

“The European responsibility in land grabbing”

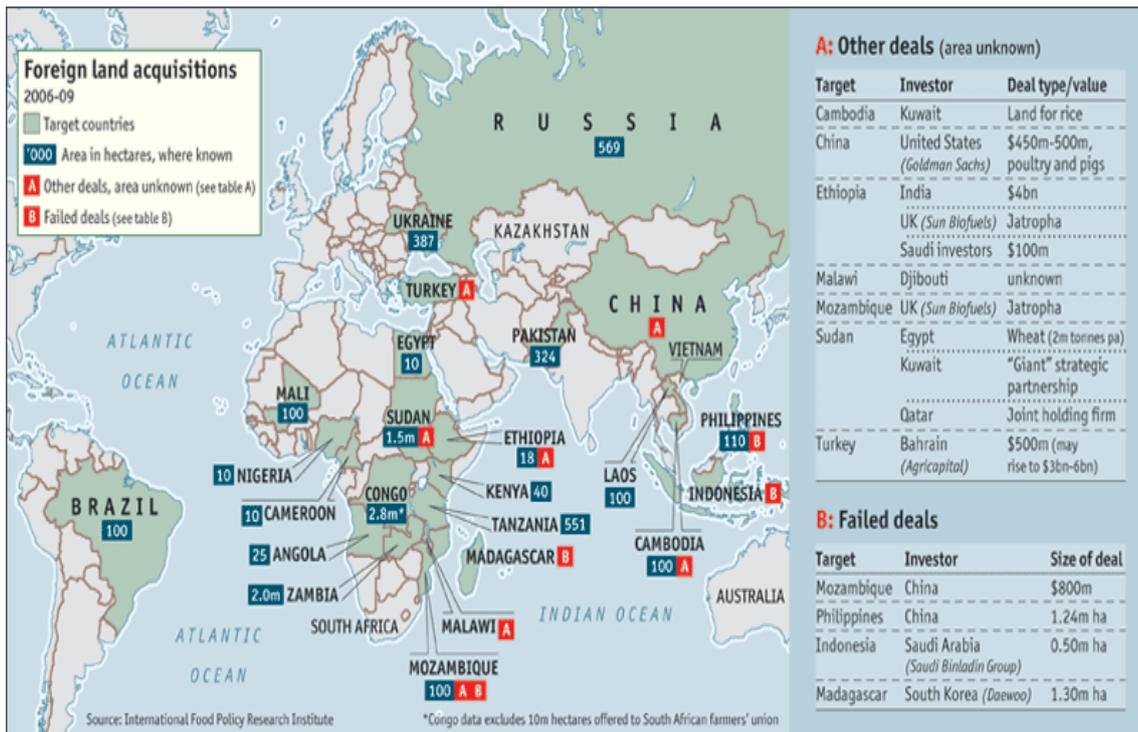
Policy note elaborated within the project “EU Trade & Agriculture Policy and its implication on poverty reduction (MDG 1) – Promotion of coherence by Civil Society”

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The increasing lands shortage is accelerating the race to its appropriation. In the last 10 years the acquisition or leasing of lands, in the southern part of the world, has affected more than 200 million hectares but just a third of these operations took place. An area that is eight times the United Kingdom (references Land Matrix and FAO). The 80% of this land is used for agriculture of which three quarters for the production of biofuels. The remaining 20% is used for industry, tourism, urbanization. More than 50% is purchased or leased in Africa.

Some states – not just the developed countries and China but also India and Arabs countries rich in oil – purchased or leased land in the African countries where there are still natural resources to exploit. This increase the competition between states that want to ensure their food industries the production of food and agro-fuel. It also speeds up competition between multinational companies, they want to supply the countries in needs, but with purchasing power, with food. From this competition, it would probably spread new conflicts. From the other side, poor countries, in need of investments sell off lands at less than \$1 per hectare.

The following chart shows where land grabbing occurred from 2006 to 2009, in thousands of hectare. As emerges from the chart, they were mainly in the sub-Saharan Africa. In the boxes to the side of the chart, there are listed the countries in which the purchases were implemented, and those who invested on the basis of type of operation. Especially the oil-rich countries emerge, looking for land to by with their petrodollars.



The real problem is that this rush for land excludes farmers and local populations, creating new divisions between countries and within the society. The governments of the African countries sell out their sovereignty causing exodus from the countryside to the cities.

This land is prosperous in terms of water availability, proximity to facilities, fertility and above all is already inhabited and cultivated by local people. The rural economy which is the only source of food security and which is represented for the majority by women, is replaced by large agro-export oriented industry. There is no employment and the plantation products do not give benefit to local people. So there is an intensive exploitation of the local resources such as land and water, that is threatening biodiversity and food security. These are the major concerns about the rush for land in the poorest countries.

This happens also in the richest countries, for example, in Europe the rural culture is undermined and, in the last few years, the rush for land to grow agro-fuels has accelerated the phenomenon. In Romania, for instance, foreign investors bought 700 thousand hectares. Instead in Italy the 3% of the owners holds the 48% of the agricultural area, as happened in the era of the large estate of the past century. China also suffers this problem: farmers protest (the 60% of the protests that means 90,000 riots per year) against state-owned enterprises that steal their land.

There has always been the problem of the sale of the land but now the phenomenon is increasing and more pervasive. The causes are different. First, land and water, and not just oil, are strategic resources for the power of the states, for the market and profit. They are useful to maintain or achieve a better lifestyle. But even before this, access to land and water, are vital for many local

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people. They represent common goods that are expropriated by the states for the investors. These issues concerns us as Europeans.

EU energy policy wants to increment the use of biofuels, encouraging companies to acquire land in order to cultivate soybeans, corn, wheat, sugar cane, palm oil. Cooperation policy of some European countries wants to help developing countries in adopting policies and invest in biofuels.

The European banks finance the transactions and the European companies which invest in land, in the processing and distribution.

The European Trade policy and foreign investment try to protect the companies of the European countries operating in the developing countries. But in this overshadows the needs and the consequences on the local population. This policy favors the large agro-industry and damages the small local farmers.

In the last ten years, **the common agricultural policy**, is trying to gain access to cheap products for the food industry and for breeding. In this way it stimulate, in the southern countries, the expansion of large export-oriented crops. This creates the import of virtual land that displaces the production of southern farmers.

European policy is ambiguous and contradictory because it has to deal with various problems. There are several conflicting positions. There is a clash between groups interested in the economic aspect and environmental organizations for security and food sovereignty of southern population. These organizations claim for the respect of the rights and universal principles and call for the EU to change its policies to promote food security.

The EU should change its energy policy in favor of renewable energy discouraging the production of agro-fuels. On 17 October, the European Commission has proposed new regulations by considering the effects of land grabbing on the greenhouse indirect emission gases from the production of agro-fuels. Several studies have shown that there is no future for the production of first generation agro-fuels because they are worse than fossil fuels. The production of agro-fuels causes indirect land-use change, ILUC, through the forests destruction, wetlands, agriculture and farming, which causes indirectly an increase in greenhouse gas emissions by reducing the absorbing carbon capacity.

The proposal, which amends the Directive on biofuels, prevents the incentive to replace foods plantations with those for the production of biofuels. It reduces the objective to 5% (it was 10%) on the amount of biofuels to provide European transport by 2020; it states the end of the period of public subsidies after 2020 unless it is proven greenhouse gas savings; it proposes the quadrupling of credits for biofuels second-generation non-food products, and the establishment of a minimum threshold of 60% in greenhouse gas savings that will apply to new projects for the production of biofuels from July 1, 2014. The final version of the Commission proposal does not include the introduction of the Directive on fuel quality and the statutory accounts of their impact in terms of ILUC. The issue is postponed until 2017 when there will be a scientific review

The EU should adopt a responsible policy on foreign investment that make binding the purchase and lease of land in the respecting of human rights and food safety in the southern countries. There is an extraterritorial obligation to prevent that citizens and companies damage the food right in other countries, this needs to be apply in a new law regulating foreign investment.

The EU should defend the land rights of small farmers and local communities through policy cooperation and promotion of guidelines on land tenure defined by the Committee for World Food Security.

In conclusion, the EU should rethink its **agricultural policy** in favor of agro-ecological and more balanced diets with less waste of food in order to cause less import of virtual lands. The income support for farmers, in particular the smaller ones, young people and women, should go hand in hand with the promotion of a greener agriculture with more attention for the territory, its culture and vitality, both in Europe and in southern countries.