Agrarian change under the radar screen

Rising farmland acquisitions by domestic investors in West Africa
Results from a survey in Benin, Burkina Faso and Niger

Thea Hilhorst, Joost Nelen, Nata Traoré, 2011
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Outline presentation

1. Context and research
2. Results
3. Scenarios of what might happen next
4. Responses
Agrarian Context

- **Mainly rainfed farming**/ livestock + irrigation schemes (Office du Niger + smaller schemes)
- Colonial period: **cash crops produced by smallholders** (groundnut, cotton)- no settlers
- “**industrial**” farming projects 1960s/1970s => poor results; abandoned following the droughts (1974; 1985)
- Gov. focus on smallholder farming: 1980s-1990s (production/productivity, market liberalisation, supply chain for cotton)
- Last decade: **policy shift towards promoting “industrial farming”**; **smallholder sector => social**; although still input promotion around key crops (rice, maize)
  - Burkina Faso most explicit since 1999; focus on agri-business, smallholders to make space and provide labour => now mainstream amongst African governments?
Institutional/Land tenure context

- **Legal pluralism in rural areas** => customary land governance systems dominate (farm land & commons) except for irrigation schemes
- **Land policy change:**
  - Code rural **Niger** (1993), “commissions foncières” +/-operational;
  - Benin 2007 (registration), BF 2009 ('charter')
- More **recognition of local land governance systems**; more support for decentralised management of land and natural resources
  - Local governments, land commissions; but what parts will be implemented first
- **Increase in competing claims** over land and resources use => conflicts
Survey 2010

- **“Action oriented”:**
  - More insight are needed in process and implication for developing effective responses requires facts
  - In close collaboration with farmer organisations

- **Case studies:** Selection of 6 sites in Benin, Burkina Faso and Niger where the phenomenon is present, in consultation with local governments: Survey of “new agro-investors” what type of land, how much, what conditions, why, economic activities, results for investors (99 cases: 21 Benin, 56 Burkina 22 Niger)

- Survey/ focus group on why communities accept these transfers & implications; local responses

- Analysis- Results compared with findings other studies on Burkina Faso (GRAF 2011) and Benin (Synergie Paysanne 2010)

- Workshops to discuss implications & next steps
West Africa and survey sites

Distribution and Evolution of the West African Population
Findings: domestic agro-investors

- **Since 2000s: more & larger (size) acquisitions**
  - Saving/ expectation of rising land values; expectations of registration; urban land becoming expensive; speculating international interest (Benin)
  - In absolute terms a “massive land grab” not (yet) visible
  - **No records;** What happens when registration becomes possible or interesting deals (out grower contracts?)

- **Where investors acquire land**
  - “Easy access”/ roads (proximity of cities at 1-2 hrs),
  - Availability of reserves (range lands/ forests);
  - Entry points/brokers, **Avoid “hostile”** communities/ local government
  - Some go back to region of origin; others avoid these (social obligations)

- **Who are the investors:**
  - Mostly **individual**; some cases of NGO-s and 1 business (Benin)
  - **Non-professional** in agric. (except Niger): civil servants, traders, politicians
  - **Do not live** on the land (55% in capital/ abroad); 30% have a caretaker
  - 18% no crop: **unused**— bias towards those who are locally known, present
**Type of transaction & contracts**

- All transaction involve customary authorities; investors then seek to formalise, but none have succeeded yet.

- **Why do customary land chiefs accept?:**
  - Belief in promises of development (particularly more remote communities)
  - Tempted by money/ gifts (motorbikes)
  - Use investors to settle conflicts: to remove other users (herders, tenants); reclaiming “lost” rights (Benin- paramount chiefs)
  - coercion/ manipulation => brokers via children/relatives

- **What Contract**
  - Lack of clarity on exact size & boundaries & agreements (lease? Sale?); expectations of reciprocity?) Different perceptions => may result in conflict
  - Few investors have to respect ‘conditions of contract’ (no “cahier de charge”)

Clear land => Environmental destruction – regulations bypassed

- Photos: Kleene/Zongo
- SNV-Niger
Agro-investors are heterogeneous: 4 profiles and strategies

1. -/-: Little/no cultivation, speculators, “weekend farmers”, wood may be cut;
2. -/+ Farming (on part of) acquired land: mechanised/ extensive; production/productivity low
3. +/-: Farming (part of) acquired land, following common practice; productivity similar to smallholders
4. +/-: Minority: agric. innovation, lucrative niches – often livestock related, urban markets

There is almost no impetus towards agric. ‘professionalization’, ‘modernisation’

- At best they perform as good as small scale family farmers;
- Many not “investors”

Most innovation is by (larger) family farms (productivity, new crops, new markets)
What may happen next with the land?

Cat 1
- Never used
- Degraded

Cat 2
- Land not /hardly used & not available to Community; Speculation on rising land value
- Abandon => returns to customary authority

Cat 3
- Absentee landlord
- Land rented out to local smallholders /migrants
- Contract farming with (international) investors
- Agricultural colonisation zone: Gov expropriation => dev scheme for Investors / (or migrants?)
- Sells on to other investors
- Muddle through & improve

Cat 4
- Profitable farm
- Limited interaction with community
- Collaborate with smallholders
Effects on existing production systems

- **Less reserves** for smallholder farms: ‘locks’ future development
- More **insecurity for tenants**
- **No collaboration with smallholders** (technology exchange, markets, connections, innovations)
- **Hardly rural employment** creation. (problems reported with management of labour => productivity)
- **Local politics**: some “absentee landlords” are inviting & installing migrants (cases in Niger and Burkina)
- **Commons: reduced size and blocked access to resources**
  - Effects felt on livestock keeping/ gathering fruits => shea-nut butter production (women) (pastoralist worried; women?)
Responses for “communities” farmer organisations: local & nat.

1. Influence “real” policy /decision making & implementation
   - transparency, accountability; monitor; denounce..

2. Engage with domestic investors (and investment funds)
   - Orient towards Value chain development, part of the enterprise?

3. Engage with local authorities (informal, formal) => resistance is starting here:
   - regulate; be selective,
   - Monitor
   - transparency/ accountability;
1. Farmer organisations to engage with « real » policy decision making/actions

- Address discourse & framing of issues at stake:
  - Gap between official policy on sustaining family farming and practice of promoting agro-investors (domestic and international)
  - Decisions influenced by caricatures & ideology around “modernisation”, professionalization; presumed roles of “agro-investors”, “small-holders”, etc.;
  - No understanding/appreciation for local dynamics and innovation

- Confront efforts for (re) centralising control over land
  - including expropriation for investors/ investment;

- Policies to curb land speculation (taxation?)

- Uphold legislation around environmental/eco services protection and protected areas...
2. Engage with those willing to invest and agribusiness sector

- **How can farmer organisation, communities, local authorities engage with investors:**
  - Orient towards "real" agribusiness: value chain development – possibly more profitable for both investors and smallholders (new markets, ‘downstream’ in chain)
  - **Engage** with large development funds/equity funds and forge inclusive deals/ produce real benefits?

- What contacts & capacities are required? Need for incentives?
3. Local authorities

- **Customary authorities**: ‘discredited’ and/or ‘overwhelmed’?
  - Prohibition on selling land ignored..
    - N.B. probable bias, because we focus on sites where LA takes place
- **Local governments**:
  - Difficulties in getting to get grip with process: no monitoring/records, limited registration/by-passing; pressure central government/elites;
  - Unsure about mandate (de jure; de facto)..
  - Some complicity too
- Some start to renegotiate at time of formalisation (size; location)
- Make better use of mandate around “cahier de charge” /land use planning; by-laws; mobility/environmental protection

- And –particularly–: local authorities/ customary authorities/ farmer organisation should evaluate (better) intentions & check of those seeking land and build in safeguards in contracts
  - Better to prevent than to correct
Next steps

• Present results at national level
• Discuss with key actors at local level
  ➢ (customary authorities, local authorities, farmer organisations, other civil society)
  ➢ Interested investors
• ... And build awareness, inventory of available tools; build scenarios / responses

• Need to act: when the land is lost it is too late