

## Documentation

# Land Grabbing in Afrika Profits for Europe?

10th April 2013 | Albert Schweitzer Haus | Vienna



© Gregor Buchhaus

Publisher:

Wiener Institut für Internationalen Dialog und Zusammenarbeit  
Vienna Institute for International Dialogue and Cooperation (VIDC)  
Möllwaldplatz 5/3, A-1040 Vienna, [www.vidc.org](http://www.vidc.org)

Transcription and Proof Reading: Emily Lemon  
Copyright pictures: Patrizia Gapp  
Editor: Franz Schmidjell, Emily Lemon

Published in accordance with §25 of the Media Law.

Copyright: Vienna Institute for International Dialogue and Cooperation (VIDC), Möllwaldplatz 5/3, A-1040 Vienna. Basic issues: discussion papers on development policies, international cooperation and cultural exchange south-north as well as anti-racist campaigning.

The views expressed in this publication are those of the authors, and not necessarily those of the editors/VIDC.

# Land Grabbing in Afrika Profits for Europe?



**Welcome by Brigitte Reisenberger:** Good evening everybody, my name is Brigitte Reisenberger. I'm from FIAN Austria. We are very pleased that so many of you followed the invitation of FIAN and of VIDC, the Vienna Institute for International Dialogue and Cooperation.

The agrarian conflicts and struggles where access to land and other natural resources, they are not a new phenomenon. FIAN can tell; we've been working on those issues for many, many years. But in recent years we see that around the globe many peasants, pastoralists, fishing communities, rural women, and indigenous people are losing the control over the land and the water resources, the wetlands, pasture lands, fisheries and also forests in a new speed, on a new scale, and partly also with new actors involved. These are foreign investors as well as domestic ones, big corporate business companies but also to big corporate finance institutions looking for large-scale industrial agriculture ventures.

But rather than being an investment that's going to benefit the majority of the rural people this process is, as we see, a new way of land and water grabbing. It is resulting in various negative impacts on rural livelihoods, ecologies, human rights, local food security, food sovereignty. We will hear more about these different impacts tonight from our speakers. European pension funds are investing more and more in agriculture and especially also in farmland. Instead of stimulating a broad base of rural development the real draw behind such investments are the prospects of high returns. The involvement of European corporations and financial actors in the global land grab is greatly encouraged, also by European policies that stimulate that the demand for land and also the higher profitability for land. For example, the renewable energy directive and its biofuel target was one trigger for land grabs. Also the European investment policies are facilitating land grabs, like the Common Agricultural Policy (CAP). Europe's industrial agriculture system is becoming more land hungry and depending on land abroad.

Land grabbing is putting the right to food at risk for many, many generations. The lack of adequate and secure access to land and other natural resources has been a key cause of hunger and poverty in the world for a long time. Land grabbing is now furthering this land concentration or unequal distribution of land and is therefore impacting the human rights and especially the right to adequate food. So far we see that the EU is still lacking to formulate a robust response to land grabbing although international human rights law including the obligations of all states under the international covenant on economic, social, and cultural rights, they have the obligation to respect, protect, and fulfill the right to food to the maximum of their available resources.

I want to leave it at that and hand over to Franz Schmidjell from VIDC to introduce the panels of this evening and guide us through the evening. I wish us all a really informative evening and a fruitful discussion afterwards. Thank you.



**Franz Schmidjell (Moderator):** Good evening ladies and gentlemen. I would like to welcome you also in the name of the VIDC, the Vienna Institute for International Dialogue and Cooperation. I especially would like to welcome our panelists, we are really very happy to have you here. I thank also the Austrian Development Cooperation for sponsoring this event and my colleagues from the VIDC for helping me preparing this panel discussion tonight. We will start with three inputs by our speakers. Afterwards you will have the possibility to participate and to raise questions. At around 9 o'clock we have to finish our formal discussion and you are invited for some small refreshments and you can continue your debate in smaller groups.

For a long time the debate about land grabbing focused on Chinese investors, investors from India, from the Gulf States and other emerging markets. But according to the last researches, the topic is much closer to us, because a lot of European institutions are also involved in it.

Now I would like to introduce our first speaker. Agnes Kirabo is communication and advocacy manager at an Ugandan NGO called Volunteer Efforts for Development Concern and she's the national coordinator of the Ugandan Food Rights Alliance. That is a consortium of around 60 Ugandan civil society organizations. She has many years of experience in community based development work, media work, applied research. Her focus is on issues like agricultural policy, food security, farmers' rights, and international trade issues.

Agnes, let's come to land grabbing in Uganda. Yesterday she told me that she didn't start with the issue land grabbing. She was focusing on human rights and especially on food rights and food security. She realized that it is land grabbing which is endangering food rights. Please Agnes, would you share your rich experience about this topic.



**Agnes Karibo:** Thank you Franz and good evening ladies and gentlemen. I thank you so much for the honor and the opportunity given to me to come and share with the people of Austria our experiences on land grabbing. We undertake a campaign to end land grabbing in Uganda. Food Rights Alliance, a concept Franz has just shared with you has a number of organizations. One of the things that are critical to us we hate anything that does harm to people's ability to have access to adequate food, and there came in the issue of land grabbing.

Since yesterday I have been telling people here that me and my colleagues in Food Rights Alliance and Uganda Land Alliance would not take up the campaign on land grabbing because land grabbing was popular in the country, I mean in the globe. No, we undertook land grabbing out of our experiences and out of the frustrations of the people that are working with us. And to prove that, when government was running after us and condemning us for having talked about land grabbing and calling us all

sorts of names including economic saboteurs. The minister in charge of internal affairs, who regulates the operations of NGOs, clearly put it against us that the word land grabbing doesn't exist. It is something that we had created ourselves for our selfish interests and therefore we deserve any punishment that the government may deem possible to us. So that tells you why we picked the whole issue and how much we have suffered with the issue up to this day. In my presentation I'm going to share with you why we started this campaign and what was the context that pushed us to undertake it, what were the success factors and what were we about to achieve up to this day.

We are all aware of the triple F crisis. It hit this side of the world harder because of your food securities in the market. But it came slowly and we are getting the after effects of the F triple crisis of fuel, food, and finances that has really put in context to us, people running out to get land or get access to free land and the destination is Africa. The other issue is that a lot of arable land that is supposed to be used for food production is being converted to production of fuels, something that Brigitte has also shared. But we are also very concerned that community resources, natural resources that are vested in the hands of government have also now been privatized. You may have read about the Mabira case. Mabira is one of the biggest tropical forests in Uganda and we are so proud about it, about its biodiversity. But government in the leadership of the presidency found it prudent to give it to private person to grow sugarcane. But then the other issue is that so many people in Uganda are becoming internally displaced because of this. I was telling you that the farmers call me at 3 a.m. in the morning: "Can you do something? They have come to evict us". Thousands and thousands of people are becoming homeless and landless. And to me, this is going to raise a lot of burden to an already troubled economy of our country.

The other factor is registration including those loopholes that giving way to land grabs and massive evictions in Africa and among vulnerable communities. But even our Ugandan investment code is very clear. Section 12 of the investment code says that a foreign investor shall not be allowed to do crop production, animal production or acquire or be granted or lease land to do that. But what are we saying? Majority of the people in Uganda earn their means of living through agriculture. Then where should investment be put? Investment should be put where the poor Ugandans, the peasants, cannot invest, perhaps in processing, but not production. But then an investor comes to a given land, evicts people to grow coffee. Do you know how many Ugandans have grown coffee? Do you know how many years we have supplied coffee? Did we require really an investor to come and invest in production of coffee? Then an investor comes and invests in growing of trees, miles and miles of pine trees. Can you imagine, on arable land where farmers were producing food, you privatize and grow a forest that is not even natural, not even squirrels, not even bugs rest in that forest. It is a private entity. It is possible because gaps in the legislation and I'm telling you our justice system bends the law to money and to investment and to the rich. One of our biggest concern is that the social services are being destructed. We have a case where a UK based company came, evicted people, planted their pine trees in whatever manner they wanted. But they destructed the health centers, the schools, the churches, all the social issues that hold the society together. They talk about improving infrastructure through their investment package they come with. But you start with demolishing what is existing.

The rights holders are never compelled to read their corporate social responsibility. They are big guys, they walk over with it and we have also land deals where there is a lot of bribe and exchange of money behind the scenes. The other issue that pushed us was the political and civil unrest that were coming up. When you keep so many people landless in a country, and this was my personal appeal to the president, this is what is going to get you out of power and not a battle of the gun.

I must bring another issue to your notice. In our poor economies the investors are very often protected by the state, they use the state machinery to evict people and even to guide their investment. And I remember last year when we were taking about the campaign, a woman asked me if it is really acceptable, that the “Uganda People’s Defense Forces”, which is our the national army supposed to defend the people, to turn the barrel of the gun to me, a Ugandan, in the name of protecting foreign investment.

Land cases in court take forever and it is rare to find a poor person winning a case. It’s very frustrating; it is very complex. The people cannot even make an attempt. The FIAN people can share with you people here. It has taken ten years of consistent follow up by FIAN over the case of the Germany coffee company that grabbed land in Uganda ten years ago. It has been for ten years in court. And the case was only ruled last week, in favor of the people. Now my biggest question in my head is where are the people. Are they still around? Are they all alive? Are they going to line up for this compensation? Many of them gave up, others died, others migrated. But anyway, if it wasn’t an international organization to beef up the locals, then it is likely that justice wouldn’t have prevailed.

One of the challenges is obtain actual information and figures of how many people have been evicted. Once an eviction has taken place, that particular place becomes a ‘no-go’ area. In our campaign we try to traverse the country to go into these districts. It was very impossible when the government again came up with a story that we are not registering land rules but we are rather registering rebels. People want to register but we do not have a system of registration across the country. But you also must know that the records in my country are really still poor, that even the number of 33 million people is just an estimate. Nobody actually knows how many people are in Uganda and what are their names. The power point shows you a few of the statistics. But if we could take a record of the calls that we have been receiving from people and the media reports that are happening on a daily basis, the statistics would be better.

Now I will come to our campaign, to the success factors. We engaged in mass mobilization. The subject of our campaign was only stimulating a national debate on land grabbing and bringing it in the public domain. Can we discuss land grabbing as a common problem? You people, you’re moving ahead that you have already made a decision to discuss this as a development issue, as a common issue. In Uganda communities have been evicted and all what it would take is blaming them. We brought the charge in courts, the indigenous institutions into the campaign and they gave us a post. We brought the media, we brought the academia, we worked with the university professors, we worked with associations of professional associations to really bring in their view, including cultural institutions and devoted partners. This made it even harder for the government to close our institutions because the forces behind this campaign were too big.

But the other thing that we also did, we developed a comprehensive media strategy. We made sure every minute we are in the media. We had the best internet media work linked to the electronic broadcasting media. And then people would send us messages and we would take them back to the radios across the country. We took the country by storm, and surprisingly, when the government came up to say we should be deregistered the whole country was up in arms. And in a way it protected us. The other issue is that we had the number of messages. I maintained those messages on the left hand side of the slide. We did not craft these messages. We picked those messages from the people, from the affected people. This is how they were to describe the property they had lost. Some were saying, my land is my life, taking it away from me, you have taken away my life. The other was saying, if you don't have land, you cannot talk about food, and then you cannot talk about life. The emotional one was like, my land is my heritage, is my inheritance, so when you take away land from the people, according to the people we worked with, the evicted people, you are not only taking away a commodity, but you are taking away all of us. These are some of the messages we used, and including others, some of them that really, really offended the government. The other issue is that we went and ganged around so many alliances, and we did not leave it alone to one single organization. The first, they were hunting for Uganda Land Alliance and then we confused the government, because then Uganda Land Alliance was part of Food Rights Alliance and it is Food Rights Alliance that had led to the campaign. We really created a lot of confusion working under a very big alliance. But also the other thing was the alliance gave us the opportunity to tap into a number of expertise. But also the other issue is that we decided to launch this campaign not in one day. We launched this campaign in a collection of activities that ran for the entire week. The other issue is that we maintained the human face in this campaign, looking at the issues of human nature that are being affected like Brigitte had raised before you.

We have made a number of achievements. Land grabbing is now a household name in Uganda. It is no longer an internal issue, it's no longer an issue of ULA, it's no longer an issue of FRA. So many people are getting concerned, the debate has carried on independently. But we are also happy, that even donors are getting to support work on land grabbing. I was very excited that the new call from European Union had money to do with land grabbing and it was one of the priority areas. But what is most interesting and it takes us home smiling were changes within our government. Last year we are being hunted, government was looking for us. The minister spent months talking about us everywhere. He had one speech he was going everywhere talking about us and telling people how he's going to close our big mouth down. But now we are lucky. Government is calling upon us to go and sit with them on the table and discuss solutions to the massive land evictions.

So, the good news, ladies and gentlemen, is that the political environment is becoming ripe to put solutions on the table. After we have really popularized the issue, the pressure has gone up, there is the will to listen. I think the next step like I'm going to share with you is now putting technical issues on the table to work out mechanisms and means to ensure that infrastructure is laid legal and also policy in the nature to really deal with the issue in the country.

I was requested to share with you in my view what is the role of European actors, and I need to summarize it by one sentence: It is very controversial. They are the financiers

of grabbers, they are the supporters of the people who talk about those who have been grabbed. So it depends on the philosophical foundations of a European actor. Both is happening, it depends on where you are standing. I wish to thank you so much for listening to me.

**Franz Schmidjell:** Thank you very much for this clear message about the existence of land grabbing in Uganda but also about the inspiring achievements through your campaign. One positive thing I also picked up is that the government and the president is now entering into a kind of dialogue. I think this is a great achievement. We are not yet at this stage in Austria, so maybe we can learn from your campaign. I would like to come to our second speaker, Yvan Maillard Ardenti. He's in the development policy team of Bread For All. That's a Swiss NGO, and he's responsible for topics like international finance, debts, and corruption. He has also his own coaching and consulting company in Switzerland and he's a guest lecturer at different universities. And he's also board member at Transparency International Switzerland.

Yvan, you did some research about one actor, which is quite important and seldom touched. That's the development finance institutions, like development banks or development agencies. You did a research in work in Sierra Leone. Could you tell us, what have been your findings on this example and what's the structural aspect about this development finance institutions.



**Yvan Maillard Ardenti:** Thank you, Franz for this kind introduction and for the invitation to Vienna. My presentation will have two parts. The first part I would like to present you a study we conducted last year on the role of development finance institutions regarding the financing of land grabbing worldwide. Secondly, I will refer to a case study about a Swiss company named Addax Bioenergy. This company has also Austrian links and I will explain how. The study that Bread For All and Fastenopfer, the Catholic organization Switzerland, conducted last year on the role of development finance institutions we called “When development cooperation becomes land grabbing”. Development finance institutions have the goal of poverty alleviation, poverty reduction, but in some cases those particular institutions are financing large land deals and are financing land grabbing. We studied different development finance institutions in Switzerland and I think the situation in Austria is quite similar. We studied the World Bank Group with the different subsidiaries like the IFC (International Finance Corporation) which is the private sector arm of the World Bank and the MIGA (Multilateral Investment Guarantee Agency) which is the insurance scheme of the World Bank. And then the other multilateral and regional development banks like Asian, African and the Inter-American Development Banks. And what we observed, for instance, for the African Development Bank, is that they are investing directly in certain projects, but they also create different funds or even funds of funds, investing in different projects. So it's very difficult to analyze the different investments because you have to analyze direct investment and also all the different indirect investments through funds and funds of funds. Let me just summarize the main results of this study. The main result is that Switzerland is supporting with development aid money, which is taxpayers' money, different development banks. Switzerland is also represented in the different governing boards, because we are a

shareholder of those development banks. We found about a dozen land grabbing projects financed by the different development banks, and we expect to find more. We could find projects in Cambodia, Mali, Sierra Leone and Uganda. What we could notice is that generally development banks support large agricultural projects, for instance for animal feed, for bio fuel or for export. As a consequence, local population loses large tracks of fertile lines, forests are also cut and the impact on food security is negative. As a few positive points we could find out that jobs were created by those plantations, but these jobs are quite few and it's mostly for casual workers. Regarding compensation paid by investors for leasing or buying the land, we could observe that the compensation is either low or inexistent.

Coming to concrete examples, we could see, that the World Bank Group is either directly involved through its subsidiaries through direct funding of projects or co-funding investment funds that invest in land grabbing projects. A more indirect way is to give technical assistance to governments and countries in order to give better access for foreign investors who easily can grab land in the country. Now I would like to detail more this case study about Addax Bioenergy, a Swiss company based in Geneva which plans to produce fuel ethanol and electricity in Sierra Leone. The company leased about 57 thousand hectares of land for 50 years with the option to extend the lease period for another 21 years. The project affects thirteen thousand people. Half of the whole investment volume will be paid by development banks. So, this is not really a private sector project but 52% of this investment is made by public funds. Therefore it's more a public project than a private project.

You can see on the map a green arrow, showing the project of Addax Bioenergy in the center of the country. On the right side you can see the different circular fields. These are sugarcane fields, very large sugarcane fields. You will also notice that they are all located very close to a river, which is the largest river in Sierra Leone, because land without water is useless. And part of the water flow will be used for irrigating the sugarcane plantations. Now, coming to the Austrian links to Addax Bioenergy, as I said. Addax Bioenergy is a Swiss company, however, Austria is indirectly funding this company, because ADA, the Austrian Development Agency, is a member PIDG, the Private Investment Development Group, based in London. This company created an investment fund, which is called Emerging African Infrastructure Fund. This fund is being co-financed by the Austrian Development Bank and it is financing Addax Bioenergy. Beside this, the Finance Ministry of Austria gave also funds to the African Development Bank which in turn is financing Addax Bioenergy, also indirectly. So there are several links between Austrian institutions and this company.

Now we come to the legal analysis of this land lease agreement. We noticed that the disputes coming from the agreement have to be resolved by an arbitration tribunal in London, not by courts in Sierra Leone. It is very difficult and costly for the people and their representatives, to go to London. The deal has not been signed by landowners, but by local chiefdom councils. For this very large area leased by Addax for 50 years, only three chiefdom councils signed three agreements. During the consultation process, the company and its agents made many promises on the eradication of poverty, on the construction of health facilities, schools, buildings and jobs for all the youth. But those promises were not written in any contract. And this leads us to the conclusion that there was a lack of free and prior consent by the population. Because the population heard many positive impacts of the project, but

they were not informed on the negative impacts and also on the details of the land lease agreements. We made a cost benefit analysis of the project. Concerning the benefits, 1,400 jobs were created, however mostly for casual workers. Land lease fees were paid to land owners, however, they were quite low, only 8 USD per hectare per year. 240 kilometers of roads were constructed. However, some other roads were destroyed by the heavy machinery of the company. Another positive impact is also that the company is engaged local small and mid-size enterprises. About USD10 million contracts were awarded to local companies.

But the project has many threats, problems and risks. First of all, one threat is on food security, because Addax program put in place to mitigate its impact on food security, is not working well. Because in one of the three Chiefdoms, harvests were quite low, therefore not enough to ensure food security. Additionally, this program not sustainable as it relies on expensive external inputs like fertilizers and improved seeds. The other problem is that the support of Addax for this program is just during the first three years. People are concerned about food security because they have less land available for their own food production.

Coming to the contracts, we noticed that there were very big conflicts of interest. Local chiefs receive an average of 26,000 US-Dollar each year. One half of the land lease fees are given to the land owners and the other half are given to local authorities, including local chiefs. This is a high incentive for them to sign agreements with investors. Regarding tax exemptions, the company signed an agreement with the government of Sierra Leone. We calculated that Addax will save within the next ten years about 140 Million US-Dollar taxes, including corporate income taxes and import duty. This amount will not be available for the budget of Sierra Leone.

Now, coming back to the title of this evening, land grabbing in Africa - profits for Europe? If we look here on the added value of the project to the different stakeholders, we could notice that Addax is receiving more or less 80% of the added value. The workers will receive about 6-7% of the added value, suppliers will have 7 or 8 % and landowners and local authorities will just receive very small parts. So it's a very profitable business for this European company to invest in Sierra Leone, because they will have return on investment of about 15%.

Now the recommendations of Bread For All and our local partner organization which is doing a very good monitoring job on Addax Bioenergy: no public funds should be used for financing land grabbing. Public finance institutions should refrain from financing that kind of land grabbing projects and they should include binding human rights guidelines for those investments in order to avoid to support large land deals. At the same time we should reduce the demand for biofuels in Europe or in Switzerland. It is exactly this renewable energy directive in Europe that is creating a huge demand for biofuels and then also a huge demand for land in Africa. In order to protect small farmers, we should secure their access to land. Public development finance institution or the development agencies should support very strongly small-scale agriculture and small farmers and not large scale industrial agricultural projects. Thank you for your attention.

**Franz Schmidjell:** Thank you very much, Yvan, for this analysis. In your cost benefit analysis I would say you raised important questions who gets the benefits and who is

bearing the costs. That's an interesting point for me. Secondly we saw that the development financial institutions are involved not only through direct or indirect funding, like in the Austrian case, but also through policy advice. As you mentioned tax incentives, I think this is one of the advices. Thank you also for the recommendations, especially the aspect of monitoring. I wonder if the Austrian development institutions include an independent monitoring of their involvements.

We proceed now to our third speaker. Philip Seufert works at the international FIAN secretariat in Heidelberg. I think most of you know, FIAN is a human rights organization special focusing on the right to adequate food. It has representations in 18 countries including in Austria. Philip Seufert is in charge of program 'Access to Natural Resources'. He was also involved in the formulation of the so-called Voluntary Guidelines for Governments of Tenure through the Committee for World Food Security, which is within framework of the Food and Agriculture Organization (FAO). Maybe you can elaborate later on this. When I read his publications I found that the big investors are much closer to us than we think, there are the banks, there are the pension funds where we contribute and hope to get more money later on out of it. I could raise now the question, if our pensions paid by the African plantations in future? But maybe that's too simple. Can you give us an overview, an insight how this mechanism works? How the pension funds and maybe other European investors are involved in such cases like land grabbing or other land deals.



**Philipp Seufert:** We have already heard tonight that there are different drivers behind land grabbing. So there are different narratives that justify land grabbing. The investors connect to these different narratives. We spoke a lot about biofuel. Agnes also mentioned the whole food complex and how the energy and fuel complex are linked. In all these processes investors are involved and the financialization of agricultural commodities and land is the background to it. The fact that land and agricultural commodities are regarded primarily as tradable commodities and that financial actors are getting involved in increasing number leads to speculations. The financial actors are a complex field because there are many different actors: development financial institutions, banks, investment funds, pension funds, insurance companies, etc.. We can say that there are three ways in which the EU based or Europe based investors are linked to this land grabbing. Either they are financial actors or funds that are somehow involved in trading agricultural commodity futures and active in the field of food price speculations. Another field is to finance agribusiness companies and finally, some actors are directly involved in land grabbing or - how they would put it - in investments in land. The latter are the clearest but not the most prominent cases. As I was preparing the presentation I was looking up numbers making Europe's role clearer. But it was not easy to find something and I think that has to do with what Yvan says. He explained how complicated and complex all these structures behind the money flows are. I found a number from 2010 from an OECD estimation saying that 10 to 25 billion US-\$ can be regarded as the volume of the global market by financial actors and that by 44% of that amount is accounted to actors based in Europe. Here again it is delicate to find out where exactly these entities are based. Perhaps this gives you an idea about the confusing situation.

Now I want to come to a very concrete case. I don't know if it's an emblematic case, but it's a case that I know well and perhaps it could be one of our discussion topics if there are emblematic cases. The case is located in the north of Mozambique, Niassa and it's about tree plantations. Mozambique is a very poor country with a big problem of food insecurity and malnourishment, and the country's population very much still lives in rural areas and does small-scale farming. Especially the whole land tenure system is very much based on small holders and the people's livelihoods really depend on the resources from the land and the water. As in all countries in Africa women play an important role also in guaranteeing sufficient food supply for families.

Mozambique was a socialist country and has seen a long civil war. After the civil war financial institutions and donors came in and one of the policies imposed was to boost development and to do it basically also by private investment. The Mozambican government started with the support of some donors to promote large-scale private investment and large-scale investment into tree plantations. The World Bank estimates that in total, 2.7 million hectares were transferred to private investors. The Mozambican government was encouraged to promote big tree plantations for production of wood and paper and now for agrofuels. The national reforestation strategy of Mozambique sets the objective of establishing tree plantations on 1.3 million hectares in the next 20 years in different provinces. One of the provinces is Niassa and very affected by this policy. As of now six companies are operating in Niassa and covering an area of 550 thousand hectares, of which 28 thousand are already planted with pine and eucalyptus. These are numbers are from an agency facilitating the deals.

Mozambique is on the east coast of Africa and Niassa province is in the high north with the district capital Lichinga. It's close to the Lake Malawi, which is called Lake Niassa in Mozambique. I will talk about pine plantations operated by the Chikweti Forests of Niassa company. Chikweti started in Niassa in 2005. Usually the way it happens is that these companies or these investments start on a small scale and they are slowly scaled up or not so slowly, depending on different factors. This company said it has acquired around 45 thousand hectares of land in three districts. The three districts are basically situated around the capital, Lichinga. 13 thousand of the 45 thousand hectares are already planted. As a matter of fact Chikweti is trying to operate on 140 thousand hectares, where the half of it would be for tree plantations and the other half for conservation sites of natural forests. As a common approach, promises are linked to the investment. The Mozambican Farmer's Union (UNAC) observed the project and documented the loss of access to land and forests for local communities and impacts on the access to water as tree plantations require a lot of water. There are several environmental impacts: tree plantations are monocultures that degrade the soil and there are chemicals used. Another promise that hasn't been fully realized yet is the creation of jobs for the locals, there are no alternative livelihoods provided. Some of the people have agreed to give up their land and believed in the promises. But the few jobs created are short term and not well paid. Another thing that typically is connected with land grabbing is that the company refers to consultations. But when one speaks to the communities it can be noted that either these consultations have not been taken place at all or under strange circumstances, often with no documentation.

For us as a human rights organization we analyze these cases from a human rights perspective. There's a strong impact on the right to food and water. We fear that this might become worse because the project has just started and is going to be scaled up. The government already followed the complaints of communities in 2010 and has done an investigation. Although it has confirmed the findings nothing has been done so far.

Chikweti Forests of Niassa, based in Mozambique, is a subsidiary of an investment fund which investment fund that is based in Sweden, called Global Solidarity Forest Fund. Behind this fund are several investors from European countries. One is a diocese of the Swedish church; another one is a big pension fund from the Netherlands. The third investor is a church endowment fund from Norway. The Malonda Foundation, a foundation, created by the Swedish government together with the Mozambican government, facilitates and promotes private sector investment. These are the actors involved in different levels: there's the company, there is the fund and there are the investors. Then there is the foundation that was built up with Swedish development money and acts as a facilitator. We should not forget that there are states involved which have human rights obligations. As a human rights organization we argue that both the Mozambican as well as Swedish government has a big responsibility by promoting these deals. Sweden has promoted the establishment of these large-scale plantations through its development cooperation; Sweden is also the home state of the investor who is controlling Chikweti, because basically the boards of the fund and Chikweti are the same. Sweden is also the home state of other actors involved. What I was trying to say before is that we should not just look at the companies, but also at the states and who is responsible. When we talk about land grabbing we talk about human rights violations, which European states usually pretend to be worried and argue that they cannot anything against it. But as they have human rights obligations and as they do not stop at the borders of their territory they simply must act.

The large-scale tree plantations has been promoted very actively by the Swedish official development aid, but at no point a human rights impact assessment has been conducted – not even after the complaints. We ask them to make a human rights impact assessment, and then to revise this project. The next thing is to regulate financial actors that are active, and the fund that is in control of the project. We can note that Sweden, like the Netherlands or Norway, does have a responsibility to make sure that this fund does not operate in a way that implies human rights violations. They should monitor what is happening as well as sanction the actors violating human rights.

I think I have not really answered the question of whether our pensions will be paid by African workers. What I can say is that in this concrete case, maybe not ours, but several Dutch pensions might at least partially be paid by this kind of investment and ABP is very active in this field. There are also other pension funds that are important actors. And so the question is a bit provocative, but it's not taken out of nothing.

**Franz Schmidjell:** Thank you very much Philip for this overview and these impressive figures, the huge amounts of money which are involved. I also learned that

land grabbing is equal to water grabbing and I also learned how the term solidarity can be used in this case. But now, ladies and gentlemen, it's your time.



**Woman in audience:** My name is Christine Duchateau from the Austrian Development Bank. As we have been mentioned very prominently by Yvan and also on the question of Franz, what we do for monitoring. How do we monitor projects like the Emerging Africa Infrastructure Fund, which is in itself involved in the biofuel project of Addax, which has been prominently raised. We are looking

at the funds, of course, and seeing if there are specific management systems on the monitoring issues in place, they have to deliver us a monitoring report, at least once a year. They have to state all their critical projects, such as the Addax project. What we are doing already is an independent monitoring, especially we have obliged the Emerging Africa Infrastructure Fund to do independent monitoring of high-risk category projects. So the Addax is also part of the independent monitoring process. We are looking that the systems are in place, so we are looking forward to receiving the first report of that project and see what is going on there and looking also forward to further dialogue with the NGOs and others. Thank you very much.

**Man in audience:** I have a short question to Mr. Seufert. When you mentioned Malonda as supporter of the government, could you elaborate who is part of it, which interests are there? Another question is how far UNAC is involved in the acting campaign for the legalization of land titles? Concerning the involvement of development agencies involved in landgrabbing. Was the budget support where civil society has been eliminated, one of the factor enabling landgrabbing?

**Man in audience:** I'm a PhD student of the University of Vienna. I have one question to all of you, what about idle land. We have land in Africa, land which was grabbed by our own Africans, which is not being used. I come from Kenya and we have this for example, one family owning five-hundred thousand acres of land, which is idle and some people don't have land to produce anything. Secondly, I'm very happy that you linked land grabbing to water grabbing. Because water is also very important, and as much as they export these products, much of it is water. So, also you amplify water grabbing, which is very important.

**Franz Schmidjell:** I would like to add to the last question raised by this gentleman was raised. There is the figure always that around 80% of arable land in Africa is idle. It's mentioned in different reports. Agnes, maybe could you start with that. Is there so much idle land in Uganda or is it a misconception of this term?

**Agnes Kirabo:** Thank you so much, greetings my neighbor from Kenya. There are so many concepts coming up to justify action. Even my own president has been cited on several occasions saying that there is idle land in Uganda. I also saw a proposal to tax idle land. But my twelve year experience of working with rural communities tells me a different story. You, a passerby, can easily imagine that that land is idle; idle depending on whom. When you go through a pastoral community you would call pastureland idle land, because you're going to see shrubs. But that is not idle land.

But the other aspect you're talking about is the issue of absentee land lords. Where there are so many people who by chance were born favored and they inherited a lot of land and they moved to Europe and left that land behind. That is true and it is happening. That is why we are also putting proposals on the table over equal distribution of land and limitations in terms of how much land can somebody own. I personally I believe idle land is a concept that has been brought on the table to justify action. Regarding water grabbing, I'm very excited over such terms. We need as many of them as possible to bring the reality of land grabbing to the table. So there are so many, today we are talking about land grabbing and water grabbing, but we have also started by saying land grabbing is food grabbing, and you know if we bring in so many context then we are going to be able to bring so many people on the table.

**Philipp Seufert:** I am very much in line with what Agnes said about this idle land and that resource grabs are not something new. There have been elites, through the whole history of colonialism and afterward, there was a problem. But one of the things that one should look into is that the idle lands sometimes are also marginal lands. On the other side if you look at the lands that are grabbed, and that's also the link to the water grabs, that's usually good lands, lands that are used, that are close to infrastructure, that are close to water. That's the case in Mozambique as in everywhere. It's the most densely populated areas in rural contexts of course. But now I will come back to the concrete question on Malonda and the question of the land titles in Mozambique. Malonda Foundation was created through an agreement between the Swedish development cooperation (Sida) and the Mozambican government. It was established to promote and to facilitate the operations of private investors basically in three domains. One is tourism, one is agriculture and the third one is forestry, for example tree plantations. Sida says that it has phased out its financing since 2011. But it was created together. Now it is kind of a Mozambican agency, not directly a government agency, they are a semi private, semi-state institution. They are independent but linked for example through the board members to the national government or to the provincial government. In Mozambique donors have a kind of a geographical focus of the development cooperation, in Niassa in the north it is basically Sweden and Norway. Malonda Foundation is basically for Niassa, for this province. The foundation mainly provides services and information for interested investors. It also heavily promotes this story that there are many lands available and it's just waiting for investment and basically it's also empty, because it's untouched. It provides great opportunities for everybody. In the beginning Malonda had a very ambiguous role as a kind of a neutral facilitator of investments but at the same time it was investing itself.

Now I would like to refer to the question of land titles and UNOC. Who owns the land in many African countries is quite complex because we have two different sets of norms. On the one side there are the customary norms, like the traditional norms, and at the same time there are Western norms that have been introduced of course with colonialism. There are often these two legal frameworks and they kind of overlap and sometimes they conflict each other and sometimes they work well together. In Mozambique the thing is that by constitution all the land is owned by the state. But in the Mozambican land law, which is quite progressive, customary landholders or customary land rights are recognized by the land law. If some community or an individual who has been living on that land, they have what they call "duat" which is

a land use right. So it's his land or her land, and it doesn't need a title. He or she can ask for a title, but it doesn't have to have a title.

There are different procedures involved to get land titles, for example, to delimitate the land that is used. That requires some more technical operation of putting a GPS, measuring the land and it is expensive. Beside UNAC there are also other organizations working on this land delimitation politics. The question who owns the land is one of the problems which are linked to many of these conflicts. Sometimes the investor says that he has the land title. But sometimes it is not sure how he got it. The local people might not have a title but still have the land rights there. Many examples show that the fact that you have a land title does not protect you of losing your land. There is a lot of caution attached.

**Yvan Maillard Ardenti:** I wanted to comment on the monitoring process of development banks and refer to the Austrian Development Bank. Generally development banks tend to commission independent auditors to monitor the different projects. What we could observe during the last years is that those independent auditors tend to rely more on information from the companies themselves and less on information from the civil society actors. We just made an experience last month that the independent auditors commissioned by Round Table on Sustainable Biofuels, which is an independent body based in Geneva granting sustainability certificates to biofuels. Those particular auditors never contacted our partner organization in Sierra Leone that has done monitoring work during last three years. They contacted other organizations that made no work in connection to Addax. Two weeks after they granted the sustainability certificate to Addax Bioenergy, we got an email from the auditors saying, they saw just now all your reports on Addax Bioenergy. They saw them for the first time and the facts we uncovered could have led to a non-compliance of the certificate, meaning that the company perhaps would not have received a certificate. I think this is a kind of recommendation for development banks and for all the institutions to work closely together with civil society actors in order to get a broader picture of the human rights impacts of a company, not just looking at the different management systems and components that the company is able to show to the auditors, but also these procedures how these systems are implemented on the ground, and how they work. The other thing about idle land, there is the same debate in Sierra Leone, justifying that land grabbing because there is enough idle land. The GIZ, the German development agency, published last year a study showing that there is not enough remaining arable land in Sierra Leone for all the land grabbing actors and for the food security of the local population. Within the last four years, 21% of the total arable land of Sierra Leone has been leased by foreign investors. There is a very high risk that this conflict potential could lead to violence or not so peaceful protests within the country. We have to remind that Sierra Leone is recovering from civil war ten years ago and that the conflict potential is still quite there.

**Franz Schmidjell:** You have three minutes each in the final round. And I also give additional burden to Philip as you are involved in the international debates. Please share these debates with us. What can the African peasants expect from these international discussions? Please Yvan, would you start?

**Yvan Maillard Ardenti:** Regarding the positive reaction of Addax: We are in constant contact with them, especially our partner organizations in Sierra Leone are in

dialogue with the company. And regarding their reaction about our criticism, that the company only signed agreements with the local chiefs, the so-called Paramount chiefs, we are criticizing that not every village or every community has the right to negotiate with a company. There is one improvement that came out just one and a half months ago. The company agreed to sign an additional agreement with one particular village defining which portion of land the company has the right to use and which other portion of land the company doesn't have the rights to use. However, it concerns only one out of 60 villages. There is still room for improvement. Regarding protection of the rights for farmers, I think our local partner organizations are doing a very good job in ensuring and monitoring that the company is fulfilling some of its promises. For instance, they have to pay land lease fees to the landowners. We are ensuring that these payments are done to the different landowners even if we are criticizing that the payments are too low. We are also ensuring that for every destroyed tree like palm oil tree every landowner will receive compensation. This monitoring work is done by our local partner organization. I think it's good for the company to know that there are independent and civil society organizations within their area that are working and doing this monitoring work.

**Agnes Kirabo:** Let me start with the issue of titling of land. Titling of land is an aspect of privatizing land and making land easy for grabbing. That is why there is a lot of push in Uganda to title land that has been commonly owned as customary land. Because then you have cut the thread that has been putting them together. An investor has failed to take up land in northern Uganda, in Amuru, despite all of the pressure government has put there. It's because Acholi people are still together and they are saying we are fighting for Acholi land and not private land. Another case that we have in Uganda regarding titling land is, that dealers in real estate come and tell you that you have a lot of land, so many hectares, but it's not registered. So we are going into an agreement with you, can you sign with us that we go and register your land. If it was five hectares; we are going to help you register it and give you one hectare and take away the four. This is what is happening. For me, titling land is not the solution to these whole issues after all. We need to use land; we need to access land. The other issue that is emerging in Africa is the issue of conflict. It seems that conflicts in Africa have been fueled ahead of grabbing land. You were talking about Sierra Leone; it is what is being given as a bonanza to the people of northern Uganda and elsewhere where civil unrest has existed. We need to interrogate the whole issue of conflicts in Africa and whether they are paving the way for land grabbing.

Lastly, I just wish all my sisters, this is where we need support more than ever before. We need to be more strategic and more technical. Our presidential statement is a policy statement. But it will never be implemented if systems and infrastructure have not been put in place properly. We will focus on this and rely on everyone who wishes to support us, to really go into technical debates and to ensure that we get the infrastructure and the systems in place. My last appeal is to the financial institutions, as represented by the Austrian Development Bank. Please, can you stick on those guidelines and principles? Can you make sure that the people that get money from you really don't run over the principles and guidelines? Please investors or the potential investors, make sure that you follow guidelines and principles. Otherwise our poor politicians back home are going to grab you first with your envelope of money and tell you that they hold the power and they have all what it takes to protect you. The people in that recipient country are nothing. They can be kicked out. Luck

may not be your way. When your investment falls flat it is your income, it is your money and it is your credibility at stake. Therefore, potential investors, ladies and gentlemen, please, don't be hoodwinked by poor politicians in Africa that look at you as an opportunity, to pick some few coins from you and lie to you that they're going to forcefully protect you against their people. We do still have the power, and we are standing in a resistance. And we know together some of us will be killed, but it is worse if you lose your money and your credibility.

**Philipp Seufert:** You asked what African peasants – we talk about Africa, but it's not only Africa affected - can expect from international processes. But perhaps what I would like to stress first is that the resistance against land grabs, against water grabs, against all these resource grabs have shown some successes. Some projects had to be stopped and perhaps the dynamic of land grabbing is going a bit down. That is first and foremost the achievement of the people on the ground, who have resisted land grabbing. They have also built up movements. In 2011 they have created the Global Alliance Against Land Grabbing which is an alliance of all food producers and organizations with the aim of mobilizing against land grabbing and that this is their struggle. Of course, they need support and they want support, but I think we should keep that in mind that many of the achievements we have, it's really the people that have been fighting that. Now I come to the international processes. There have been different reactions to the phenomenon of land grabbing. Basically there is kind of a consensus that something has to be done to regulate it. But there also starts the differences. Some say you just have to limit excesses, but basically that's a good thing. Others say it is kind of two folded and then there is the position as I just mentioned those affected who are very critical. They say "no, this has to stop", they not only want to stop land grabbing but to roll it back and there own our resources. One process we have - and we will still have to see how useful it will be - is the Committee on World Food Security (CFS) under the UN Committee on World Food Security. This is THE body which is in charge of governing everything that has to do with food security and nutrition. Land is a big part of that. The CFS as adopted the tenure guidelines which are officially called the Voluntary Guidelines of the Responsible Governance of Tenure of Land Fisheries and Forests. Concerning these guidelines two main things have to be emphasized. First, they have been developed in a very inclusive process. Social movements of food producers, peasants, fisher folks, pastoralists, indigenous people, and others have been very much involved. Secondly, they are based very much in human rights. Some organizations are quite confident and using them for their struggles. But we still have to see how it works and we also have to keep in mind that the other side is also strong. There are people who have interests and they are pushing land grabs.

I just wanted to thank the one intervention who said this is about human rights. That is basically the point. You have asked who's the lobby, I would say in a way we are a human rights organization, we are the lobby. Human rights affect us all, so I think in a way, we all should kind of be the lobby and push on different levels, basically those who have the duty to respect obligations and to put them into reality and not just on paper.