world. European private finance actors are also investing in land in Africa.”

According to Guara and Birhanu (2012), the flow of land investments in Africa is mainly driven by land fees which are either very small or missing altogether. The land fees are in the range of USD 4.8-7.1 per hectare in Sudan, USD 6-12 per hectare in Mali, and USD 6.5-10 per hectare in Ethiopia, whilst the comparable figure in Peru is USD 300 per hectare (Guara and Birhanu, 2012).

Furthermore, Agrifood businesses look for overseas markets where production is less strictly regulated and input costs, such as labour, are cheaper. In the past, most agribusinesses and financial investors were not directly involved in agricultural production itself, as their involvement was mainly concentrated in the input market (seeds, fertiliser and agrochemicals), trade, processing and retail. However, the financial world now regards land as one of the last investment frontiers (Herre, 2013).

E. Carbon Offset Markets

According to the International Panel on Climate Change (IPCC), deforestation accounts for over 17 percent of the world’s CO$_2$ emissions. It is significantly more cost effective to prevent deforestation than to reduce emissions from energy intensive industries. Hence ‘Reducing Emissions from Deforestation and Degradation’ (REDD) programmes are advocated to prevent the loss of forests and encourage sustainable forestry. (Heuwieser, 2014). However, many indigenous populations are criticising REDD for commodifying forests and thus reducing them to their ability to absorb CO$_2$ and defining them in terms of their financial value (ibid.).

Carbon offset markets are an emerging driver for large-scale land acquisitions. Carbon offset schemes were developed to allow individuals and corporations to balance their carbon footprints by investing in environmental projects around the world. These projects are mostly based in developing countries and might involve rolling out clean energy technologies or purchasing and ripping up carbon credits from an emissions trading scheme. Some schemes work by directly removing CO$_2$ from the air by planting trees (Clark, 2011). Many forest countries are developing systems that can enable them to earn payments for reducing emissions by reducing forest degradation and deforestation (REDD+). A significant amount of REDD+ readiness projects have been established, however they often ignore the fact that the target forests are under customary ownership (Anseeuw et al., 2012).
F. Tourism

Of all land deals made, 22 percent are for mineral extraction, industry, tourism and forest conversions. The global tourism sector is diversifying rapidly and is growing at a rate between 3 and 6.6 percent per year (Anseeuw et al., 2012). Tourism ventures do not necessarily occupy large areas of land. However they can provide yet another source of competition for land. For example in coastal areas, local populations who depend on foreshore resources for their livelihoods are now struggling to gain access to these as a result of the high proliferation of beach resorts in popular areas (ibid.).

3.4. The Role of Governments in Land Deals

The following process is a simplification of the process which is followed when undertaking transnational large-scale land acquisitions (adapted from Hilhorst and Zoomers, n.d.):

1. Decision to acquire land for investment - either based on the investors’ own initiative and/or following an invitation from a host government
2. Selection of an area that meets the right conditions
3. Consultation with affected communities (this step is often skipped or undervalued)
4. Contract negotiations and signing
5. Implementation by the investor
6. Monitoring of compliance with the conditions set out in the contract by the government or other agencies

The fact that most foreign investors seek to buy land in developing countries should not come as a surprise. Fitzpatrick (2015) argues that multinational corporations are aided by governments to increase their control over land, seeds, markets and labour in Africa. Nearly 52 percent of land sought after by international investors is located in Sub-Saharan Africa. Host governments tend to formally own all or a significant amount of land, thus they play such an important role in the allocation of land leases and sales in African countries (Graham et al., 2010). However, African governments have not always promoted foreign investment. During the post-independence period, governments preferred nationalisation policies and thus foreign control of land was opposed (Hilhorst and Zoomers, n.d.). According to an Oxfam study, many investors target land in countries with bad governance and who therefore tend to have weak legal structures. Three quarters of 56 countries where land deals were conducted in the period between 2000 and 2011 have weak legal standards (Michler and Ginten, 2016). Oxfam agricultural expert Wiggerthale notes that investors are able to buy or lease land cheaply and quickly in places where people are not able or capacitated to demand their rights (ibid.).

Similarly, Misereor examined several land sales between African countries and investors, and found that many of the contracts were not longer than ten pages - even though they were for deals of several thousand hectares of land. They also found that the local population was hardly ever involved in these deals, and that in most cases the land was sold far below market value. In three cases, the land was even given away for free (Michler and Ginten, 2016.).
Home and host countries worldwide have developed a plethora of investment and trade agreements in order to promote and encourage FDI. These agreements normally focus on protecting the interests of foreign investors (which can be both corporations and individuals) from arbitrary decisions of the host governments, which includes expropriation or nationalisation of investments (Graham et al., 2010). Thereby the legal value of individual contracts are strengthened, since breaking the contract would then be a breach of international law - which gives investors the right to directly seek international arbitration should disputes arise with the host government (ibid.). Such Bilateral Investment Treaties (BITs) have flourished over the last two decades. However, as Graham et al. (2010) argue, these BITs normally strengthen the legal power of the investor, weaken the policy space for national governments and bypass the power of the local host communities.

Critics of EU policies argue that some EU member states have been promoting various land policies with an emphasis on market led land reform through Overseas Development Aid. Such land policy reforms are argued to often be tools used by some governments and intergovernmental organisation to push over poorer countries to reduce perceived risks and to create favourable environments for private sector investments (Graham et al., 2010). Some criticise the EU for promoting Economic Partnership Agreements (EPAs), which are said to “provide further incentives for land grabbing by curtailing the respective States’ policy space to protect their resources and markets for domestic use” (2010: 8). More public benefits could potentially be generated through agricultural investments in developing countries, however host governments are foregoing revenue through tax exemptions and minimal lease fees (Anseeuw et al., 2012).

4. Impacts of Large-Scale Agricultural Investments

Large-scale agricultural investments present both risks and opportunities. Whilst inward investment in developing countries is welcomed, evidence suggests that the prevailing model is not making the best use of the existing opportunities and the burden of the costs mostly end up being carried by the rural poor (Anseeuw et al., 2012). Foreign direct investment can result in macro-level benefits such as employment, government revenues and foreign exchange, and it can also lead towards development of rural infrastructure such as the construction of schools and health posts (Guara and Birhanu, 2012). Investments might also result in positive spill-over effects for local smallholder production, through improved agricultural infrastructure such as efficient irrigation systems and other technology transfers.

Many of those in support of investments in agriculture argue that much of Africa’s agricultural land is still being underutilised. Africa is indeed the continent with the lowest agricultural productivity worldwide. According to statistics by the African Development Bank (AfDB), the output per employee in the agricultural sector in Africa is only half that of the worldwide average (Michler and Ginten, 2016). In addition, agricultural productivity in Africa has only risen at moderate rates since the 1990s, and still remains lower than in other parts of the world (Kanu, Salami and Numasawa, 2014).
It is often argued that food security is positively addressed through investments in land for large-scale agricultural development. German ex-president and former head of the International Monetary Fund (IMF) Horst Köhler is amongst many leaders who advocate for an industrial shift in the agricultural sector in Africa. According to Köhler, large-scale and industrial agriculture is a key factor for food security, economic growth, poverty reduction, income distribution and employment creation on the continent. He furthermore calls for foreign investment in Africa, as he believes that industrial nations have the knowledge and technologies to enhance agricultural productivity and thereby outputs (Michler and Ginten, 2016). However, there is a large body of evidence suggestion that these investments do not necessarily result in development or poverty reduction for rural populations.

4.1. Threat to Tenure, Livelihoods and Food Security

Across the African continent, farmer organisations and civil society actors have spoken out against the massive sell out of African lands. Some organisations, such as the Eastern African Farmers Federation (EAFF) have warned that leasing agricultural land to foreign investors could precipitate a food crisis in certain regions of the continent, since land grabbing interferes with the right to feed oneself (Graham et al. 2010). This likelihood is furthermore exacerbated by the current drought experienced in most Sub-Saharan African countries as a result of the ongoing El Niño climate phenomenon, where it is estimated that 60 million people are facing hunger (International Federation of Red Cross and Red Crescent Societies, 2015).

Foreign and domestic land grabbing can severely affect the access and control of resources for local populations. The majority of the population in Sub-Saharan Africa are rural farmers who rely on access to natural resources, such as land and water, to provide food for themselves and their families. Graham et al. summarises what happens to people when access to these resources is affected:

“losing access to land and related resources in the course of land grabbing amounts for the great majority of these communities to a reduced access to the resources and means to feed themselves and severely affects their right to an adequate standard of living including food and housing, even if some compensation and rehabilitation is provided” (2010: 25).

Land grabbing affects the availability of land for local food production by and for local communities and for nearby urban areas. In Africa, and similarly in many other regions, access and rights to land are still predominantly based on traditional and customary tenure systems. In many instances, states own the land with rights of access never properly defined (Graham et al., 2010). In such cases, rural populations tend to be more at risk of illegal land grabs and forced evictions. However, even in countries where communities have legal rights to their land, such as land rights certificates, they can still be affected by expropriation and forced evictions without proper compensation when foreign investors target their lands (Graham et al., 2010). Therefore formal land rights, whether they be communal or individual, are not always a guarantee against land dispossession. Focusing solely on securing tenure through land
reform programmes, as is the case in many countries, is thus not sufficient in addressing global land grabbing.

As a result of BITs, national governments can find it difficult to meet their obligations on the right to food for their populations as access to land and other natural resources becomes restricted. As Graham et al. argue, “[l]and resources are necessary to offer opportunities for labour intensive food production. [...] Even where foreign companies acquire lands that are not fully utilised now, the human right to feed oneself is affected. [Therefore] people may be deprived of their future means of subsistence in an open violation of both Human Rights’ Covenants article 1” (2010: 8).

It can thus be said that industrial efficiency in the agricultural sector is not necessarily the answer and does not automatically imply that local communities will have better access to food, despite the increased production of food. In fact, Graham et al. (2010) write that local availability of food is severely affected by the expansion of cash crop monocultures, since particularly women are affected by diverting food producing resources and labour to cash crop production. They reason that “[a]s a result, communities are forced to depend on the market and on commercialisation networks from outside the region for their basic provisions, putting them at the mercy of volatile food prices” (Graham et al., 2010: 9).

Through these foreign land deals, Graham et al. (2010) argue that local people with knowledge of sustainable production are mostly displaced. They believe that if these local people were provided with an enabling agricultural policy environment and proper learning and communication networks, they would be able to produce even higher yields.

4.2. Loss of Access to Water

In most African countries, access to water is a fundamental aspect to sustain livelihoods. Industrial agriculture can impact communities’ access to water, as it mostly requires considerable inputs for maintaining production and ensuring high yields. Particularly energy crop plantations such as agroethanol and jatropha require high water inputs (Graham et al., 2010). Some even go so far as to argue that the global land grab is rather a water land grab due to the fact that agricultural investments can only take place if there is a sufficient supply of water, and hence investors tend to only target land with abundant water supplies (Graham et al., 2010).

In most cases, water is owned by the government, particularly after many governments in developing countries underwent water management reforms in the 1990s. Investors acquiring land for irrigation agriculture may receive grants that give them priority over water. This has severe impacts for local communities, whose water access thereby becomes restricted or cut-off (Anseeuw et al., 2012). This has even more adverse consequence for smallholder farmers and the rural populations at large as vulnerability of water supplies is increasing as a result of climate change.
Libya leased more than 247,000 hectares of land in the fertile Niger Delta for rice production for a period of more than 50 years. This land deal was conducted behind closed doors, whereby the local farmers were displaced from their land without a fair deal and relocated to areas without proper access to water (Michler and Ginten, 2016). Even if the large agribusinesses do not use up or secure all the water supply for their businesses, runoff from fertilisers and pesticides can pollute the water and thus make it undrinkable and unusable for the local communities.

4.3. Loss of Commonages

Furthermore, host governments often award land to foreign investors that they claim is marginalised, ‘underutilised’ or ‘unused’ (Graham et al., 2010). In fact, these lands are often communal; used for livestock grazing (such as the commonages), livestock transit routes, access to water and the collection of natural resources such as fuel wood, wild fruits and medicinal plants (ibid.). Access to this land plays an important role for the livelihood strategies of many rural populations, especially for the poorest households. The rural poor are thus being dispossessed of water and land resources which are under customary tenure. Dispossession can take the form of evictions and marginalisation from their permanent farmland and houses. It can also refer to the loss in the resource base of rural livelihoods as they are prevented from accessing grasslands and forests, which are customarily held as common property (Anseeuw et al., 2012).

Thereby a shift towards land becoming market-based is disproportionately effecting rural populations; especially subsistence farmers, women and forest dwellers, as they are facing direct competition for these resources. A briefing note by the International Institute for Environment and Development (IIED, 2009) notes that e.g. in Ethiopia, all land allocations recorded at the national investment promotion agency are categorised as involving ‘wastelands’ with no previous users. However, evidence indicates that some of these lands were being used for shifting cultivation and dry-season grazing.

It can often be the case that land which the host government has sold or leased to investors is not in use. However, with increasing population growth and the consequent rising demand for land and the expansion of urban areas, expectations of national food security and the impacts of climate change, the availability of fertile land is important (Graham et al., 2010). If all unused land is being handed-over to investors for agribusiness, the supply of available and arable land for future generations will rapidly be reduced or even depleted.

4.4. Exclusion from Land Market

As a result of the new interests in land, and the arrival of new kinds of actors, land prices in emerging land markets in rural areas have rapidly increased (Hilhorst and Zoomers, n.d.). This rapid increase in land prices might benefit those who can prove some form of ownership over their land. However, in most cases these rising prices are forcing people towards more marginal areas, increasing their vulnerability to flooding, droughts and other problems (ibid.).
Ironically, even though many governments are promoting foreign investments and thereby driving up the land prices, the high costs prevent governments to invest in social land reforms and environmental programmes - like in Costa Rica, where the government could no longer afford to buy land for nature conservation (Hilhorst and Zoomers, n.d.).

4.5. Employment Opportunities

An argument put forward for investment in large-scale land projects is often based on employment creation. Governments, international donors and investors argue that investments in the commercialisation of land creates the employment opportunities in rural areas, and that the increased access to the job market compensates for the loss of land in terms of securing people’s livelihoods (Graham et al., 2010). However, critics are quick to point out that a large percentage of these jobs are insufficiently and badly paid, require work in poor conditions and are targeted mainly at low-skilled seasonal agricultural workers (ibid.). Therefore the rights of these workers need to be better protected, as they should earn a decent wage so as to buy sufficient food and provide for their families. These rights should be included in the land lease or acquisition agreements, but host governments often fail to negotiate or even discuss this aspect.

In fact, instead of creating more employment opportunities, the commercial agricultural sector is increasingly becoming mechanised for maximum outputs, thereby requiring less and less labour. The International Food Policy Research Institute (IFPRI) notes that in most cases, converting land to large-scale farms or plantations does not generate more employment for local skilled or unskilled labour (von Braun and Meinzen-Dick, 2009). After the land has been cleared, the amount of jobs that are generated through industrial agriculture are not as significant, due to the fact that mechanised agriculture is not labour-intensive (Hilhorst and Zoomers, n.d.). The type of crop grown also determines the amount of labour needed, e.g. soya only requires one worker per 1000 hectares. Still, these companies often form the bulk of formal employment in rural areas, thereby generating tax revenues for governments and provide an entry point for the position of labourers (ibid.)

Yet the consistent stream of negative impacts reported in the media does raise questions on whether the expected benefits are outweighed by the disadvantages. Some of the more skilled jobs tend to go to migrants, who often come to surrounding areas. When new agricultural investments are made, large numbers of migrants move to the new area seeking employment. This puts further pressure on the remaining available land and in many cases migrants force out other groups who were originally settled in the area into even more marginalised areas - thus generating ripple effects of displacement (Hilhorst and Zoomers, n.d.).

4.6. Conflicts over Land

Conflicts over land is as old as mankind. In many ways independence wars fought across the globe were in opposition to colonisation, which is often described as a scramble for land. The last decade has seen renewed tensions over land ownership in post-independent African countries as a result of the
pressures from the aforementioned global trends (such as the food and financial crises, trade liberalisations and development and economic policies). Conflicts around land are exacerbated due to the ambiguity around land rights. During a roundtable discussion at the World Bank in 2009, “the potential for conflict given the lack of clear demarcation of communities’ land rights, inadequate data, failure to consult effectively with the affected communities and a lack of transparency” (Graham et al., 2010: 30) was recognised.

It is well documented that such conflicts over land can lead to displacement and consequently hunger or famine. There are several examples of cases that have received media attention in the last decade about conflicts arising as a result of agrofuel investments in Africa:

- In May 2007 in Kampala, Uganda, two local protestors were killed and an Asian stoned to death during massive demonstrations against government plans to convert thousands of hectares of rainforest on an island in Lake Victoria into an oil-palm plantation. The demonstrations developed into a riot and brought into the open the simmering conflict over the use of Uganda’s natural resources (Graham et al., 2010).
- In Ghana and Ethiopia, the anticipated positive local economic effects of biofuel production did not materialise, resulting in disputes between local farmers and largely foreign biofuel companies. It is criticised that land was sold to foreign companies without the local farmers’ prior consent or adequate compensation. These conflicts resulted in the destruction or seizure of the foreign companies’ properties and in some communities, individuals took up arms to protect their lands from being taken by these companies (Campion and Antwi-Bediako, 2013).
- Local farmers in Tanzania have protested against the government for its role in allowing foreign investors to take huge pieces of community-held customary land for renewable energy projects. In one case, the foreign company claimed that the land was an abandoned farmed, yet it was still home to more than 600 families. In addition, these foreign companies promised new schools, hospitals and job opportunities. Consequently, tensions arose in several areas of Tanzania as a result of the failed promises and significant loss of land. In 2013 alone, the Tanzanian government received more than 40 applications from foreign investors for biofuel production. However, studies in Tanzania have shown that the government’s encouragement of outside investors has weakened local people’s capacity to protect their own interests (Makoye, 2013).
- In Kenya, private companies pursued land on the Tana River Delta for producing biofuels such as sugarcane and jatropha. These biofuel projects ignited land and environmental disputes and threatened local community livelihoods by affecting the water flow into the Tana River Delta. The projects furthermore threatened the pastoralists living in the areas by compromising their access to grazing lands and water sources. As a result, the communities living in the Tana River Delta have initiated two court cases to halt these investments (Mitra, 2015).
4.7. Effects on Indigenous and other Vulnerable Populations

Peasant farmers, particularly those who lack formal tenure, are most at risk from losing access to land and natural resources as a result of foreign and domestic land deals. Amongst these farmers, minorities and traditionally marginalised groups - which include indigenous populations - and female headed households are most at risk (Graham et al., 2010).

It is estimated that the land rights of up to 60 million indigenous peoples could be affected as a result of large-scale agrofuel investments in developing countries (IFAD, 2009). The land dispossession of nomadic and semi-nomadic grazing areas of particularly Kenya’s Maasai herdsmen (see Schertow, 2013) and the marginalisation of San populations from their ancestral lands in southern Africa (see Legal Assistance Centre, 2006) have received considerable media attention and criticism over the last decade.

As a result of land grabbing, indigenous groups suffer the reduction of their grazing lands and hunting grounds and are denied access to areas on which they are dependent for natural resources for their livelihood, and are thus ultimately faced with the deterioration of their standard of living. It is thus often indigenous communities and women who are the first victims of land grabbing, and who are consequently projected into deeper poverty and insecurity (Graham et al., 2010).

4.8. Effects on the Environment

Most foreign land acquisitions are profit - and export driven, thereby fostering an industrial agricultural mode of production in host countries that is not ecologically sustainable. Such industrial agricultural modes are found to contribute towards considerable erosion of soils, destroy biodiversity and release large amounts of CO2 (Graham et al. 2010).

Anseeuw et al. (2012) state that the land rush leads to significant conversions of natural ecosystems with resulting losses of ecosystem services and biodiversity. Investments for agricultural production have notably contributed towards the loss of forests as a result of conversions into arable land. During the 1990s, agriculture was the most significant contributor to deforestation (Greenpeace, 2008). The loss of forests is directly linked to the rise in global CO2 emissions, since forests act as carbon sinks.

Ultimately, the loss of biodiversity and forests, erosion of fertile soils and reduced access to water most affect poor rural households as they are dependent on those resources to feed themselves and their families. In the long-term, the impacts contribute towards climate change and environmental degradation. The introduction of industrial agriculture in fragile ecosystems can lead to the destruction of habitats on which millions of people depend for their livelihoods. These people are already facing problems as a result of the impacts of climate change. Greenpeace (2008) emphasises that smallholder farming has less severe impacts on the environment and are more energy efficient.
5. Foreign Investments in Agriculture in Zambia

Zambia has experienced overall economic growth rates in the past decade, however hunger still remains a major concern in the country. In 2000, 4.4 million people suffered hunger in Zambia, a figure which has risen to 6 million by 2010. According to a study by FIAN, more Zambians are affected by famine now than at the beginning of the century. Despite economic growth in the country, Zambia’s food bill has climbed sharply from USD 60 million in 2000 to USD 350 million in 2012 - this despite food exports rising even higher from USD 68 million to USD 486 million in 2012 (Herre, 2013). The World Bank has pointed out that Zambia’s economic growth has not resulted in significant poverty reduction - pointing out that growth has seemingly bypassed or marginalised Zambia’s rural poor (Herre, 2013; Michler and Ginten, 2016).

Around 85 percent of Zambians depend on agriculture for their livelihoods, thus access to land and water is an important factor for food security in the country. The bottom 25 percent of Zambian households live on a mean plot size of 0.6 hectares, which is hardly enough to provide enough food for a family or to sustain a livelihood (Herre, 2013). Access to land for landless or poor rural populations should be a policy priority in Zambia, since the rural population has grown by more than 400,000 between 2003 and 2013 (ibid.).

5.1. The Land System in Zambia

Similar to most other African countries, Zambia inherited a dual land system at independence. In Zambia, all land is vested in the President, who holds the land ‘in perpetuity for and on behalf of the people of Zambia’. Land is categorised as either state land or customary land, which are in turn governed by leasehold and customary tenure. Almost all land (94 percent) was under customary tenure in the early 2000s, whereby local communities and traditional authorities were responsible for making decisions about land use. The best land in the country has been used by commercial farmers since colonial times, in areas called ‘farm blocks’. In 1995, a Land Law was introduced to transform customary land into state land (for leasehold), with the aim for small-scale farmers to register their land. However, Herre (2013) believes that this merely turned out to be a vehicle to acquire land for big national and international investors; due to associated costs and bureaucratic and geographic hurdles.

In 2002, a Presidential directive announced a new agricultural development strategy based on a ‘Farm Block Development Plan’. These farm blocks, ranging in size between 65,000 to 155,000 hectares, are located at main infrastructure corridors and within prime crop areas, which many local communities use. Herre explains that “[e]ach farm block is designed to attract at least one large-scale commercial farm (“core venture”) of 10,000 hectares, several additional commercial farms of 1,000 to 5,000 hectares, as well as medium farms (50 to 900 hectares) and small farms (20 to 40 hectares), with the last two preferably under outgrower arrangements” (2013: 7). This has resulted in large portions of land being converted to large-scale commercial farming activities in the last decade, and some experts estimate that only 60 percent of the land still remains is under customary tenure (Herre, 2013). Herre thus warns that
“Economically viable arable land is not in great abundance in Zambia after considering the current situation with respect to access to road infrastructure and access to services and markets. In fact, access to land is already a major problem for large segments of the rural population in Zambia. Moreover, depending on a future land allocation policy, access to good quality land with a market potential may become increasingly beyond the reach of many small-scale farm households, making it more difficult to achieve a smallholder-led, pro-poor agricultural development trajectory” (Herre, 2013: 9).

5.2. Incentives to Invest in Zambia

There have been considerable foreign investments made in Zambia in the past decade (a list of some large-scale agricultural investments can be found in Annex 2 at the end of the study). German, Schoneveld and Mwangi describe the process through which investors acquire land in Zambia:

“Investors primarily access land in Zambia by acquiring a leasehold title in the form of a Provisional Certificate, which is valid for a period not exceeding 14 years. After six years, upon submission of a boundary survey in accordance with procedures stipulated in the 1971 Survey Regulations, the investor may apply for a 99-year Certificate of Title. […] Colonial-era legislation placed restrictions on the conversion of customary land to Crown land. However, the controversial Land Act of 1995 enables customary land to be permanently converted to leasehold tenure and for non-Zambians to acquire land, thereby opening land up to investors” (2011: 14-15).

Under the Private Sector Development Reform Programme (PSDRP), the Zambian government has introduced several initiatives to facilitate and support investor efforts to access land; such as making improvements in the land delivery system to increase the amount of land available to investors (German, Schoneveld and Mwangi, 2011). A lands working group was established under the PSDRP, consisting of representatives from the Zambia Development Agency (ZDA) and the Ministry of Lands. This working group is involved in negotiations with traditional authorities to relinquish customary lands for inclusion in a land bank (ibid.).

This reflects the government’s intention to gain more control over land and its administration, and the President and the Minister of Land have urged traditional authorities on several occasions to release land for investments. The argument for the conversion of customary land to large-scale agricultural production is that customary land is underutilised and should hence be put to more productive use through industrial agricultural investments. According to German, Schoneveld and Mwangi, this action “reflects Zambia’s economic and political ideology […] that large-scale (predominantly foreign) commercial investments will be an engine of economic development through sectoral upgrading and modernisation” (2011: 30).
The Government of Zambia has created the following incentives for investments in agriculture and agribusiness, as this has been identified as a priority area under the Zambia Development Agency (ZDA) Act:

- “Zero percent on profits for a period of five years from the first year the profits are made. From year 6 to 8 only 50 percent of the profits will be taxed, and from 9 to 10, 75 percent will be taxed.
- Zero tax on dividends for a period of 5 years from the first year dividends are declared.
- VAT deferment on capital equipment and machinery.
- Zero percent import duty on capital goods, machinery including trucks and specialized vehicles for five years.
- Tax regime of 0% duty and 0% VAT for fertiliser and herbicides” (Herre, 2013: 9).

Despite the sharp critique against the government’s open door policy towards foreign investors, they continue to eye foreign investments in agriculture. In July 2015, Zambia's Agriculture Minister Lubinda urged Chinese investors to tap into the potential of the country’s agricultural sector, saying that an array of incentives are waiting for them (Xinhua, 2015). According to Lubinda, Zambia still has abundant arable land as it was only using 15 percent of its 42 million hectares arable land (ibid.). Thus the government has put in place a programme to encourage agricultural investments on more than 1.5 million hectares over the next two years. To attract investors, the government has designated the development of farm blocks with minimum sizes of 100,000 hectares. Other incentives include a tax free period of five years if investments exceed USD 500,000, reduced electricity tariffs for investors in the sector and reduced income tax (ibid.). Lubinda notes that “[i]n that 100,000 hectares [of farm blocks] we intend to give 10,000 hectares to a co-venture, a major agricultural producer who should also provide agro-processing abilities and provide equipment, provide training and skills development for small-scale farmers and the remaining 90,000 hectares is to be split into smaller portions of land to be given to small-scale farmers and emerging farmers” (Quoted in Xinhua, 2015).

Lubinda stated that the government “wanted increased investment in the agriculture sector because it wanted investors to exploit the country’s natural resources for the country’s economic development in order to create more jobs and improve the living standards of people” (Xinhua, 2015, own italics). This statement is quite revealing about how the Zambian government sees foreign agricultural investment. It seems that the government is aware that the countries natural resources are being exploited by foreigners, however they believe that the positive impacts - such as economic development - will outweigh the negatives effects. From this statement, it can also be deduced that the government is seemingly still not concerned about the many reports on the negatives impacts of land grabs on rural populations.

5.3. Impacts of Large-Scale Agricultural Investments in Zambia

In Zambia, large-scale land acquisitions for commercial agriculture and mining are driving land dispossession and undermining the livelihoods of affected rural populations. Most of these land
acquisitions did not involve consultations with the affected communities. Due to the fact that there is currently no adequate legal framework in Zambia to secure customary, informal and unregistered land rights, affected communities are very vulnerable towards commercial investments (Young and Phiri, 2015).

There have been many reports in the media in the past year concerning forced land evictions of rural populations in Zambia as a result of land grabbing. This highlights a worrisome trend that land grabbing in Zambia is on the rise. Land activists are blaming the increasing land grabbing trend on the country’s open door investment policy which encourages FDI (Deutsche Welle, 2015). In order to attract investors, the government offers land and tax breaks. This however leads to the displacement of local communities. Communities are thus being resettled in the name of development, without much further discussion at government level about the impacts on their livelihood and future well-being. In a village close to Lusaka, most of the villagers - who are dependent on commercial and subsistence farming - have already been displaced a result of a new nickel mine. As one villager lamented, “we don't have money, the land where we stay is our wealth and life” (Deutsche Welle, 2015).

This does not mean that increased investment in Zambia cannot lead to positive impacts, however decision makers and policymakers should question at what expense these investments occur and how they can implement safeguards to protect against the most detrimental impacts (Young and Phiri, 2015). The country’s National Resettlement Policy (NRP) should give specific information on monetary and other in-kind compensation for loss of land and for improvements they might have made on that land. The NRP should be used as a mechanism through which to monitor and evaluate cases where commercial investments have resulted in displacement (Young and Phiri, 2015). Several government bodies are involved in the resettlement process; however there is not a specific body that has been tasked with providing an overview of this process. Thus oversight gaps occur in the process of resettlement and displacement as a result of the lack of cohesions between government bodies (ibid.).

Research indicated that displacement in Zambia takes place on both statutory and customary land (Young and Phiri, 2015). Since Zambia’s Lands Act of 1995 vests all land in the President, and also confers on him the power to alienate land for ‘public purposes’, he can for instance alienate land for public infrastructure or for national development priorities (Young and Phiri, 2015). When land is alienated for such ‘public purposes’, individuals and communities become displaced in the name of development. Even though the Lands Act stipulates that traditional and local authorities should be consulted in matters of land allocation, e.g. to foreign investors for commercial agricultural purposes, this hardly takes place in reality as there are few mechanisms to ensure this (Young and Phiri, 2015).

Displacement in the name of development is not new to Zambia. During the construction of the Kariba Dam in the 1950s, over 57,000 Tonga-speaking people were displaced and resettled. Yet sixty years later these communities still continue to struggle for food security and livelihoods (Young and Phiri, 2015). It seems that the country has not yet learnt from past histories, as investments in mining, tourism and agriculture over the past few years have resulted in further displacements of communities. These developments, together with population growth and urbanisation, have placed considerable pressure on
the demand for land. The rural, peri-urban and urban poor are mostly the victims of these competing demands for land, as they are most susceptible to displacement due to unrecognised land rights (ibid.).

6. Global Initiatives and Conventions on the Rights to Land and Food

There is a renewed interest worldwide on land governance, mainly as a response to a wave of large-scale acquisitions of agricultural land over the past decade. Land governance has thus become a focus area within international organisations such as the World Bank or the United Nations Food and Agriculture Organisation (FAO). There is a large advocacy movement demanding that foreign investments in land be regulated fairly and transparently. Even the private sector, including transnational agricultural corporations, has shown interest in global rules to govern and control investments in land across the world. Land grabbing, particularly as a result of negative social and ecological impacts, has taken a central position within global debates on agricultural investments.

Several organisations - amongst them Oxfam, Brot für die Welt and Misereor - are demanding that governments put a stop to land grabbing worldwide. They are demanding that companies, such as investment funds, publicise their land acquisitions and activities (Michler and Ginten, 2016). These organisations acknowledge that investments in agriculture are needed; however they should not go against human rights and the right to food. In order to address the negative impacts of large-scale investments in rural areas, a number of international norms and guidelines for dealing with these situations have been introduced.

6.1. Principles for responsible agricultural investment that respect rights, livelihoods and resources

UNCTAD, FAO, IFAD and the World Bank jointly developed a set of Principles for responsible agricultural investment that respects rights, livelihoods and resources (PRAI). These Principles are widely accepted, and at the G20 Summit in 2010 it was emphasised that countries and companies should uphold them to ensure responsible agricultural development.

The Principles are based on extensive research on the nature, extent and impacts of private sector investment and best practices in law and policy. They are intended to distil the lessons learned and provide a framework for national regulations, international investment agreements, global corporate social responsibility initiatives, and individual investor contracts.

The Principles comprise the following:

Principle 1: Existing rights to land and associated natural resources are recognized and respected.
Principle 2: Investments do not jeopardize food security but rather strengthen it.
Principle 3: Processes relating to investment in agriculture are transparent, monitored, and ensure accountability by all stakeholders, within a proper business, legal, and regulatory environment.

Principle 4: All those materially affected are consulted, and agreements from consultations are recorded and enforced.

Principle 5: Investors ensure that projects respect the rule of law, reflect industry best practice, are viable economically, and result in durable shared value.

Principle 6: Investments generate desirable social and distributional impacts and do not increase vulnerability.

Principle 7: Environmental impacts of a project are quantified and measures taken to encourage sustainable resource use, while minimizing the risk/magnitude of negative impacts and mitigating them.


6.2. Special Rapporteur on the right to food

The United Nations has an appointed ‘Special Rapporteur on the right to food’. The Rapporteur is an honorary and unpaid position, appointed by the UN Human Rights Council as an independent expert to analyse and report on specific human rights themes. The appointment of a Rapporteur is a special mechanism created in 1979, aimed at examining particular country situations or themes from a human rights perspective. The Rapporteur should also ensure that governments fulfil their obligations towards the right to food, as governments have specific obligations in terms of mitigating and alleviating hunger. African and EU member states are required by duty to respect the right to food in Africa.

These legal obligations of states are described in article 2 of the International Covenant on Economic, Social and Cultural Rights (ICESCR). Thereby, all states are individually and through international cooperation required to respect, protect and fulfil the right to food. This also implies that EU member states must not support and facilitate foreign companies to lease or buy land in countries that are already experiencing food insecurity, in order to produce food or other agricultural products for foreign markets (Graham et al., 2010). The Committee on Economic, Social and Cultural Rights also defines the obligations that states have to fulfil in order to implement the right to adequate food at the national level, and are listed below:

- The obligation to respect existing access to adequate food requires States parties not to take any measures that result in preventing such access;
- The obligation to protect requires measures by the State to ensure that enterprises or individuals do not deprive individuals of their access to adequate food;
- The obligation to fulfil (facilitate) means the State must pro-actively engage in activities intended to strengthen people's access to and utilization of resources and means to ensure their livelihood, including food security;
Whenever an individual or group is unable, for reasons beyond their control, to enjoy the right to adequate food by the means at their disposal, States have the obligation to fulfil (provide) that right directly. This obligation also applies for persons who are victims of natural or other disasters.

Website: http://www.ohchr.org/EN/Issues/Food/Pages/FoodIndex.aspx

6.3. EU Working Group on Land Issues

Despite all the criticism the EU is receiving for creating policies that contribute towards land grabbing, EU officials and member states have recognised that foreign land investments do not necessarily lead to a ‘win-win’ situation for the host nations and local communities. In January 2009, the EU re-activated the EU Working Group on Land Issues. The main objectives and structure of the Working Group are

“(i) to share information, exchange experiences and (ii) develop common EU positions and recommendations on land policy and reform initiatives in developing countries. The core Working Group is composed of representatives from the EC and MS. However, meetings are open to non EU European countries (e.g. Switzerland, Norway) development agencies, international organizations and financial institutions that are active in land-related interventions in developing countries. The Working Group meets at least twice a year under the chairmanship of the EC; meetings can be hosted by European development partners”.

(cited from: http://capacity4dev.ec.europa.eu/eu-working-group-land-issues/)

6.4. European Economic and Social Committee (EESC)

In efforts to counter the promotion of industrial agricultural projects, many call for the protection of smallholder farms and family businesses. In 2015, the European Economic and Social Committee (EESC) put forth a so-called ‘own-initiative opinion’ with the title: “Opinion on Land grabbing – a wake-up call for Europe and an imminent threat to family farming”. This ‘own-initiative opinion’ focuses mainly of aspects of land grabbing within the European Union, however they mention that it is a global phenomenon.

The EESC affirms the global opinion that land ownership is increasingly becoming concentrated in the hands of only a few landowners and foreign investors. This ultimately has a negative effect on rural livelihoods and causes environmental problems as a result of using monocultures (European Economic and Social Committee, 2015). Land grabbing also has negative impacts on family farming, which are mainly small-scale farms, as their survival and growth potential are significantly reduced. The EESC emphasises the role of family farming as a means to promote food security and contribute towards sustainable land management (ibid.). The United Nations designated 2014 as the International Year of

The previous EU taskforce on land issues which started in 2002 developed inputs for the EU land policy guidelines. This taskforce stopped after the EU guidelines were approved in December 2004. See more at: http://capacity4dev.ec.europa.eu/eu-working-group-land-issues/#sthash.oE7J0Fuf.dpuf
Family Farming (IYFF). Some key points from the EESC initiative on land grabbing and family farming are listed below.

- Some EU policy areas have direct or indirect effects on land grabbing in the EU and worldwide. These include the bioeconomy, trade and agricultural policy. A prime example is the EU requirement to increase the share of biofuels and permitting of duty-free and quota-free sugar imports, which are behind certain land grabbing projects in Asia and Africa.
- To protect family farms so that small-scale farming can offer a viable alternative to industrialised agriculture and to the land grabbing that this entails, active measures must be taken to protect family farms, including aid measures for producer organisations and measures to combat unfair trading practices. Policy measures at EU and at national level can help to make family farming more sustainable and more resilient.
- The EESC calls on all EU Member States to implement the Voluntary Guidelines on the Responsible Governance on Tenure (VGGT) and to report to the European Commission and the FAO on the use and application of the VGGT in their land governance policies.
- The EESC calls on the European Parliament and the Council to discuss whether the free movement of capital in respect of the alienation and acquisition of agricultural land and agribusinesses should be guaranteed, particularly in relation to third countries, but also within the EU.


6.5. Land Transparency Initiative

One of the main criticisms against large-scale agricultural land acquisitions is that many deals are conducted in secret and struck by different government bodies. In most cases, there is no public disclosure of information on the terms and conditions of the land acquired in developing countries. The main source of information in such cases comes from media reports. There are currently no real incentives in place to make information on land deals public. Furthermore, many developing countries lack proper land administration systems, thereby information on land transactions are not recorded or maintained (Henley and Locke, 2013).

These are some of the reasons why there have been calls for better governance in the land sector. During the 2013 G8 Summit, hosted by the United Kingdom, world leaders called for greater transparency and accountability on land, open data and extractives:

“Weak land governance and property rights systems can lead to opaque land deals, which facilitate corruption and undercut responsible actors seeking access to land for productive investment. Weak governance in many developing countries allows unproductive land speculation and undermines agricultural productivity” (G8 Communiqué quoted in Henley and Locke, 2013: 2).
At the G8 Summit, it was concluded that a Land Transparency Initiative (LTI) is needed to address the problems around land deals identified above. The LTI has not yet been developed, and conceptualisation thereof might still take several years. There are currently five existing voluntary transparency initiatives that cover a diverse range of issues:

- The Extractive Industries Transparency Initiative (EITI),
- The Construction Sector Transparency Initiative (CoST),
- The International Aid Transparency Initiative (IATI),
- The Open Contracting Partnership (OCP), and
- The Making the Forest Sector Transparent (MFST) programme

Website:
https://www.gov.uk/government/publications/g8-factsheet-transparency/g8-factsheet-transparency

6.6. The Land Governance Assessment Framework

The Land Governance Assessment Framework (LGAF) is a diagnostic tool developed by the World Bank and development partners and stakeholders for assessing the legal framework, policies, and practices regarding land governance at country level in a participatory process. It draws on local expertise and existing evidence rather than on external experts. It was born out of the recognition of the increasingly important role of land governance in helping countries deal with the challenges of climate change, urbanisation, disaster prevention, and management of increased demand for land in an integrated way that provides a basis for demonstrating progress over time.

It focuses on five key thematic areas: Recognition and Respect for Existing Rights, Land use planning, management, and taxation, Management of public land, Public provision of land information, Dispute resolution and conflict management and an optional thematic module for other topics (large scale land acquisition, forests, urban land markets) to identify key areas in need of reform. The overall diagnostic is made through the assessment of twenty-seven core Land Governance Indicators (LGI) embedded in the five thematic areas.

Website:

6.7. The Land Matrix

The Land Matrix is a global and independent initiative to monitor the extent and nature of large-scale land acquisitions in low and middle income countries since the year 2000. The Global Observatory includes intended, completed and failed land acquisitions which exceed 200 hectares for the purpose of
agricultural production, timber extraction, carbon trading, industry, renewable energy production, conservation, or tourism. The sources used range from research papers, government records, company websites and media reports.

The Land Matrix is a partnership between the German Institute of Global and Area Studies (GIGA), the French Agricultural Research Centre for International Development (CIRAD), the International Land Coalition (ILC), the Centre for Development and Environment (CDE) of the University of Bern, and the GIZ sector project Land Policy and Land Management (on behalf of BMZ).

Website: www.landmatrix.org

6.8. The Voluntary Guidelines on the Responsible Governance of Tenure of Land, Fisheries and Forests

The Voluntary Guidelines on the Responsible Governance of Tenure of Land, Fisheries and Forests in the Context of National Food Security (VGGT) promote secure tenure rights and equitable access to land, fisheries and forests as a means of eradicating hunger and poverty, supporting sustainable development and enhancing the environment. They were officially endorsed by the Committee on World Food Security on 11 May 2012. The VGGT is possibly the most publicised global initiative for the regulation of land tenure and large-scale farm investments. Since 2012, its implementation has been encouraged by G20, Rio+20, United Nations General Assembly and Francophone Assembly of Parliamentarians. Criticism on shortcomings of the VGGT include their almost exclusion of water resources, as well as their voluntary nature, not providing for enforceable rights and responsibilities on actors involved in land deals.


6.9. The Committee on World Food Security

The Committee on World Food Security (CFS) was set up in 1974 as an intergovernmental body to review and follow-up on food security policies. After its reform in 2009, when membership was broadened to also include civil society organizations, the CFS has become the most inclusive international and intergovernmental platform working on food security and nutrition. CFS is the foremost inclusive international and intergovernmental platform for all stakeholders to work together to ensure food security and nutrition for all. The Committee reports to the UN General Assembly through the Economic and Social Council (ECOSOC) and to FAO Conference.

Using a multi-stakeholder, inclusive approach, CFS develops and endorses policy recommendations and guidance on a wide range of food security and nutrition topics. These are developed starting from scientific and evidence-based reports produced by the High Level Panel of Experts on Food Security and Nutrition (HLPE) and/or through work supported technically by The Food and Agricultural Organization
(FAO), The International Fund for Agricultural Development (IFAD), World Food Programme (WFP) and representatives of the CFS Advisory Group.

Website: http://www.fao.org/cfs/en/

6.10. The African Union Land Policy Initiative

The Land Policy Initiative (LPI) is a joint programme of the tripartite consortium consisting of the African Union Commission (AUC), the African Development Bank (AfDB) and United Nations Economic Commission for Africa (ECA). Its purpose is to enable the use of land to lend impetus to the process of African development. The programme is governed by a Steering Committee that meets periodically, while a joint secretariat implements day to day activities. The secretariat is assisted by an African Taskforce on Land.

After having developed the Framework and Guidelines on land policy in Africa, and received the mandate from the African Union (AU) to use it in support of national and regional land policy processes, the LPI is now moving towards assisting AU Member States in developing or reviewing their land policies as well as in implementing and evaluating these policies.

Website: http://www.uneca.org/lpi

6.11. The Post-2015 Sustainable Development Goals

The Sustainable Development Goals (SDGs) are a universal set of goals, targets and indicators on which United Nations members will base their policies over the coming 15 years. The SDGs follow in the footsteps of the Millennium Development Goals (MDGs), which expired in 2015. The SDGs aim to be even more comprehensive than the MDGs, in that they have 17 goals (see Fig. 7) and urge both developed and developing nations to implement strategies to attain the determined goals. Each goal has a set of specific targets to be achieved. The SDGs were approved at the United Nations summit in September 2015, and have become globally applicable at the beginning of January 2016.

Several of the goals and targets outlined in the SDGs are relevant for debates on land, food security and agricultural production. The comprehensive list of goals and targets can be found on the website designated exclusively to the SDGs.

Website: https://sustainabledevelopment.un.org/?menu=1300

- **African Court on Human and Peoples’ Rights**

  The African Court on Human and Peoples’ Rights (African Court) was established through a Protocol to the African Charter and was adopted in Burkina Faso in 1998 and entered into force in 2004. The Court was established in order to complement the protective mandate of the Commission. Its decisions are final and binding on state parties to the Protocol.

  In accordance with Article 62 of the African Charter on Human and Peoples' Rights, States Parties to the Charter are required to submit a report on the legislative or other measures taken every two years, with a view to giving effect to the rights and freedoms recognised and guaranteed by the Charter.

  Website: [http://www.achpr.org/about/afchpr/](http://www.achpr.org/about/afchpr/)

- **Indigenous and Tribal Peoples Convention, 1989 (No. 169)**

  The Convention concerning Indigenous and Tribal Peoples in Independent Countries was adopted in Geneva at the 76th ILC session in 1989, and entered into force in 1991. This Convention No. 169 is seen as the most important operative international law guaranteeing the rights of indigenous peoples and is ratified by over 20 countries.
7. Conclusion and Recommendations

This study has presented the main aspects related to large-scale agricultural investment, or so-called land grabbing. It is safe to say that vast tracts of land are being acquired by foreign investors in developing countries. Foreign investors are often attracted towards these countries due to weak regulatory frameworks or these governments’ significant attempts at providing incentives for investors—often at the expense of the local populations, as is the case in Zambia. The land rush is mainly driven by an increasing demand for food worldwide, the new climate agenda that advocates for agrofuels or carbon offsetting in industrial nations—what is called ‘green grabbing’, the outcomes of the financial crisis in 2008 and the rising demand for other commodities such as timber.

These investments can bring with them considerable economic growth and employment. However, evidence suggests that in most cases they lead to negative social and environmental impacts. Communities lose their access to land, water, commonages and other natural resources, thus contributing towards poverty and food insecurity. It can also lead to loss of biodiversity, soil degradation and ultimately contribute towards climate change.

The African Development Bank recognises that large-scale land investments can only contribute towards job creation, technological transfer and foreign exchange generation if institutional reforms take place that promote accountability, proper valuation of land, equitable compensation for the displaced and provide guarantees in respect of the social and environmental sustainability of the investments (Guara and Birhanu, 2012). The above-mentioned guidelines, policies and conventions were developed or are still to be implemented to ensure that populations do not lose access to land for food production and to protect them from enterprises and individuals who could pose a threat to such access. However, fulfilling these obligations is challenging, as they take place within a policy environment that includes international investment protection, international capital flows, agriculture, trade and development aid (Graham et al., 2010).

Based on these discussions around large-scale agricultural investments, several (and non-exhaustive) recommendations can be made around policy regulations, investment climates, land governance and agricultural development.

**Strengthening Policy Regulations**

- Governments and international and local organisations (such as the World Bank, the United Nations, the African Union, local NGOs etc.) should ensure that development policies take into account recent frameworks, conventions, agreements and policies regarding proper land
governance. This includes the FAO Voluntary Guidelines on Responsible Governance, the Post-2015 SDGs, the AU Land Policy Initiative etc.

- These international organisations, in cooperation with governments, have the responsibility to strengthen international regulations on land acquisitions, which include legally binding contracts that protect local communities and local farmers whose land will be affected by land deals. Such regulations should be based on international human rights law and good governance frameworks.
- To ensure that regulations for agricultural investments are strengthened; local farmers, communities and organisations have to be included in these discussions and processes.
- Governments and international organisations are urged to move away from policies focused on renewable energy in the form of agrofuels, and minimise support for programmes that encourage the use of such fuels in the transport sector, as they can provide incentives for land grabbing.

Creating an Equitable Investment Climate

- It is the responsibility of governments, investors and the development community to respect traditional land use rights and local livelihoods by putting in place safeguards that ensure that large-scale agricultural investments comply with human rights and environmental responsibilities. This would include obtaining informed consent from local communities and individuals, performing environmental and social impact assessments and drawing-up contracts that respect labour rights.
- Investors and the responsible governments have to ensure that proper mechanisms for remedying possible negative social and environmental effects, where they cannot be avoided, are included in contracts for domestic and international land deals. This includes fair land restitution and compensation.
- In some cases, unbiased conflict resolution mechanisms might have to be put in place by investors and governments (possibly in cooperation with local organisations) to mitigate and address both planned and unforeseen circumstances.
- Those working in the international and local land governance sector should liaise with governments and investors to create incentives for disclosing information on land deals.

Improving Land Governance

- International and local organisations should assist developing countries in implementing well-functioning land administration systems to improve the capturing, recording and maintenance of data and information on land transactions.
- Governments, with the assistance from international and local organisations - if needed, should recognise that addressing the weak legal status of the land rights of the majority of the rural poor is crucial. These rights should be legally recognised, including rights over the commons. Both individual and collective customary land ownership and use rights over land and water resources should be given equal legal status to statutory entitlements, even if these customary interests are not formally certified.
- Similarly, as a result of increasing competition for land, community land areas should be clearly demarcated by the responsible land governance bodies (mostly governments with help from international or local organisations).
• Globally, a shift is needed towards people-centred land policies that take into account the key role that local populations, specifically vulnerable groups such as women, play in land use and management.

Promoting Sustainable Agriculture
• Smallholder production should be a central focus point of agricultural development strategies. Governments and international and local development partners should emphasise the role that the estimated 500 million smallholder farmers, pastoralists, and forest users worldwide can play in sustainably meeting the needs related to the growing demand for food and agricultural commodities.
• Similarly, they should promote sustainable agricultural methods, e.g. agroecology. Agroecology can lead to increases in food productivity and yields which are equal to or even surpass industrial agriculture. It can contribute towards improved opportunities for women farmers, increased incomes, employment and agricultural biodiversity and helps to mitigate climate change impacts.
References


Dienst, J. 2011. *Integration of customary and modern land tenure: Communal Land Boards- Experiences from Botswana and Namibia*.


Hands off the Land. N.d. *The European Union and the Global Land Grab.* A joint project of TNI, FIAN International, FIAN Netherlands, FIAN Germany, FIAN Austria, IGO in Poland and FDCL in Germany.


Annex 1: List of relevant websites

The following websites provide detailed information on global land issues, including investments in agriculture, and are thus good sources to consult when seeking further information on the issues discussed in this report:

EU Land Policy Guidelines:  
https://ec.europa.eu/europeaid/eu-land-policy-guidelines_en

EU Working Group on Land Issues:  
http://capacity4dev.ec.europa.eu/eu-working-group-land-issues/

UN Special Rapporteur on the Right to Food:  
http://www.ohchr.org/EN/Issues/Food/Pages/FoodIndex.aspx

International Land Coalition:  
http://www.landcoalition.org/

Austrian Development Agency (rural development):  
http://www.entwicklung.at/en/themes/rural-development/

Global Donor Platform for Rural Development:  
https://www.donorplatform.org/

Institute for Poverty, Land and Agrarian Studies (PLAAS):  

International Fund for Agricultural Development:  
http://www.ifad.org/

The Comprehensive Africa Agriculture Development Programme (CAADP) of the New Partnership for Africa’s Development (NEPAD):  
http://www.nepad-caadp.net/

Consultative Group on International Agricultural Research (CGIAR):  
http://www.cgiar.org/

The Food and Agriculture Organisation of the United Nations:  
| Annex 2: Overview of Land Investments in Zambia (adapted from landmatrix.org) |
|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| **Investor Name** | **Investor Country** | **Intention** | **Implementation Status** | **Intended Size** | **Contract Size** | **Nature of the Deal** | **Crop** | **Nature of the Deal** | **Crop** | **Nature of the Deal** | **Crop** | **Nature of the Deal** | **Crop** | **Nature of the Deal** | **Crop** | **Nature of the Deal** | **Crop** | **Nature of the Deal** | **Crop** |
| Lin Changming     | China            | Food crops      | In operation (production) | 400              | 400              | Corn (Maize), Vegetables, Wheat |
| Hawkwood Capital LLC | United Kingdom of Great Britain and Northern Ireland | Food crops, Livestock, Non-food agricultural commodities | In operation (production) | 27087            | 27087            | Corn (Maize), Soya Beans, Wheat |
| NEOS Resources PLC | United Kingdom of Great Britain and Northern Ireland | Biofuels | Project abandoned | 860              | 860              | Lease / Concession | Jatropha |
| Unnamed investor  | India, Zambia    | Biofuels        | Project abandoned | 600000           | 12000            | Lease / Concession | Jatropha |
| Emvest           | South Africa     | Food crops, Livestock | In operation (production) | 2513             | 2513             | Lease / Concession | Banana, Corn (Maize), Soya Beans, Wheat |
| Agrivision Africa (Pty) Ltd | South Africa | Food crops | In operation (production) | 10000            | 4094             | Lease / Concession | Corn (Maize), Soya Beans, Wheat |
| AG-Zam           | South Africa     | Biofuels, Food crops | In operation (production) | 15000            | 15000            | Lease / Concession | Sugar Cane |
| Bonafarm Group   | Hungary          | Food crops      | Project abandoned | 17500            | 10000            | Lease / Concession | |
| Deulco, Mann Ferrostaal | South Africa, Germany | Biofuels, Industry | Startup phase (no production) | 191103           | 191103           | Jatropha |
| Agrivision Africa (Pty) Ltd | South Africa | Food crops | In operation (production) | 12822            | 12822            | Lease / Concession | Corn (Maize), Soya Beans, Wheat |
| Denbia           | Denmark          | Food crops, Livestock | In operation (production) | 3000             | 3000             | Coffee Plant, Corn (Maize), Fruit, Onion, Potatoes, Soya Beans, Sun Flower, Wheat |
| Wuhan Kaidi, Biomass Development Plc | China, Zambia | Biofuels | Project abandoned | 300000           | 4000             | Lease / Concession | Sorghum, Castor Oil Plant, Sisal, Cassava (Maniok), Jatropha, Oil Palm, Soya Beans, Sugar Cane |
| Altimo one world agricultural fund | United States of America | Food crops | In operation | 5000             | 5000             | Corn (Maize), Soya Beans, Wheat |
| Amatheon Agri Holding N.V., Unknown non-controlling interests | Germany | Food crops, Livestock | In operation (production) | 60000            | 38760            | Lease / Concession | Corn (Maize), Soya Beans, Wheat |
| Olam International Ltd | Singapore | Food crops | In operation (production) | 5866             | 4380             | Outright Purchase | Coffee Plant, Corn (Maize), Sun Flower |
| Crookes Brothers Ltd | South Africa | Agri unspecified | In operation (production) | 440              | 440              | Outright Purchase | Sugar Cane |
| InfraCo Limited | United Kingdom of Great Britain and Northern Ireland | Food crops | In operation (production) | 1575             | 1575             | Lease / Concession | Barley, Sorghum, Corn (Maize), Soya Beans, Wheat |
| Ambika           | Russian Federation | Food crops, Livestock | In operation (production) | 1700             | 1700             | Lease / Concession | Corn (Maize) |
| Herdon Investments | United Kingdom of Great Britain and Northern Ireland | Food crops | In operation (production) | 650              | 650              | Lease / Concession | Sun Flower, Soya Beans |
| Vixers Farming   | Zimbabwe         | Food crops      | In operation (production) | 1200             | 1200             | Lease / Concession | Soya Beans |
| Munyati Farming Ltd | Zimbabwe | Food crops | Lease / Concession | 3500             | 3500             | Corn (Maize) |
| Nkanga Farms Limited | Zimbabwe | Food crops, Non-food agricultural commodities | Lease / Concession | 11000            | 11000            | Cotton, Sun Flower |
| Macdom and Rating Investments, Agriculture and Rural Development Authority (ARDA). | Zimbabwe | Biofuels, Food crops | Project not started | 300000           | 30000            | Lease / Concession | Sugar Cane |
| Agro Commodities Limited, Unknown investor (British Virgin Islands) | India, British Virgin Islands | Agri unspecified, Biofuels, Food crops | Startup phase (no production) | 10000            | 5000             | Lease / Concession | Corn (Maize), Oil Palm, Rice, Soya Beans, Sugar Cane, Wheat |
| Tiso Blackstar | South Africa     | Agri unspecified, Food crops, Livestock | In operation (production) | 10000            | 990              | Lease / Concession | Corn (Maize), Soya Beans |
| Amatheon Agri Holding N.V., Toyota Tsusho Corporation | Germany, Japan | Food crops | Project not started | 2700             | 2700             | Lease / Concession | Corn (Maize), Soya Beans, Wheat |