

## IT'S TIME TO OUTLAW LAND GRABBING, NOT TO MAKE IT "RESPONSIBLE"!

On 18-20 April 2011, a gathering of some 200 farmland investors, government officials and international civil servants will meet at the World Bank headquarters in Washington DC to discuss how to operationalise "responsible" large-scale land acquisitions. Over in Rome, the Committee on World Food Security, housed at the United Nations Food and Agriculture Organisation, is about to start a process of consultation on principles to regulate such deals. Social movements and civil society organisations (CSOs), on the other hand, are mobilising to stop land grabs, and undo the ones already coming into play, as a matter of utmost urgency. Why do the World Bank, UN agencies and a number of highly concerned governments insist on trying to promote these land grab deals as "responsible agricultural investments"?

Today's farmland grabs are moving fast. Contracts are getting signed, bulldozers are hitting the ground, land is being aggressively fenced off and local people are getting kicked off their territories with devastating consequences. While precise details are hard to come by, it is clear that at least 50 million hectares of good agricultural land – enough to feed 50 million families in India – have been transferred from farmers to corporations in the last few years alone, and each day more investors join the rush.<sup>1</sup> Some of these deals are presented as a novel way to meet food security needs of countries dependent on external markets to feed themselves, such as Qatar, Saudi Arabia, South Korea or China. Others are bluntly exposed for what they really are: business deals and hot new profit opportunities. Despite the involvement of states, most of these transactions are between host governments and private corporations. Firms involved estimate that US\$25 billion have already been committed globally, and boast that this figure will triple in a very near future.<sup>2</sup>

### What is RAI?

Nervous about the potential political backlash from the current phase of land grabbing, a number of concerned governments and agencies, from Japan to the G-8, have stepped forward to suggest criteria that could make these deals acceptable. The most prominent among these is the World Bank-led *Principles for Responsible Agricultural Investment that Respect Rights, Livelihoods and Resources* (RAI). The RAI were jointly formulated by the World Bank, the International Fund for Agricultural Development (IFAD), the UN Conference on Trade and Development (UNCTAD) and the UN Food and Agriculture Organisation (FAO).<sup>3</sup> They consist of seven principles that investors may wish to voluntarily subscribe to when conducting large-scale farmland acquisitions (*see box*). It is noteworthy

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<sup>1</sup> In 2010, the World Bank reported that 47 million hectares were leased or sold off worldwide in 2009 alone while the Global Land Project calculated that 63 million hectares changed hands in just 27 countries of Africa. See "New World Bank report sees growing global demand for farmland", World Bank, Washington DC, 7 September 2010, <http://farmlandgrab.org/post/view/15309>, and Cecilie Friis & Anette Reenberg, "Land grab in Africa: Emerging land system drivers in a teleconnected world", GLP Report No. 1, The Global Land Project, Denmark, August 2010, <http://farmlandgrab.org/post/view/14816>, respectively.

<sup>2</sup> See High Quest Partners, "Private financial sector investment in farmland and agricultural infrastructure", OECD, Paris, August 2010, <http://farmlandgrab.org/post/view/16060>.

<sup>3</sup> The four agencies have also created an internet-based knowledge platform to exchange information about RAI. See <http://www.responsibleagroinvestment.org/>

that the RAI principles were never submitted for approval to the governing bodies of these four institutions.

**RAI (or seven principles for "win-win" landgrabbing):**

1. Land and resource rights: Existing rights to land and natural resources are recognised and respected.
2. Food security: Investments do not jeopardise food security, but rather strengthen it.
3. Transparency, good governance and enabling environment: Processes for accessing land and making associated investments are transparent, monitored, and ensure accountability.
4. Consultation and participation: Those materially affected are consulted and agreements from consultations are recorded and enforced.
5. Economic viability and responsible agro-enterprise investing: Projects are viable in every sense, respect the rule of law, reflect industry best practice, and result in durable shared value.
6. Social sustainability: Investments generate desirable social and distributional impacts and do not increase vulnerability.
7. Environmental sustainability: Environmental impacts are quantified and measures taken to encourage sustainable resource use, while minimising and mitigating the negative impact.

**The main RAI pushers (since 2009):**

EU, FAO, G8, G20, IFAD Japan, Switzerland, UNCTAD, US, World Bank

In April 2010, some 130 organisations and networks from across the world, including some of the most representative alliances of farmers, pastoralists and fisherfolk, denounced the RAI initiative. Their statement debunked RAI as a move to try to legitimise land grabbing and asserted that facilitating the long-term corporate (foreign and domestic) takeover of rural people's farmlands is completely unacceptable no matter which guidelines are followed.<sup>4</sup>

This statement was endorsed by many more groups and social movements from around the world following its release. Shortly after, the UN's Special Rapporteur on the Right to Food publicly criticised RAI for being "woefully inadequate" and said, "It is regrettable that, instead of rising to the challenge of developing agriculture in a way that is more socially and environmentally sustainable, we act as if accelerating the destruction of the global peasantry could be accomplished responsibly."<sup>5</sup>

In September 2010, the World Bank released its much anticipated report about large-scale land acquisitions. After two years of research, the Bank could not find any convincing examples of "wins" for poor communities or countries, only a long list of losses. In fact, companies and governments involved in the land deals refused to share information about their transactions with the Bank, so it relied instead on a website ([farmlandgrab.org](http://farmlandgrab.org)) managed by the CSO GRAIN for its data. Even though the report noted the lack of consultation behind the RAI initiative, the Bank still advocated RAI as the solution.

Despite the RAI framework's serious credibility problem, the CFS debated a motion on whether or not to endorse it in October 2010. Some governments, such as the US and Japan were in favour. Others, including South Africa, Egypt on behalf of the Near East group and

<sup>4</sup> "Stop land grabbing now! Say NO to the principles on responsible agro-enterprise investment promoted by the World Bank", available online at <http://www.landaction.org/spip/spip.php?article553>

<sup>5</sup> "Responsibly destroying the world's peasantry" by Olivier de Schutter, Brussels, 4 June 2010, <http://www.project-syndicate.org/commentary/deschutter1/English>

China, expressed strong opposition due to lack of an appropriate consultative process. A coalition of movements and organisations released a detailed critique of the RAI framework and principles prior to the CFS meeting.<sup>6</sup> This catalysed rural social movements, particularly those affiliated with the International Planning Committee for Food Sovereignty (IPC), and other civil society groups to call on the CFS to reject RAI. In the end, the CFS did not endorse RAI, agreeing only to pursue an inclusive process to consider it.

By the end of 2010, it looked as though the high-level push for socially acceptable or "win-win" land grabbing was floundering. Social movements and other CSOs, meanwhile, continued to build popular opposition to RAI. At the World Social Forum in Dakar in February 2011, farmers' movements, and human rights, social justice and environmental organisations gathered to share experiences and consolidate their struggles against land grabbing without the distraction of this code of conduct nonsense, and launched a public appeal to reject RAI and resist land grabbing that continues to gather support.<sup>7</sup>

The RAI proponents, however, refuse to give up.

The CFS Bureau is currently discussing a proposal for a process of consultation on RAI.<sup>8</sup> An initial draft circulated for comment drew sharp criticism from social movements and CSOs. The IPC stated that it will oppose a process whose main focus is to try to alleviate the negative impacts of large-scale land acquisitions and endorse RAI. Instead, it argued, the CFS should first analyse if RAI is the adequate response to the problems on the ground and re-focus the discussion on the question of what kind of agricultural investment is needed to overcome hunger and support small-scale farmers, particularly women. The IPC further recommended that the CFS stop using the term RAI because it is heavily associated with land grabbing, not investment. But the four agencies behind RAI seem keen to push on.

The World Bank has just released the programme for this year's annual conference on land and poverty at its Washington DC headquarters.<sup>9</sup> RAI is at the very heart of the discussions. The Bank's main goal now is to start "operationalising" RAI by building on experiences of other "corporate social responsibility" (CSR) schemes such as the Roundtables on Responsible Soy, Sustainable Palm Oil and Sustainable Biofuels, as well as the Extractive Industry Transparency Initiative.<sup>10</sup>

In the meantime, countries are scrambling to contain growing opposition to the global land rush. With all the talk of "win-win" outcomes ringing hollow against the reality of impacts of these deals on local communities, smallholder agricultural producers and workers, some governments, such as Argentina, Brazil and New Zealand, are responding with promises of legislation to cap or discipline foreigners' abilities to acquire domestic farmland. Others, such as Cambodia, Ethiopia and Ghana, are using legal and brute force to suppress local

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<sup>6</sup> "Why we oppose the principles for responsible agricultural investment", available at <http://www.landaction.org/spip/spip.php?article570>

<sup>7</sup> See "Dakar appeal against the land grab", which is open for endorsement by organisations until 1 June 2011: <http://www.petitiononline.com/dakar/petition.html>.

<sup>8</sup> See <http://cso4cfs.files.wordpress.com/2010/11/proposal-for-consultation-process-on-rai-principles.pdf>

<sup>9</sup> See <http://go.worldbank.org/YJM5ENXK10>.

<sup>10</sup> For background see John Lamb, "Sustainable Commercial Agriculture, Land and Environmental (SCALE) management initiative: Achieving a global consensus on good policy and practices", World Bank, July 2009, <http://farmlandgrab.org/post/view/7649>.

contestation. In the run-up to the 2012 elections in Mali, the opposition Party for National Renewal has challenged President Touré to disclose all details of land leases amounting to several hundred thousands of irrigated hectares granted in the Office du Niger. In Sudan, the most "land grabbed" country in Africa, villagers are now rising up against the government in Khartoum for having seized their lands.

### **What is wrong with RAI**

The push for RAI is not about facilitating investment in agriculture. It is about creating an illusion that by following a set of standards, large-scale land acquisitions can proceed without disastrous consequences to peoples, communities, ecosystems and the climate. This is false and misleading. RAI is an attempt to cover up power imbalances so that the land grabbers and state authorities who make the deals can get what they want. Farmers, pastoralists and fisherfolk, after all, are not asking for their lands to be sold off or leased away!

Land grabbing forecloses vast stretches of lands and ecosystems for current and future use by peasants, indigenous peoples, fisherfolk and nomads, thus seriously jeopardising their rights to food and livelihood security. It captures whatever water resources exist on, below and around these lands, resulting in the de facto privatisation of water. The violation of international human rights law is an intrinsic part of land grabbing through forced evictions, the silencing (and worse) of critics, the introduction of non-sustainable models of land use and agriculture that destroy natural environments and deplete natural resources, the blatant denial of information, and the prevention of meaningful local participation in political decisions that affect people's lives. No set of voluntary principles will remedy these facts and realities. Nor can they be misconstrued and presented as public policy or state regulation.

Land grabs, which target 20% profit rates for investors, are all about financial speculation. This is why land grabbing is completely incompatible with ensuring food security: food production can only bring profits of 3-5%. Land grabbing simply enhances the commodification of agriculture whose sole purpose is the over-remuneration of speculative capital.

There are some who believe that promoting transparency in land acquisition deals can somehow lead to "win-win" outcomes. However, even if done "transparently," the transfer of large tracts of land, forests, coastal areas and water sources to investors is still going to deprive smallholder farmers, pastoralists, fisherfolk and other local communities from crucial, life sustaining resources for generations to come. In many countries, there is an urgent need to strengthen systems that protect land tenure of peasants and small-scale food producers, and many social movements have been fighting for recognition of their rights to land for many years. The RAI principles will make any progress on agrarian reform or land rights meaningless.

As for the big private players themselves, RAI can only amount to another feather in their "CSR" cap, a public relations act that they can point to when convenient. In the real world, they will continue to rely on bilateral trade and investment agreements, legal loopholes, compliant states, political risk insurance schemes and support from international institutions that promote RAI, to protect their interests and save them from any financial pain or responsibility.

The problem is obvious. These agribusiness projects – from the 100,000 hectare Malibya deal in the Office du Niger, Mali, to the 320,000 hectare Beidahuang Group deal in Rio Negro, Argentina – do great harm and are profoundly illegitimate. Trying to compensate for this absence of legitimacy by getting investors to adhere to a few principles is deceitful.

### **Invest in food sovereignty!**

RAI is out of step with the times. The whole approach to so-called agricultural development that it embodies – a greenhouse gas pumping, fossil fuel guzzling, biodiversity depleting, water privatising, soil eroding, community impoverishing, genetically modified seed-dependent production system – belongs in the 20th century rubbish heap of destructive, unsustainable development. Just as our Arab sisters and brothers have been breaking the shackles of old regimes to recover their dignity and space for self-determination, we need to break the shackles of the corporate agriculture and food system.

Rather than be codified and sanctioned, land grabbing must be immediately stopped and banned. This means that parliaments and national governments should urgently suspend all large-scale land transactions,<sup>11</sup> rescind the deals already signed, return the misappropriated lands to communities and outlaw land grabbing. Governments must also stop oppressing and criminalising peoples for defending their lands and release detained activists.

We reiterate the demands made repeatedly by social movements, CSOs and numerous academics to urgently implement actions agreed at the 2006 International Conference on Agrarian Reform and Rural Development – the most authoritative and consensual multilateral framework for land and natural resources – as well as the conclusions of the 2008 International Assessment of Agricultural Knowledge, Science and Technology for Development. We equally call on the CFS to adopt the FAO Guidelines on the Governance of Land and Natural Resources which are strongly rooted in human rights law so that they can be effectively used to protect and fulfill the rights to land and natural resources of all rural and urban constituencies at national and international levels.

It is obvious to us that a broad consensus has grown over the past several years around the real solutions to hunger, the food crisis and climate chaos, namely that:

- peasant agriculture, family farming, artisanal fishing and indigenous food procurement systems that are based on ecological methods and short marketing circuits are the ways forward toward sustainable, healthy and livelihood-enhancing food systems;
- production, distribution and consumption systems must radically change to fit the carrying capacity of the earth;
- new agricultural policies that respond to the needs, proposals and direct control of small-scale food producers have to replace the current top-down, corporate-led, neoliberal regimes; and
- genuine agrarian and aquatic reform programmes have to be carried through to return land and ecosystems to local communities.<sup>12</sup>

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<sup>11</sup> By this we mean, taking possession of and/or controlling a scale of land for commercial and/or industrial agricultural production which is disproportionate in size in comparison to the average land holding in the region.

<sup>12</sup> This consensus is reflected in the work of the UN Special Rapporteur on the Right to Food, Olivier de Schutter. His March 2011 report on agroecology and the right to food captures a large body of today's public

This is the path to food sovereignty and justice, quite the opposite of "responsible" land grabbing. And we will continue to push and fight for it with many allies the world over.

17 April 2011

- Centro de Estudios para el Cambio en el Campo Mexicano (Study Centre for Change in the Mexican Countryside)
- FIAN International
- Focus on the Global South
- Friends of the Earth International
- Global Campaign on Agrarian Reform
- GRAIN
- La Via Campesina
- Land Research Action Network
- Rede Social de Justiça e Direitos Humanos (Social Network for Justice and Human Rights)
- World Alliance of Mobile Indigenous Peoples (WAMIP)
- World Forum of Fisher Peoples

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opinion on how to move forward. See <http://www.srfood.org/index.php/en/component/content/article/1-latest-news/1174-report-agroecology-and-the-right-to-food>.