

“The global rush for agricultural land. The role of Europe and the challenges for water, food and energy security”

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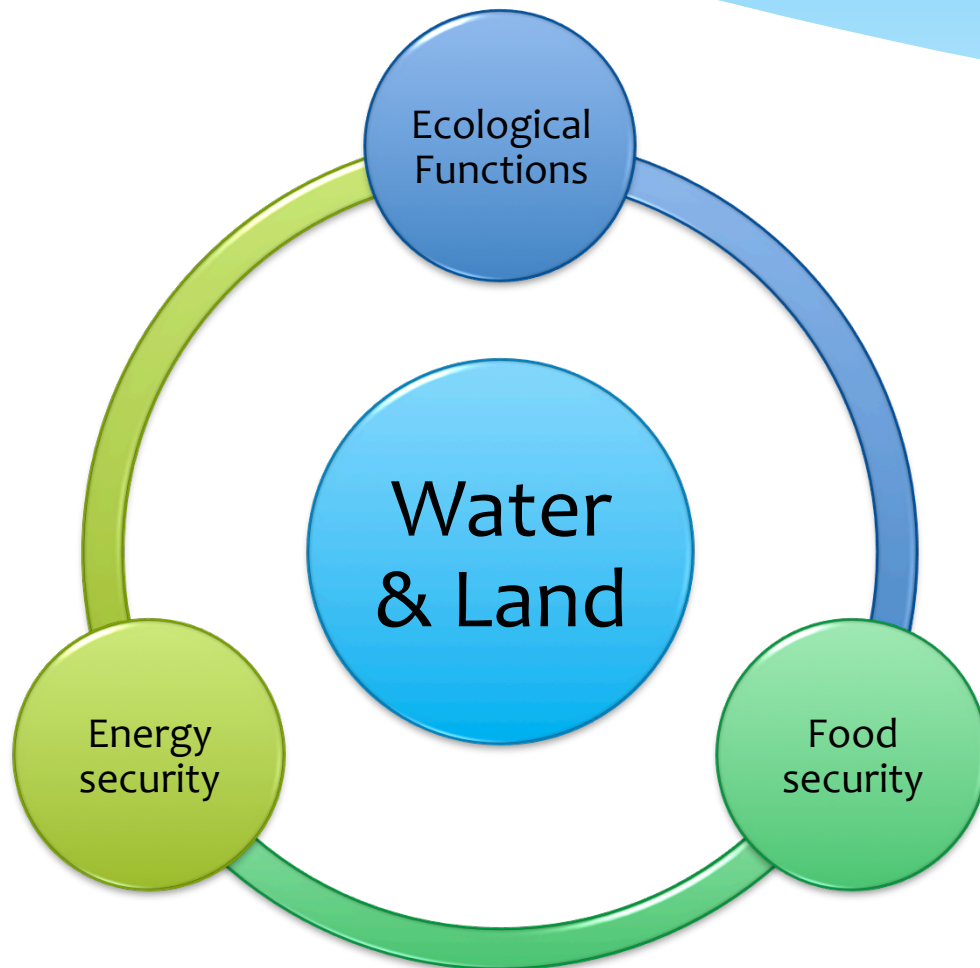
Paper co-authored with Siciliano G., Turvani M.E., Rulli M.C.

The research group

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 - * Dr Marta Antonelli
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 - * Prof Maria Cristina Rulli
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 - * Dr Giuseppina Siciliano

Preliminary considerations

Intense competition over land and water resources



FOOD DEMAND

+ 50% by 2030

+ 70% by 2050

(with respect to 2009)

- population growth
- change in diets

ENERGY DEMAND

+ 60% in 2030

(with respect to 2004)

URBANIZATION

Especially in developing countries

CLIMATE CHANGE

The global “rush for land”

The terms refer to the wave of large-scale land acquisitions – be it purchase or lease – by foreign investors which have taken place since the year 2000, mainly for agricultural purposes.



Land grabbing or large scale land acquisitions?

Land grabs are defined as “acquisitions or concessions that are one or more of the following:

- (i) in **violation of human rights**, particularly the equal rights of women;
- (ii) **not based on free, prior and informed consent** of the affected land-users;
- (iii) not based on a thorough assessment, or are **in disregard of social, economic and environmental impacts**, including the way they are gendered;
- (iv) **not based on transparent contracts** that specify clear and binding commitments about activities, employment and benefits sharing, and;
- (v) **not based on effective democratic planning**, independent oversight and meaningful participation.”

The Land Matrix Observatory

Entail a transfer of rights to use, control or own land

- The transfer of rights regard the use, control or own land, and is realised through sale, lease, or concession of land to investors.
Realised after the year 2000

Land use change

- Imply a conversion from land used by smallholders, or for important environmental functions, to **large-scale commercial use**

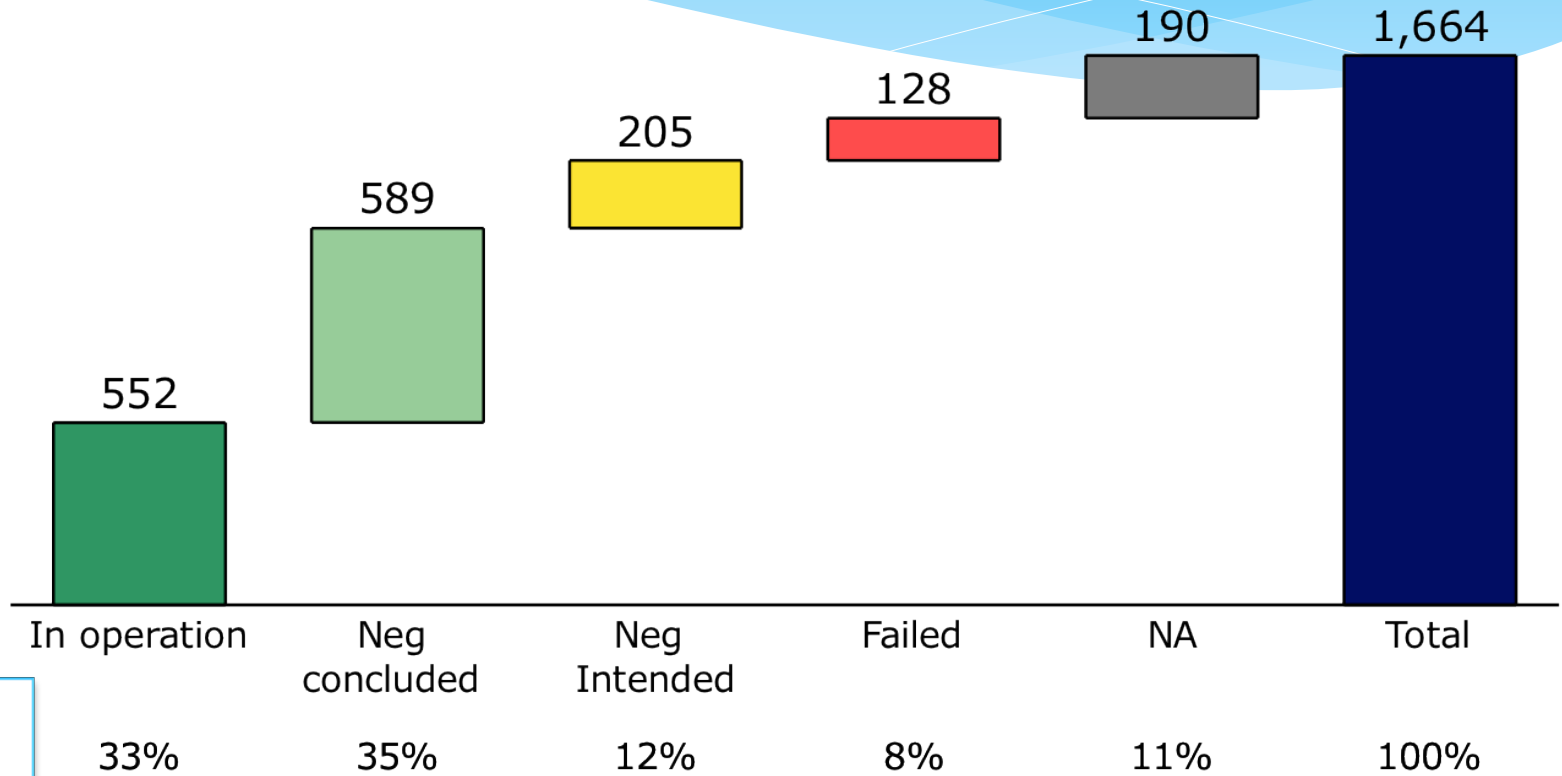
Minimum size

- 200 hectares or larger

Global land acquisitions

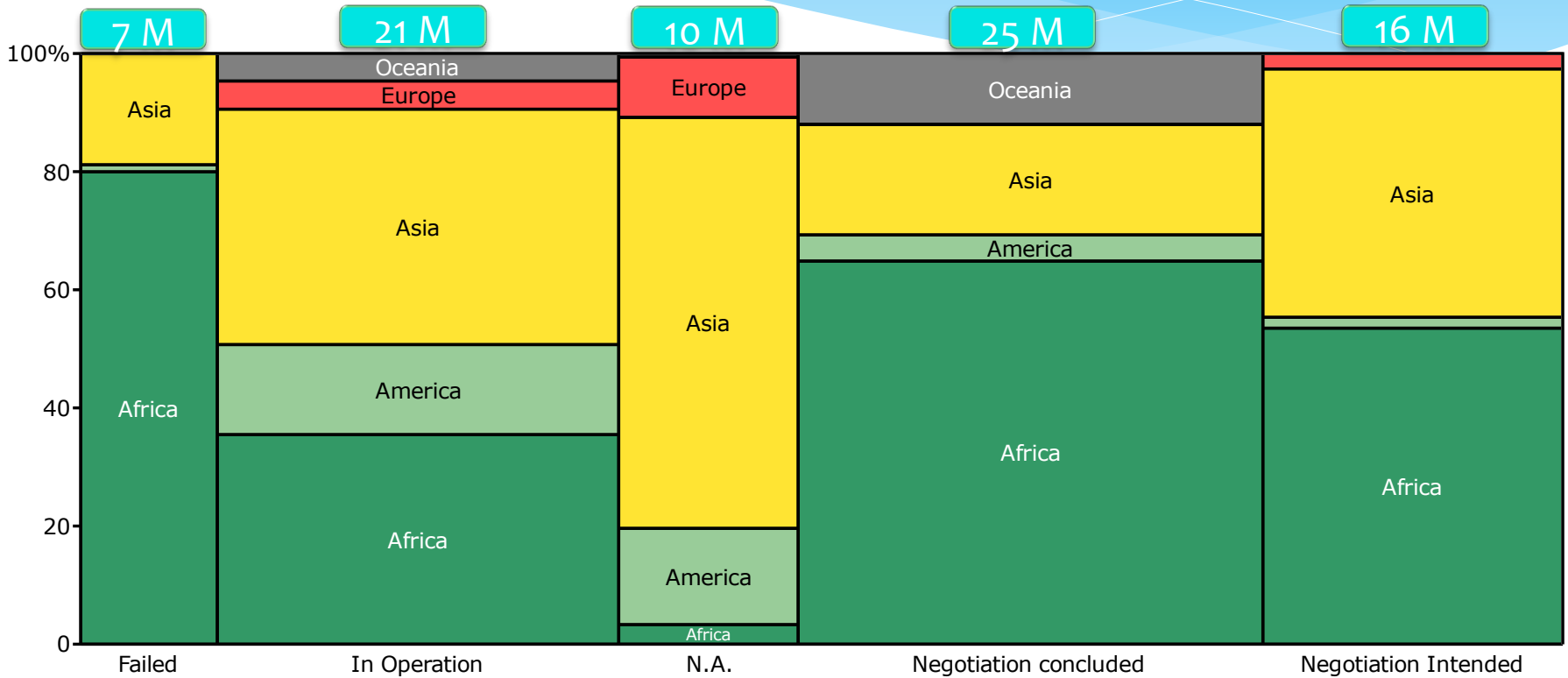
The slide features a solid blue background. At the bottom, there are several overlapping, wavy, light blue shapes that create a sense of movement or a horizon line. The text 'Global land acquisitions' is centered in the upper half of the slide in a white, sans-serif font.

Large gap between plans and actual implementation



% of Total

The geography of global land deals



The realized land deals involve
46 M of land

Common features

- * **Different purposes**, such as agriculture, forestry, tourism, industry and renewable energy. About 1/3 relates to the production of agro-fuel crops globally
- * Large **variety of investors** (private companies, state-owned companies, investment funds and public-private partnerships)
- * Vast tracts of land available, **cheap labour and land, favourable climate** for agricultural production, **proximity to markets** where products can be exported, and availability of **water resources** to be used to irrigate at relatively low costs
- * Positive correlation between **weak institutional capacity**, high levels of **corruption** and land agreements

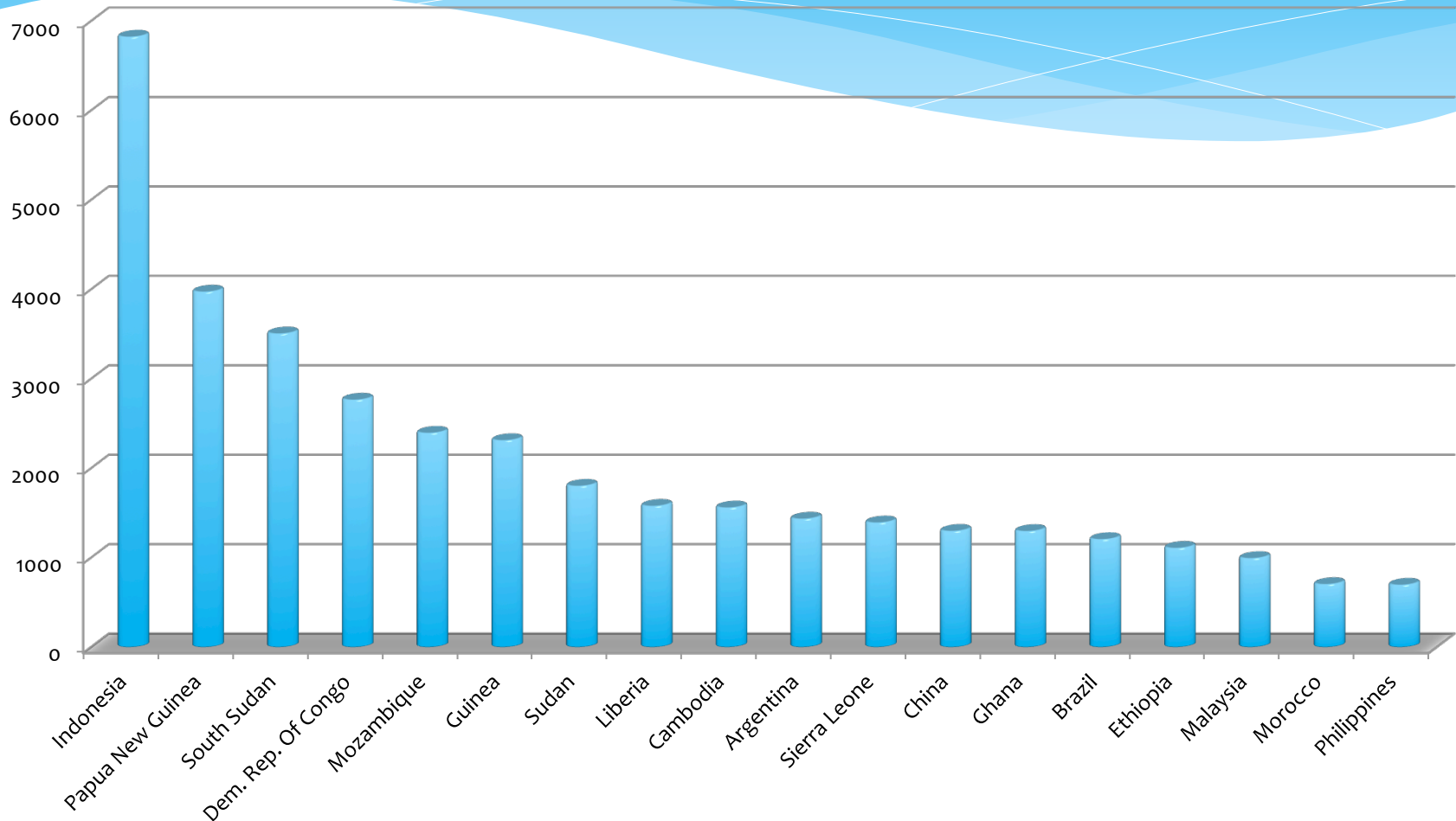
Concerns

- * **Risk or development opportunity?**
 - * Capital inflow, technology, infrastructures
 - * Eviction, dispossession, migration, little or no consultation, impacts on livelihoods
- * The increasing pace and dynamics of land acquisitions and the **implicit appropriation of water resources** poses major challenges to water, food and energy security
- * Risk for the capacity to secure domestic food supplies in the targeted countries after the agreement
- * The **exclusion of local populations** with customary access to land from the new agricultural development projects

Who invests, where and why

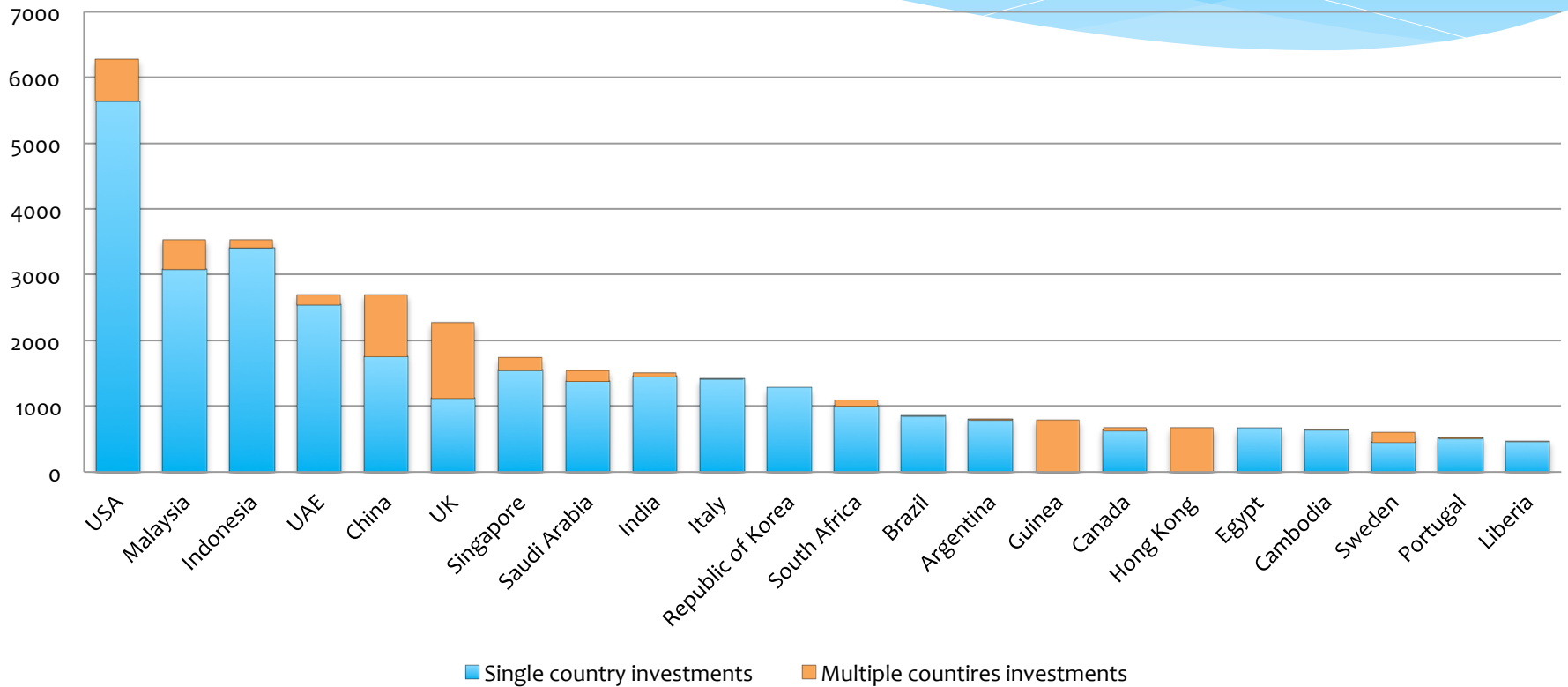
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Target countries



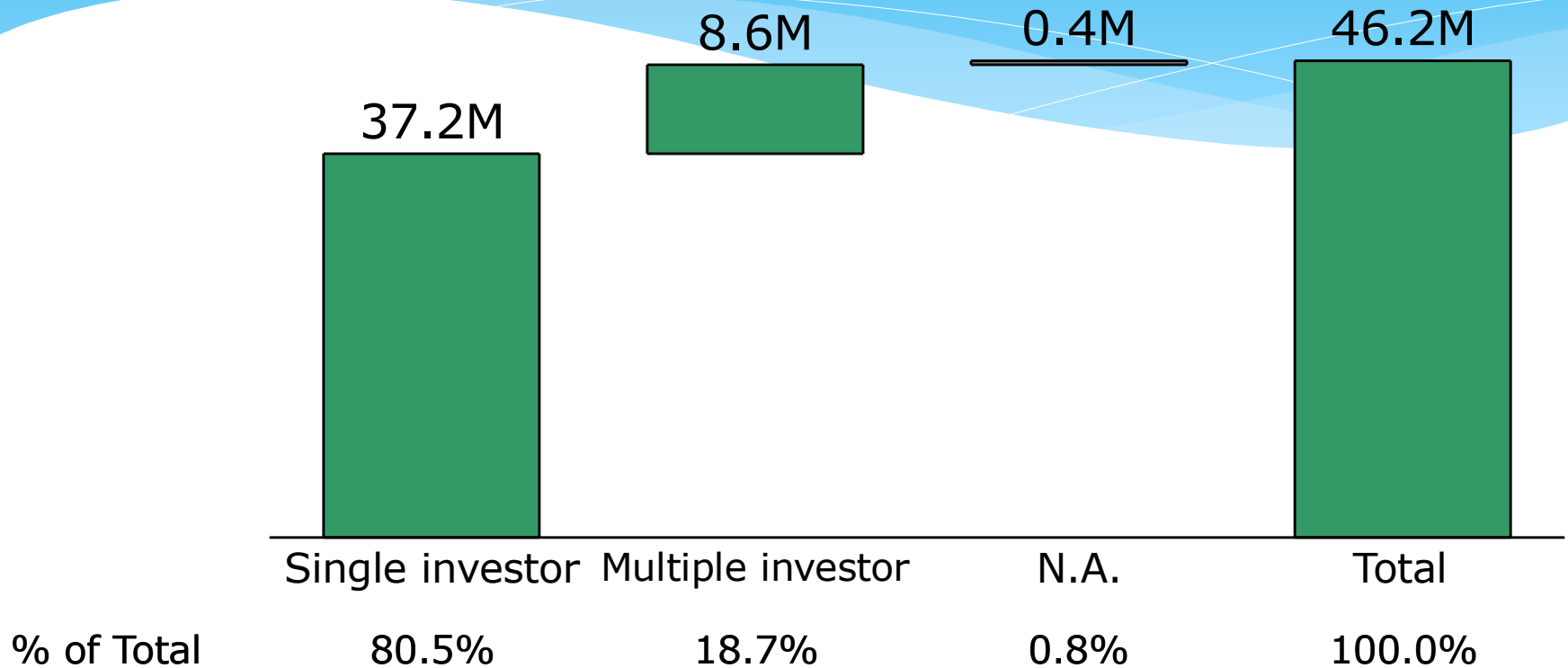
Thousand ha, deals in operation and/or concluded, 80% of global realised land deals

The investors (1/2)



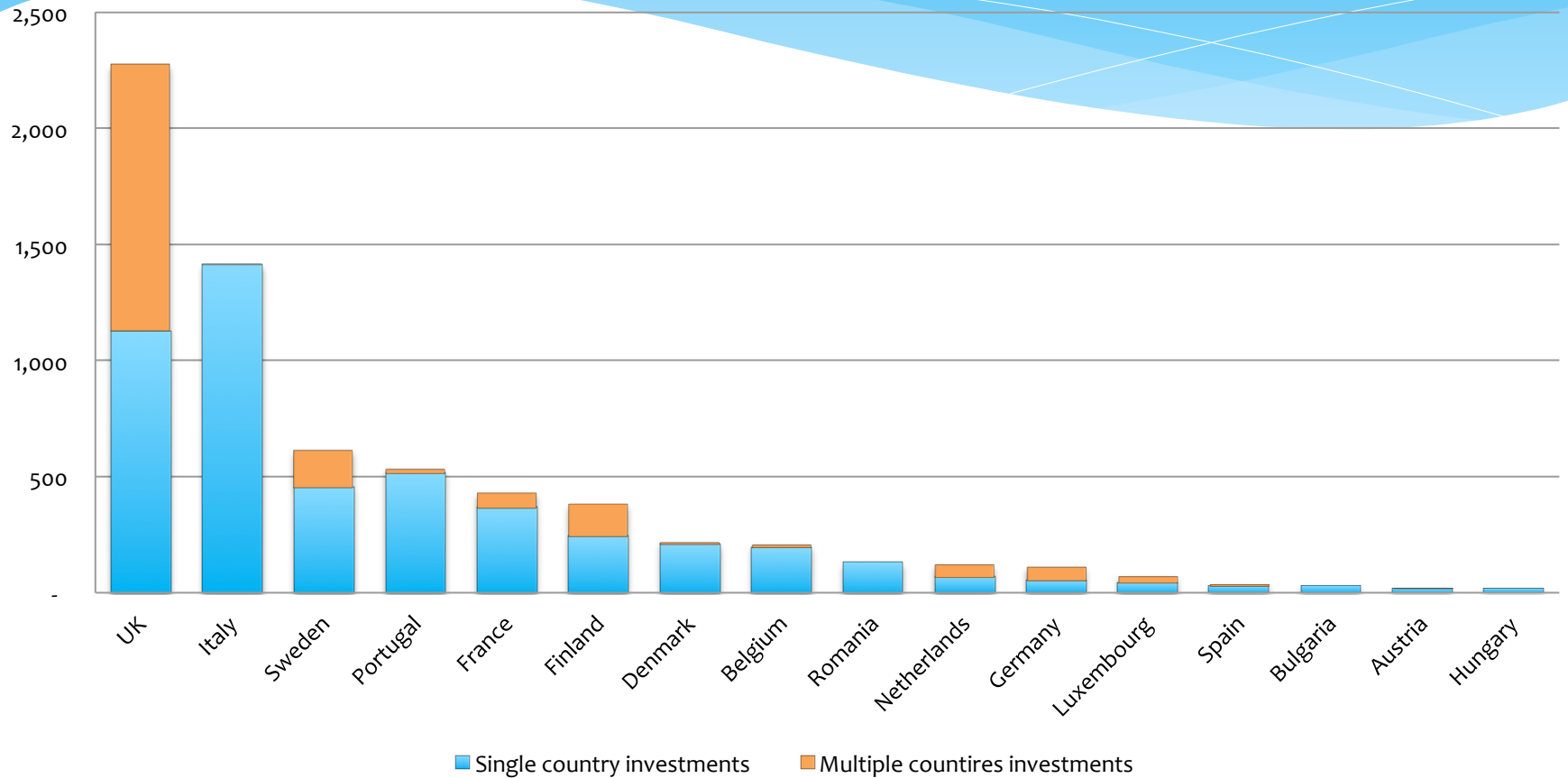
Thousand ha, deals in operation and/or concluded, 80% of global realised land deals

The investors (2/2)



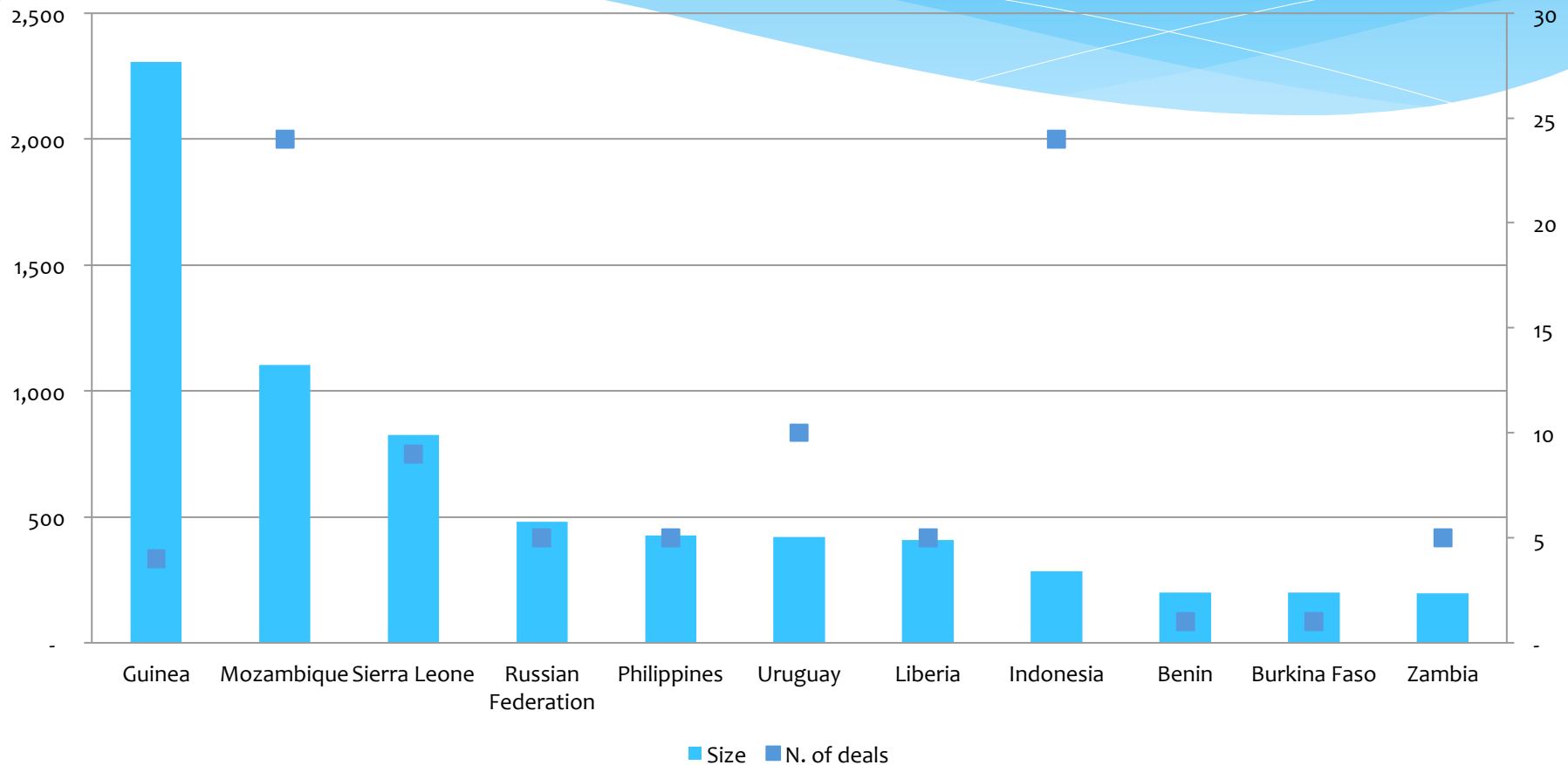
In over 60% cases, the target country is also involved in the transaction as one of the investors.

The role of Europe



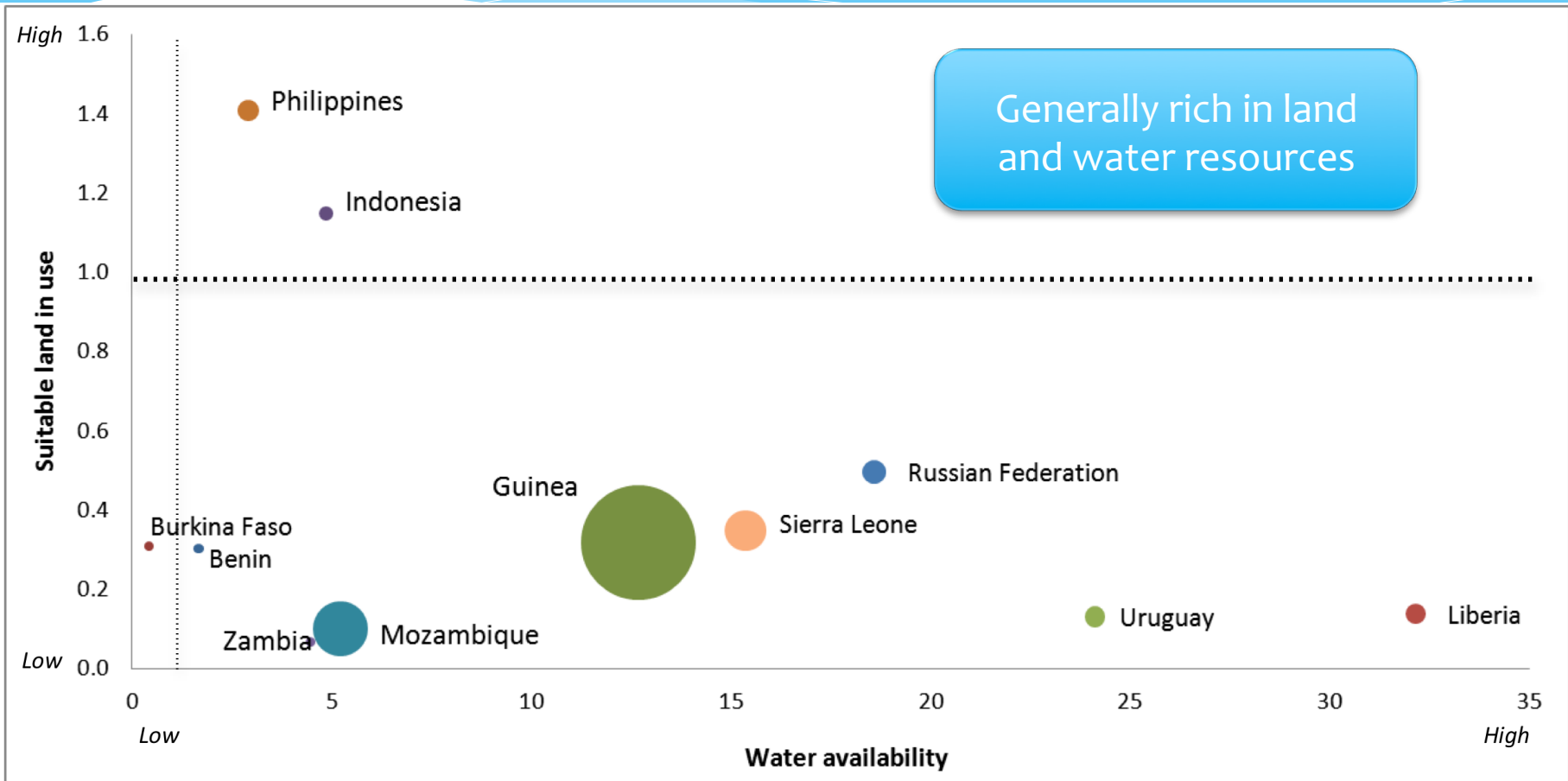
Thousand ha, deals in operation and/or concluded

Countries targeted by EU land acquisitions



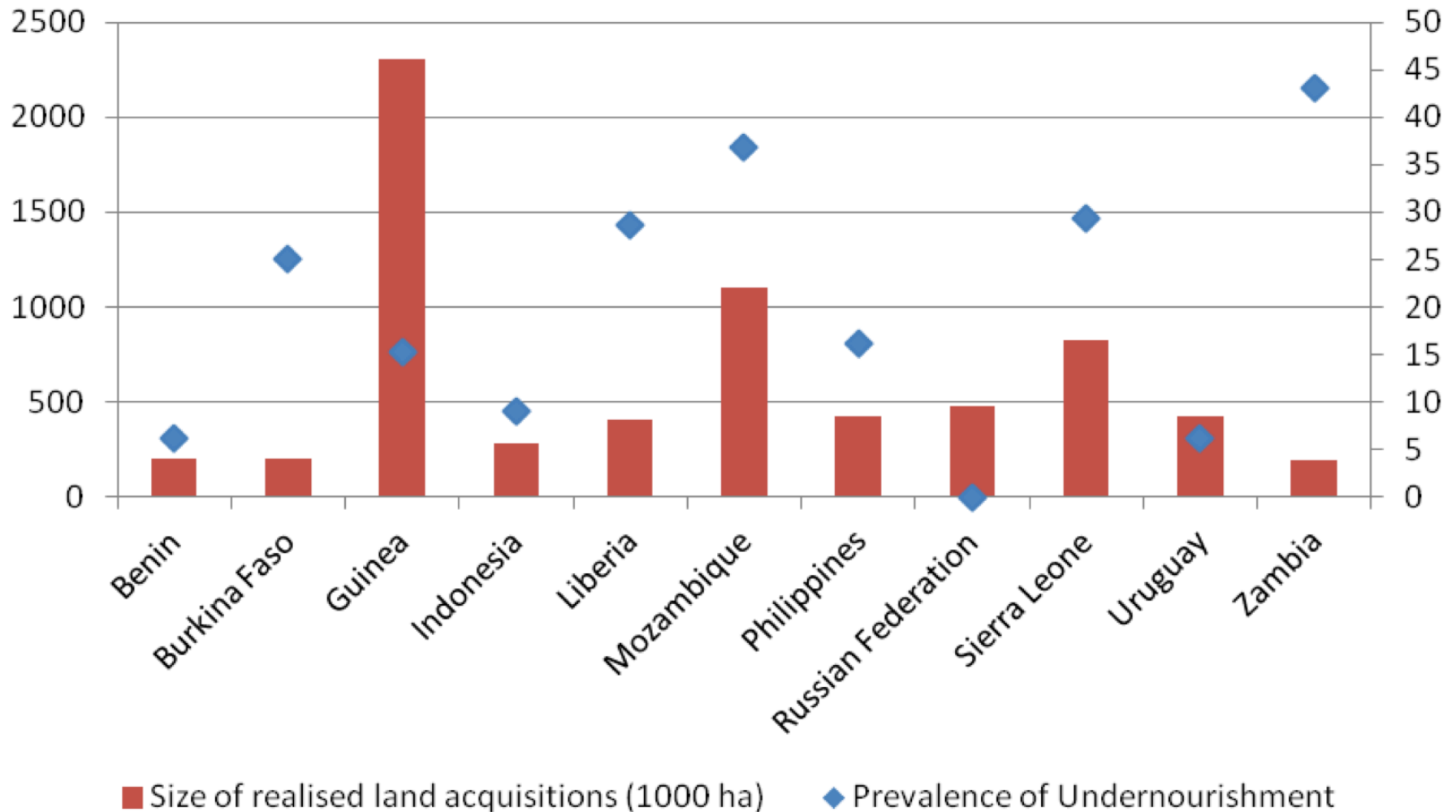
Total ha, in operation and concluded deals pursued by single and multiple investor countries

Land & water resources in target countries



Land suitability and water availability in the most targeted countries by the EU (80% of in operation and/or concluded deals)

Undernourishment



Human development index

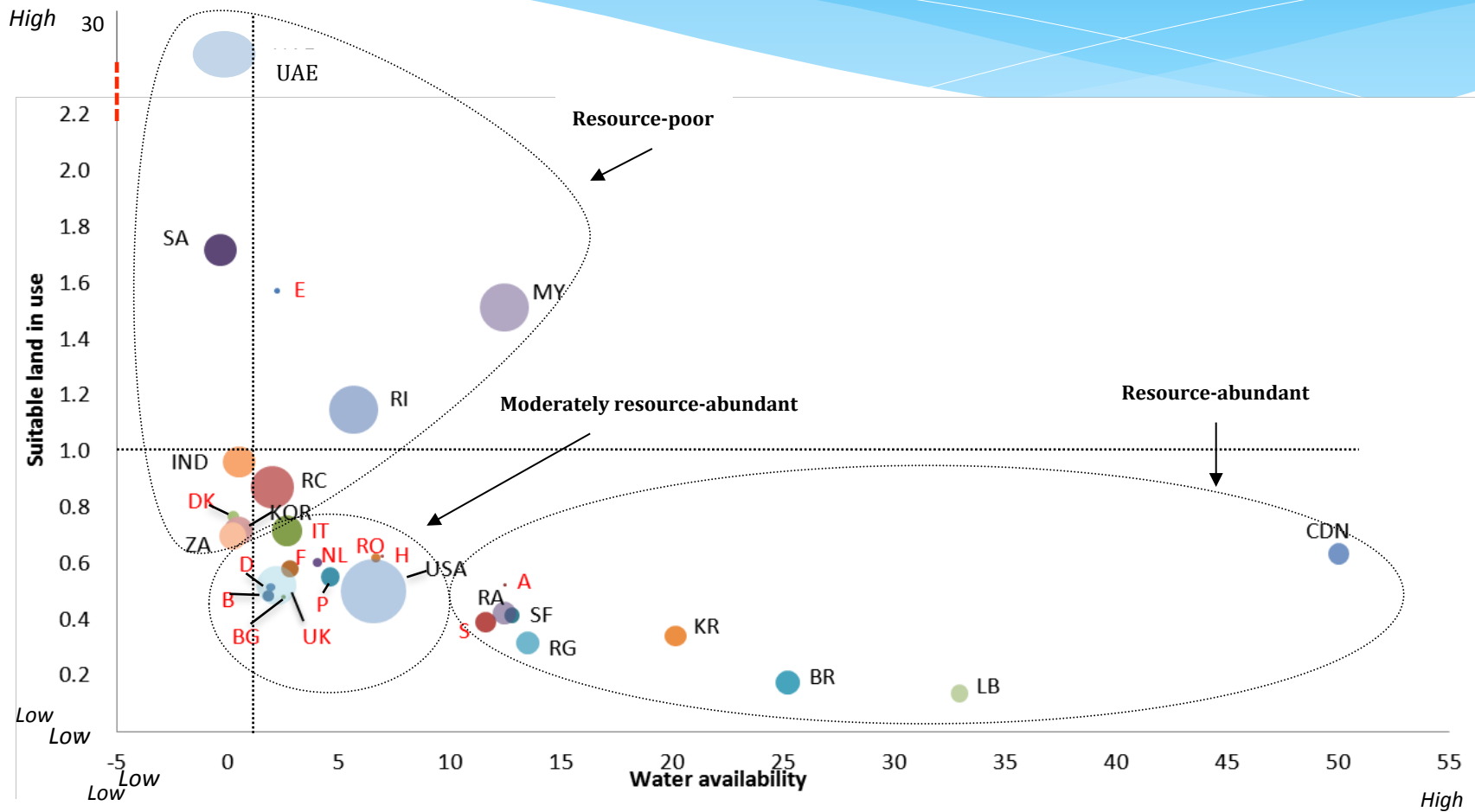
Very Low	HDI	Low-Medium	HDI	Medium-High	HDI	High-Very High	HDI
Zambia	0.448	Indonesia	0.629	Philippines	0.654	Uruguay	0.792
Benin	0.436					Russian Federation	0.788
Liberia	0.388						
Sierra Leone	0.359						
Guinea	0.355						
Burkina Faso	0.343						
Mozambique	0.327						
64%		9%		9%		18%	

Level of Human Development Index (HDI) in the most targeted countries (80% of in operation and/or concluded deals) by land acquisitions from EU investors. Data refer to the year 2012 (UNDP 2013).

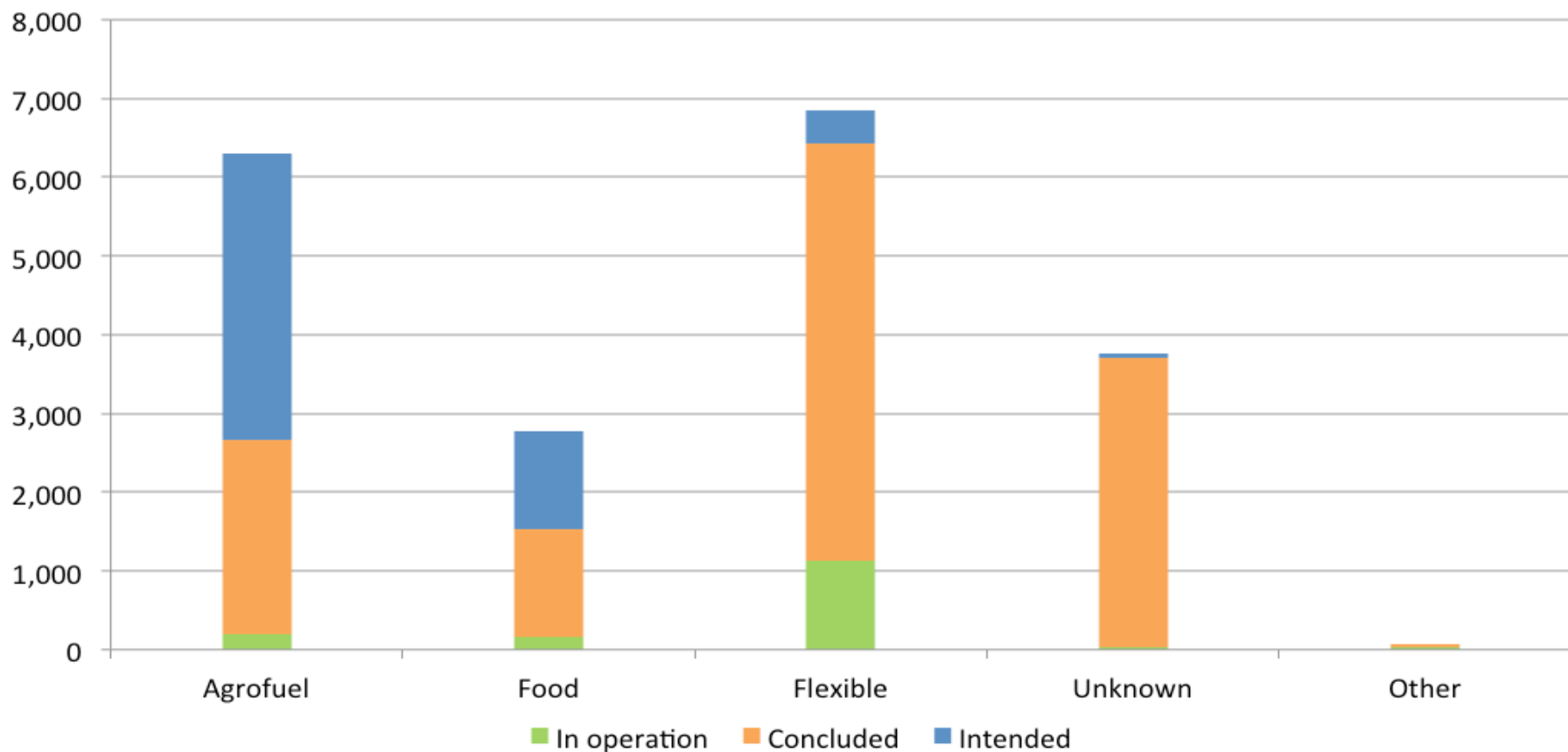
Why do global investors invest?

- * The need to **secure reliable food supplies** in the long-term, especially for land and/or water-scarce countries;
- * Speculation on future increases in **the price of agricultural land**;
- * The increasing **demand for agro-fuels**;
- * **Financial purposes and production of export goods**;
- * **Food price spikes** (2007-2008), especially as a consequence of the ban to exports and the increase in export levies set up by many food-exporting economies.

Land & water resources in investor countries



Purpose of EU land deals



Source: Land Matrix, 2013

Final remarks

Need for more responsible investments

- * Respecting land and resource rights
- * Ensuring food security
- * Ensuring transparency, good governance, and a proper enabling environment
- * Consultation and participation
- * Responsible agro-investing
- * Social sustainability
- * Environmental sustainability

Final considerations

- * Commercial pressures on land and the implicit appropriation of water resources poses major challenges to water, food, land and energy security
- * Key to ensure more responsible investments
- * Europe emerges as one of the key players in global land acquisitions, mainly for food and agro-fuel production. Future land acquisitions are linked to agro-fuel production
- * Many of the countries targeted by EU investments are faced with economic water scarcity, undernourishment and poor development

Seminar series

@ University IUAV of Venice

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Thanks for your attention!

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Padova, 23 October 2014