

# ← AGAINST THE GRAIN

March 2013

## THE G8 AND LAND GRABS IN AFRICA



Local rice in Côte d'Ivoire now costs less than imports, and demand is growing. The big rice traders are now conspiring to take control of it – from farm to market. (Photo: Reuters)

*The G8 countries are implementing a New Alliance for Food Security and Nutrition in six African countries that will facilitate the transfer of control over African agriculture from peasants to foreign agribusiness.*

**A**drienne Glandé sells rice in the bustling Gouro market in Abidjan, Côte d'Ivoire's commercial centre. The rice she's selling comes from the west of the country, where she herself is a farmer. "This is 'made in Côte d'Ivoire', cheaper and better tasting," she tells people walking past her stall.<sup>1</sup>

Competition with cheap imports means that the margins are thin for Ivorian rice farmers and small traders like Glandé. Côte d'Ivoire was self-sufficient in rice in the mid 1970s, but under pressure from international donors, the national rice company was privatised, public support for production was dismantled and the market was opened up to imports. Within two decades, two thirds of the rice consumed in the country came from Asia.

These imports generated immense profits for the handful of international grain traders and powerful local businessmen who dominate the market. Yet they've been deadly for local production. Only the hard work and ingenuity of the country's farmers and small traders have kept local rice production alive.

Today the situation is changing. International prices for rice spiked in 2008, and have not come down to previous levels. Local rice now costs 15 percent less than imports, and demand is growing along with production and sales.<sup>2</sup> Women rice traders have recently formed several cooperatives and have even created brands for local rice.

This has not escaped the attention of the big rice traders. The same grouping of government, donors and corporations that demolished Côte d'Ivoire's domestic rice sector is now conspiring to take control of it – from farm to market.

## New Alliance for Food Security and Corporate Control

Details of this plan are found in a 2012 agreement between the government of Côte d'Ivoire, the G8 countries represented by the EU, and a grouping of



**Competition with cheap imports means that the margins are thin for Côte d'Ivoire's rice farmers and small traders. (Photo: Reuters)**

multinational and national companies involved in the rice trade. Known as a Cooperation Framework, the agreement is part of the New Alliance for Food Security and Nutrition – a partnership between the G8, a number of African governments, transnational corporations and some domestic companies.<sup>3</sup>

Under its Cooperation Framework, Côte d'Ivoire promises to reform its land laws and make other policy changes to facilitate private investment in agriculture. In exchange, it gets hundreds of millions of dollars in donor assistance and promises from eight foreign companies and their local partners to invest nearly US\$ 800 million in the development of massive rice farms (see Table 1).

One of these companies, Groupe Mimran of France, wants an initial 60,000 ha, and plans to eventually expand its holdings to 182,000 ha. Another, the Algerian company Cevital, is reported to be seeking 300,000

1. Fulgence Zamblé, "[Les femmes rurales et l'autosuffisance alimentaire en riz](#)," IPS, 16 juillet 2009.

2. "[COTE D'IVOIRE: Traders resist rice price rules](#)," IRIN, 22 May 2012.

3. The G8 countries are: Canada, France, Germany, Italy, Japan, Russia, UK, US and the EU.

**Table 1. Private sector investments in rice under the Country Cooperative Framework signed between Côte d'Ivoire and the G8.**

Company	Size of investment	Land involved
Olam (Singapore)	US\$ 50 million	Unknown
Louis Dreyfus (France)/SDTM (Côte d'Ivoire/Lebanon)	US\$ 60 million*	100,000-200,000 ha
Groupe Mimran (France)	US\$ 230 million	182,000 ha
Cevital (Algeria)	US\$150 million	300,000 ha
Groupe CIC (Switzerland)	US\$ 30 million	Unknown
Export Trading Group (Singapore)	US\$ 38 million	Unknown
Novel Group (Switzerland)	US\$ 95 million	15,000 ha
Sud Industries SA	US\$ 150 million	Unknown

ha.<sup>4</sup> On January 31, 2013, the CEO of the French grain trader Louis Dreyfus, the biggest importer of rice in Côte d'Ivoire, signed an agreement with the country's ministry of agriculture, giving it access to between 100,000-200,000 ha for rice production.<sup>5</sup> These three projects alone will displace tens of thousands of peasant rice farmers and destroy the livelihoods of thousands of small traders – the very people that the G8 claims will be the “primary beneficiaries” of its New Alliance.<sup>6</sup>

## Smells like structural adjustment

The New Alliance is phase two of the G8's coordinated response to the global food crisis. The first was the L'Aquila Food Security Initiative, launched by G8 leaders in 2009. They committed to mobilise \$22 billion in donor funding to support national agricultural plans in developing countries.

Both initiatives have been spearheaded by the US government.

“The L'Aquila initiative was more than just about money,” says US Deputy National Security Advisor for International Economic Affairs Mike Froman. “In that

4. [“Cevital, 1ère entreprise privée algérienne, choisit la Côte d'Ivoire pour sa 1ère implantation à l'étranger,”](#) 20 minutes, 11 juin 2012.

5. [“Côte d'Ivoire : Louis Dreyfus investira 60 millions de dollars dans le riz,”](#) Jeune Afrique, 31 janvier 2013.

6. [Food security: EU supports G8 initiative for a “New Alliance” with partner countries, donors and the private sector, Letter from African Civil Society Critical of Foreign Investment in African Agriculture at G8 Summit.](#)

initiative leaders agreed to put their money behind country plans that had been developed and that were owned by the developing countries themselves.”<sup>7</sup>

For Africa, the G8 funds were to be aligned with the country agriculture plans developed through the African Union's Comprehensive Africa Agriculture Development Programme (CAADP).

The New Alliance, which carries forward the funding commitments of the L'Aquila Initiative, is supposed to do the same: align donor funds with the CAADP national plans. But this is not what is happening.

The G8 has signed Cooperation Frameworks with six countries since the New Alliance was launched in May 2012: Burkina Faso, Côte d'Ivoire, Ethiopia, Ghana, Mozambique and Tanzania.<sup>8</sup> The Frameworks involve a set of 15 or so different policy measures that each African government commits to implement within clearly defined deadlines.

But few of these policy commitments are found in the CAADP plans that these countries developed through

7. [Press Briefing by Senior Administration Officials on Food Security, 18 May 2012.](#)

8. [According to USAID: “These African countries \[participating in the New Alliance\] have committed to major policy changes that open doors to more private sector trade and investment, such as strengthening property rights, supporting seed investments, and opening trade opportunities. G-8 members identified development assistance funding aligned behind these nations' own country investment plans for agriculture, and private sector firms from within these countries and from around the world have laid out investment plans in the agricultural sectors of these countries.”](#) Personal communication from USAID, 8 February 2013.



national consultations.<sup>9</sup> And, while the national plans are extensive documents covering a wide range of issues, the frameworks zero in on only a small number of measures, almost exclusively aimed at increasing corporate investment in agricultural lands and input markets (see Annex).

So where do these specific policy commitments come from? “The policy commitments in the Cooperation Frameworks were identified through a consultative process between the respective African governments and the private sector,” says USAID in a written response to GRAIN.<sup>10</sup>

Such behind-the-scenes consultations between African officials and corporate executives are being facilitated by the World Economic Forum’s Grow Africa Partnership. The partnership’s mandate is to bring business executives from companies like Monsanto and Yara together with African governments to convert the CAADP national plans “into increased flows of private sector investment.”

The G8 tasked Grow Africa to identify the private sector investments that are included in the Cooperation Frameworks. Many of these investments and the government policy commitments in the frameworks target the specific geographic areas for farmland investment that Grow Africa is focussing on, such as the Southern Agricultural Growth Corridor in Tanzania and Burkina Faso’s Bagré Growth Pole for private investment.

The involvement of the G8 gives a boost to the wish lists drawn up by Grow Africa’s members with African governments behind closed doors, because it ties their implementation to donor funding. The “performance” of African governments in implementing the policy measures they have committed to under the Cooperation Frameworks will be regularly reviewed by a joint Leadership Council of the G8 and Grow Africa, which USAID describes as a “high-level accountability mechanism to drive implementation.”<sup>11</sup>

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9. The Cooperation Frameworks reference both the national agriculture plans and the national agricultural investment plans, which involved varying degrees of national consultation in their formulation. In Mozambique, for instance, the national peasants union was involved in the formulation of national agriculture plan but not the investment plan.

10. Personal communication from USAID, 8 February 2013.

11. Personal communication from USAID, 8 February 2013.

“ There are no policy commitments in these frameworks to protect peasants and pastoralists from the growing number of land grabs.”

On the eve of the G8 leaders summit in 2012, Mamadou Cissokho, Honorary President of the Network of Farmers’ and Agricultural Producers’ Organisations of West Africa (ROPPA), sent a letter to the President of the African Union on behalf of African civil society networks and farmers’ organisations expressing his concerns over how the G8 was dictating agricultural policy in Africa.

*“At the moment when the President of the United States, acting in good faith I am sure, has decided to organise a Symposium on Food Security in Washington on 18-19 May 2012, on the eve of the G8 meeting at Camp David, I address myself to you, the President of the African Union – and through you to all African Heads of State – to ask what leads you to believe that Africa’s food security and food sovereignty could be achieved by international cooperation and outside the policy frameworks formulated in inclusive fashion with the peasants and producers of the continent...”*

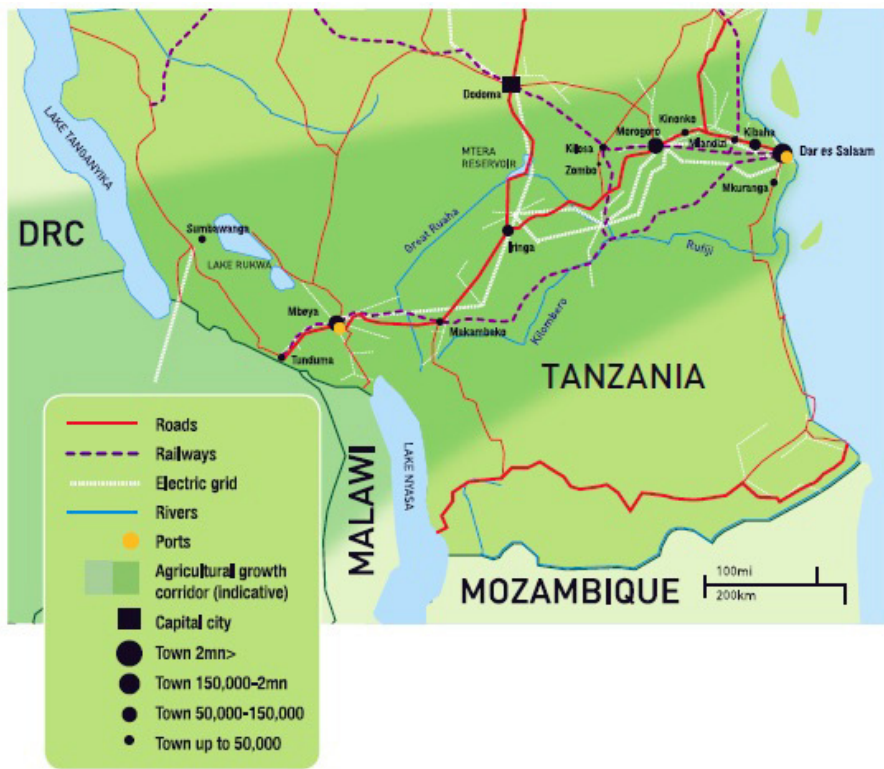
*The G8 and G20 can in no way be considered appropriate places for such decisions.”<sup>12</sup>*

## Straight through the heart

One of the main corporate partners of the G8’s New Alliance is US-based Cargill, the world’s largest grain trader. In a rare interview, the vice chairman of this secretive, family-owned company, Paul Conway,

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12. [Letter from African Civil Society Critical of Foreign Investment in African Agriculture at G8 Summit, 15 May 2012.](#)



**Tanzania's Cooperation Framework lays down strict deadlines to complete land use plans, the demarcation of land, and procedures for its allocation to investors throughout Tanzania's Southern Agricultural Growth Corridor. (Photo: SAGCOT)**

told Al Jazeera that the key to resolving the current global food crisis is “to make better use of the land in Africa and, at the very heart of that, is better property rights.”<sup>13</sup>

Land is a top priority for Cargill and the other agribusiness corporations targeting Africa. This is why it figures so prominently in the Cooperation Frameworks of the G8's New Alliance.<sup>14</sup>

Each Cooperation Framework contains a set of policy commitments by African governments that are designed to make it easier for companies to identify, negotiate for and acquire lands in key agricultural areas of the continent. Ghana will create a database of suitable land for investors, simplify procedures for them to acquire lands, and establish pilot model 5,000 ha lease agreements

13. “[Counting the cost: Food for thought](#)”, Al-Jazeera, 16 September 2012.

14. Seeds and fertilisers are another major area of focus for transnational agribusinesses like Monsanto and Yara that are also part of the New Alliance, and there are several policy commitments dealing with both of these as well. Tanzania, for instance, commits to approve a new seeds act based on UPOV 91, while Mozambique will “systematically cease distribution of free and unimproved seeds.”

by 2015.<sup>15</sup> Tanzania will map the fertile and densely populated lands of Kilombero District to make it easier for outside investors to find and acquire the lands they want. Burkina Faso promises to fast forward a resettlement policy, and Mozambique commits to develop and approve highly controversial “regulations and procedures that authorise communities to engage in partnerships through leases or sub-leases (*cessao de exploração*)” by June 2013.<sup>16</sup>

Ethiopia, for its part, will extend protections for commercial farms and establish a one-window service for investors to cut through the red tape involved in acquiring land. The Ethiopian government has already allocated more than three million hectares of land to corporate investors under an agricultural development plan linked to gross human rights violations. It has only three policy indicators to live up to in its Cooperation Framework with the G8: “improved score on Doing Business Index,” “increased dollar value of new private-sector investment

15. These policy commitments are also found in a separate project with the World Bank and USAID, called the [Ghana Commercial Agriculture Project](#), that was initiated in 2012.

16. The exact same policy commitment is found in a Development Policy Operation (DPO) that Mozambique is negotiating with the World Bank.



**Donor funding is now tied to the implementation of policy designed to encourage large-scale private investment in areas like Burkina Faso's Bagré Growth Pole. (Photo: Bagré Growth Pole)**

in the agricultural sector," and "percentage increase in private investment in commercial production and sale of seeds."<sup>17</sup>

There are no policy commitments in the framework for Ethiopia – or any of the other countries involved – to protect peasants and pastoralists from the growing number of land grabs taking place.

The New Alliance instead promotes a voluntary approach to regulate the corporate investment in land that it encourages. Within each framework, the New Alliance partners confirm their "intentions" to "take account" of both the Voluntary Guidelines on the Responsible Governance of Tenure of Land, Fisheries and Forests and the Principles for Responsible Agricultural Investment (PRAI).<sup>18</sup>

The PRAI, which were initiated by the World Bank in 2009, have been fiercely rejected by civil society organisations for legitimising land grabs. And while the principles have been endorsed by both the G8 and the G20, the FAO-hosted Committee on World Food Security (CFS) refused to do so.

17. Figures on land come from the 2011 [Oakland Institute report on Ethiopia](#). For information on land grabs and human rights violations in Ethiopia, see the 2012 report by Human Rights Watch, "[Waiting Here for Death](#)"; and, "[Ethiopia's resettlement scheme leaves lives shattered and UK facing questions](#)," Guardian, 22 January 2013, which points to the involvement of the UK government.

18. [Principles for Responsible Agricultural Investment \(PRAI\)](#).

The Voluntary Guidelines, on the other hand, were adopted by the CFS in May 2012, after a three-year process of bottom-up consultation and are acclaimed for putting emphasis on the rights and needs of women, indigenous peoples and the poor. The effectiveness of these guidelines will depend entirely on how they are implemented, and this is being fiercely contested..<sup>19</sup> Social movements and NGOs in the CFS want the Voluntary Guidelines translated into binding national laws; corporations want them to remain voluntary.

The New Alliance is posing as a programme for the implementation of both the Voluntary Guidelines and the PRAI. Both will be implemented through "pilot implementation programs" that the New Alliance partners – i.e. the very actors doing the land grabbing (governments and companies) – commit to develop together under each Cooperation Framework.

Louis Dreyfus will thus "take account" of the Voluntary Guidelines and the PRAI as it takes over 100,000-200,000 ha of farmlands in Côte d'Ivoire to produce rice. So will the Japanese trading house, Itochu, as it works with the Japanese government and Brazilian farming companies to establish large-scale soybean and maize farms in Northern Mozambique.<sup>20</sup> These will serve as models for

19. Both the B20, the business lobby that reports to the G20, and Via Campesina, the largest global peasant movement, have called on governments to adopt the voluntary guidelines.

20. UNAC, Via Campesina Africa, GRAIN, "[Brazilian agribusiness invades Africa](#)," 30 November 2012; [ASA-IM – Special Report - US Soybean Export Council \(pdf\)](#).

how to responsibly handle the transfer of African farmlands to corporations.

At the next G8 meeting, in the UK in June 2013, the British and German governments will bring forward a proposal to “improve the performance of large-scale land acquisitions.” The Global Land Transparency Initiative would get G8 members, “G8 companies” and developing countries to sign on to commit to “disclosing minimum agreed information on large-scale land acquisitions (e.g. legal status of the investors, intended land use and consultation/compensation paid to the communities affected).”

Non-G8 countries will also be encouraged to participate, meaning that it will likely be scaled up to the G20. The UK and Germany will present the initiative as a “core” part of the G8’s support towards the implementation of the Voluntary Guidelines.

## Holding the G8 to account

In the five years since the global food crisis began and investors started to turn their attention to African farmland, there have been hundreds of conflicts – some of them violent – between marginalised peasant communities and powerful foreign companies over access to Africa’s lands and water for agriculture.

By using their influence as donors to push African governments to enact policies that make it easier for transnational companies to acquire farmlands in Africa, the G8 governments are taking sides. They are contributing directly to the displacement of peasants and pastoralists to make way for foreign agribusiness.

## Going further:

The Cooperation Frameworks for Burkina Faso, Côte d’Ivoire, Ethiopia, Ghana, Mozambique and Tanzania are available here: <http://feedthefuture.gov/article/unga2012>

The national agriculture and investment plans that have been published by Burkina Faso, Côte d’Ivoire, Ethiopia, Ghana, Mozambique and Tanzania are available here: [www.grain.org/e/4662](http://www.grain.org/e/4662)

GRAIN, “Responsible farmland investing? Current efforts to regulate land grabs will make things worse,” August 2012: [www.grain.org/e/4564](http://www.grain.org/e/4564)

# Some policy commitments dealing with land and seeds made by African countries within the Cooperation Frameworks signed with the G8

Country	Land	Seeds
<b>Burkina Faso</b>	<ul style="list-style-type: none"> <li>—Develop / rehabilitate 18,500 ha of irrigated areas and 35,000 ha of low-lands (Dec. 2015)</li> <li>—Adopt and disseminate a policy framework for resettlement in the developed areas (Dec. 2013)</li> <li>—Draft transparent procedures for access to land in State or local government developed areas, delineate, register the land areas already developed and issue documents relative to land use rights in all the developed areas (Dec. 2014)</li> </ul>	
<b>Côte d’Ivoire</b>	<ul style="list-style-type: none"> <li>—The Rural Land Act implemented through programs to demarcate village lands and through the issuance of land tenure certificates (June 2015)</li> <li>—The land information system extended and operationalized throughout the country (Dec. 2013)</li> </ul>	<ul style="list-style-type: none"> <li>—The draft seed act finalized and adopted; procedures for the approval of seed varieties and their entry in the official catalogue simplified (Dec. 2014)</li> </ul>



Country	Land	Seeds
<b>Ethiopia</b>	<ul style="list-style-type: none"> <li>— Establish a one-window service that assists agriculture investors to obtain a business license, secure access to land, obtain market information on pricing and production availability, etc. (Apr. 2013)</li> <li>— Implement policy measures, as necessary, that secure ownership and crop trading rights for commercial farms (Dec. 2013)</li> <li>— Extend land certification to all rural land holders (June 2015)</li> <li>— Refine land law, if necessary, to encourage long-term land leasing and strengthen contract enforcement for commercial farms (Dec. 2013)</li> <li>— Further develop and implement guidelines of corporate responsibility for land tenure and responsible agriculture investment (June 2013)</li> </ul>	
<b>Ghana</b>	<ul style="list-style-type: none"> <li>— Database of suitable land for investors established: 1,000 ha registered (Dec. 2013); 4,500 ha registered ((Dec. 2014); 10,000 ha registered (Dec. 2015)</li> <li>— Pilot model lease agreements for 5,000 ha of land in database established (Dec. 2015)</li> <li>— Clear procedures to channel investor interest to appropriate agencies completed (to provide a transparent and structured way for investors of all types to avoid extra transaction costs and reduce the perceived risk of approaching government to manage access to, and security of land (Dec. 2013)</li> </ul>	<ul style="list-style-type: none"> <li>— Seed registry system established (June 2013)</li> <li>— Protocols for variety testing, release and registration, authorization to conduct field inspections, seed sampling, and seed testing developed (June 2013)</li> <li>— Standards for seed classification and certification established (June 2013)</li> </ul>
<b>Mozambique</b>	<ul style="list-style-type: none"> <li>— Adopt procedures for obtaining rural land use rights (DUATs) that decrease processing time and cost (Mar. 2013)</li> <li>— Develop and approve regulations and procedures that authorize communities to engage in partnerships through leases or sub-leases (cessao de exploração) (June 2013)</li> </ul>	<ul style="list-style-type: none"> <li>— Systematically cease distribution of free and unimproved seeds except for pre-identified staple crops in emergency situations (Nov. 2012)</li> <li>— Implement approved regulations governing seed proprietary laws which promote private sector investment in seed production (June 2013)</li> </ul>
<b>Tanzania</b>	<ul style="list-style-type: none"> <li>— All village land in Kilombero demarcated (Aug. 2012)</li> <li>— All village land in SAGCOT region demarcated (June 2014)</li> <li>— 20% of villages in SAGCOT complete land use plans and issued certificate of occupancy (June 2016)</li> <li>— Instrument developed that clarifies roles of land implementing agencies in order to responsibly and transparently allocate land for investors in the SAGCOT region (Dec. 2012)</li> </ul>	<ul style="list-style-type: none"> <li>— Revised Seed Act that aligns plant breeder's rights with the International Union for the Protection of New Varieties of Plants (UPOV) system. (Nov. 2012)</li> </ul>





GRAIN is a small international non-profit organisation that works to support small farmers and social movements in their struggles for community-controlled and biodiversity-based food systems. Against the grain is a series of short opinion pieces on recent trends and developments in the issues that GRAIN works on. Each one focuses on a specific and timely topic.

The complete collection of Against the grain can be found on our website at [www.grain.org/article/categories/13-against-the-grain](http://www.grain.org/article/categories/13-against-the-grain)

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