



Commercial Pressures on Land Initiative

Outline

1. Introduction

This document presents a collaborative initiative, facilitated by the International Land Coalition, on processes and impact of increasing commercial pressures on land. It outlines the goals, objectives and primary activities that will be coordinated by ILC in this initiative during the remaining period of the current strategic framework (2009-11).

This initiative will provide opportunities for the sharing and pooling of information that is already being generated, for the commissioning of new research to fill existing gaps, and for the development of responses by ILC members and others to mitigate risks for local land users and to enable local land users to benefit more fully from commercial opportunities on their land.

The **Commercial Pressures on Land (CPL) Initiative** responds to the rising competition for land in rural areas by investors. Not only is the competition for such land increasing, but the inequality in economic and political power between competitors – local land users on the one hand and wealthy individual or corporate investors on the other – is increasing. The future of agricultural production in such areas will be determined to a large degree by who is successful in gaining or retaining the rights to land. The implications on society, the economy and the environment of such outcomes are far-reaching.

Interest by investors in acquiring land – some of which may have been previously marginal to economic production - is driven by several converging trends: rising food consumption and predicted long-term food prices rises; demand for feedstock for agrofuels; increasing commodity prices; and carbon-trading mechanisms such as REDD. The last two years have seen a marked increase in the frequency of large-scale acquisitions and long-term leases of land in Africa, Asia and Latin America by companies based in the North and in the food-importing countries in the Gulf and East Asia. This trend magnifies the longer term challenges that poor land users have faced in maintaining access to land on which their livelihoods depend, in the face of competition from more powerful interests in their land.

Commercial investment that alienates land from local land users can increase landlessness and inequality, provoke conflict, and entrench poverty. However, inclusive investment that recognises the tenure rights of local land users could allow local land-users new opportunities to benefit from the productive potential of their land. Mitigating the risks of increased commercial competition for land, and providing opportunities for small-scale land users to benefit from this trend, is a concern to a wide spectrum of ILC's members. A brief summary of engagement by ILC on the impacts of global commercial pressures on land on tenure security of the poor is contained in Annex One.

2. Overview of initiative

The **goal** of the initiative is to:

- Support efforts of ILC members and other stakeholders to influence global, regional and national processes on land to enable secure and equitable access to land for poor women

and men in the face of increasing commercial demand for land

The **specific objectives** of this initiative are:

- i. To provide facilitate provision and exchange of information so as to increase transparency and awareness of commercial pressures on land (*web portal*)
- ii. To increase understanding of the current and anticipated impacts on poverty of commercial pressures on land on the tenure security of the poor, particularly in the context of the work of ILC members (*global study*)
- iii. To explore possible policy and operational solutions, both to mitigate negative impacts, and to enable poor land users to benefit from possible opportunities provided by the increased commercial value of land (*global study*)
- iv. To provide opportunities for face-to-face exchange of information and collaborative planning by collaborating partners, and to facilitate linkages with similar initiatives by other organisations (*seminars and conferences*)
- v. To develop and promote the use of tools for use by investors, host governments, policy makers, donors and civil society organisations to facilitate land-related investments to be inclusive of local land-users (*development of tools*)

The initiative will produce the following outputs:

1. Web-based portal

- *Blog*
- *Database*
- *Maps representing geo-referenced data*

2. Global study

- *Key thematic and country and transversal studies*
- *Global synthesis and overview of impacts and opportunities*

3. Conferences and seminars

- *Dedicated seminars with collaborating partners*

4. Tool development

- *Tools for governments, investors and/or civil society organisations*

3. Global Context

There are extreme contrasts in the world agriculture. Only a tiny percentage of farmers are mechanized and can take advantage of new technologies. Access to land is often very inequitable, and many producers working with manual tools or animal traction do not even have access to as much land as they could cultivate. Huge gaps in net agricultural productivity and free trade entailed a downswing trend in food and agricultural prices. In real terms, cereal prices were reduce sixfold over the last five decades, leading to an increase in poverty for small farmers and a growing loss of control over their lands. Notwithstanding, agricultural prices fluctuate considerably in the short term around this long term trend. The dramatic food price rise and then fall of the two last years are part of this phenomenon.

Since June 2008, when FAO Food Price Index reached its record, world food prices have declined,

with a drop of 6% in September. Nonetheless, the latest [FAO Food Outlook](#) warns that this should not create a false sense of security and that, "if the current price volatility and liquidity conditions prevail in 2008/09, plantings and output could be affected to such an extent that a new price surge might take place in 2009/10, unleashing even more severe food crises than those experienced recently".

As a consequence of this crisis, the number of additional people falling into hunger in 2007 was estimated by FAO to be 75 million, bringing the total number of undernourished people to 963 million. World food needs are expected to increase steadily in the coming years, which has recently prompted the FAO Director-General to warn that the current crisis is "a risk for peace and stability around the world."

The recent downturn in international commodity prices has not slowed down the opening up of new areas for prospecting and mining. In addition, accelerating agrofuels production requires large tracts of agricultural and virgin land for industrial-scale production of feedstock. Carbon-trading mechanisms are also placing new commercial values on standing forests and rangelands that have previously been marginal to commercial production. The confluence of these new demands for products derived from land and natural resources is generating a global new commercially-driven demand for land.

Global trends are creating unprecedented pressures on land resources and placing new tensions on land tenure systems. Little data as yet exists as to the magnitude of impacts of the emerging trends on the tenure security of poor women and men. Tenure insecurity for poorer members of society has always been a challenge, and motivated the establishment of ILC one decade ago. Nonetheless, increasing commercial demands for land have exacerbated tenure insecurity of poor land users, whose rights to such land and natural resources may not be legally recognised. Increased numbers of family-farmers, common property users, forest dwellers, rangeland users and other women and men who rely on land and natural resources are facing direct competition for such land. In many cases they have no legal tenure over their land, and are unable to compete with interests that may include national and international investors, governments, and trans-national companies. These trends are bringing to the fore questions of the place of family farming in the future of global food production systems and in rural societies and economies.

4. Focus of Initiative

The ILC initiative focuses on the following profit **drivers** of increased commercial demand for land:

- i. Agrofuel feedstock production
- ii. Food production
- iii. Carbon sequestration
- iv. Timber extraction

A number of other studies and initiatives are in progress on questions of commercial pressures on land. These are taken into account so that the focus of the ILC initiative is complementary to existing initiatives:

- FAO and IFAD are now working on international investments in agriculture and their land tenure implications.
- FAO and IIED are carrying out field studies in Mozambique and Tanzania, following an overview on agrofuels worldwide.
- FAO, IFAD and IIED are working on a review of literature on food security and food exports, in Africa.

- The World Bank is launching a study on "Large-scale acquisition of land rights of agricultural or natural resource-based use" in about 30 countries from Africa, Asia, Latin America, and Eastern Europe, with active collaboration of FAO, IFAD, IIED, and some other partners. It will start with a small number of pilot countries.
- The French Land Committee is monitoring large land acquisitions, especially in Africa, with the collaboration of AGTER and the Hub Rural.
- The DPRN initiative, set up by the Centre for Development Studies of the University of Groningen with Oxfam-Novib and ILC as partners, is examining policies for development in the light of commercial pressures on land, leading to a seminar at the University of Utrecht in July 2009

The ILC initiative aims to work primarily with Civil Society Organizations, Research NGOs and Farmers' organizations. Participation of centres of research will move towards strengthening the capabilities of Civil Society to take part in the discussions on large land acquisitions.

The main issues addressed will be:

- formal and informal governance institutions and mechanisms on land and natural resources at local and national level,
- collective action,
- different systems of property rights,
- economic efficiency of various productive models,
- environmental sustainability,
- governance of public goods at global level.

This research will benefit from the diversity of ILC's membership, by facilitating processes and discussions between all the participants, taking advantage of a comparative approach.

The initiative will focus on expected and real impacts (positive and negative) of increasing commercial pressures on the tenure security of land-insecure users. It will focus on the following profit drivers of increased commercial demand for land: agrofuels and food production, timber extraction, and carbon sequestration.

In particular, the initiative on commercial pressures on land will focus on impact in the following land sectors: agricultural land, forest land, and rangelands. It will take into account different kinds of investors: sovereign funds, trans-national private investment funds, corporations, and private investors.

The initiative will consider the different land tenure regimes, the specific juridical systems and the different types of existing land rights, statutory and customary. It will attach much importance to the way the commercial pressures on land affect those existing rights and provoke changes among the land tenure regimes. It will also look at the international context and regulation framework, especially those which have direct incidence in commercial pressures on land, such as Free Trade Agreements and new Carbon trading mechanisms. Local people's resistance and struggles, and new institutional and juridical arrangements will be examined.

The analysis of commercial pressures on land and its consequences for the poor gives an outstanding opportunity to bring together perspectives from different continents, different institutional settings, and different social and economic positions. It gives a chance to broaden the ILC scope to new partners, to engage with other farmers' organisations or civil society movements. It should also open the door to dialogue with different corporate sectors at national and international levels. Coming up with new proposals at global level will not be possible without new alliances.

Thus, the ILC initiative has been drafted as a necessary complement to the other studies of

international institutions, giving voice to the Civil Society. Both groups of initiatives should take advantage of setting up a real dialogue and sharing of experiences. This does not necessarily mean looking for consensus. Some positions will be contradictory or antagonistic, between those different perspectives, and also within the different groups.

The analytical framework of the initiative is summarised with a set of key questions to be answered in Annex Two.

5. Components of Initiative

A: Web portal on commercial pressures

Objective: to provide a web-based space for provision and exchange of information so as to increase transparency and awareness of commercial pressures on land.

The web portal is situated on ILC's website, and will include:

- i. a **blog** with current information from the press and research articles. Members of the blog receive a weekly summary of highlights. The blog will be updated three times per week during 2009. The frequency of postings will be re-assessed at the beginning of 2010.
- ii. a hub for ILC members and partners to **exchange** information. Depending on interest, this may develop into a virtual network of professionals interested in commercial pressures on land.
- iii. a restricted area to enable **coordination** with collaborating partners in different components of the initiative.
- iv. as the blog develops, it will become a **database** containing useful and accessible information on different aspects of commercial pressures.
- v. the development of the database will allow the production of a series of **maps** using geo-referenced data that graphically represent various phenomena associated with commercial pressures on land. IIASA's works will be the starting point for this effort. Building key maps will be very useful to illustrate the study on commercial pressures on land and to sort out some quantitative data on this phenomenon. They will help the location of the commercial pressures and this will facilitate the refinement of the analysis.

The portal will host two **e-discussions** in 2009. The first, from April – June 2009 will be in preparation for the DPRN seminar (8th July), and the second will be in support of the global report, due to be completed in March 2010.

Efforts will be made to collaborate and promote complementarity with other web-based portals providing similar information, particularly GRAIN and Hub-Rural.

B. Global study

Objective: to increase understanding of the current and anticipated impacts on poverty of commercial pressures on land on the tenure security of the poor, particularly in the context of the work of ILC members, and to explore possible policy and operational solutions, both to mitigate negative impacts, and to enable poor land users to benefit from possible opportunities provided by the increased commercial value of land.

The ILC study will be composed of various pieces of work, each of them being signed by its authors. Globally, the study will be coherent in its structure and in its conception, even if its different parts can represent various - and even maybe contradictory - opinions. The objective is

not to obtain any kind of perfect consensus within the different parts of the study, but to build a thought provoking tool and to feed a collective thinking process.

The global study will be built by four different elements. Firstly, a set of **thematic studies** will be undertaken by ILC members and partners, according to the major themes evident in commercial pressures on land and according to the specific interests of ILC members. These may include: tenure in carbon trading and forests; land acquisition for agrofuel feedstock production; land acquisition for food production; allocation of common land to investors; impacts on labour rights; impacts on women, and; impacts on ecosystem services.

Secondly, a number of **paradigmatic country studies** focusing on particular countries will be undertaken, which may include: land concentration in Peru; Special Economic Zones in India; land demand in and by China, and; lessons from Madagascar.

Thirdly, ILC members will be invited to submit **case studies** based on their own thematic and country areas of interest.

Fourthly, a **global synthesis report** will be produced, under the coordination of the ILC secretariat, which builds upon the above studies and identifies transversal issues, trends, impacts and opportunities.

Studies on transversal issues and case studies can be read independently from the global report and independently from one another. However, the independent studies are linked to the global report in the sense that they will illustrate some specific points of the general analysis and will focus on specific mechanisms. All four sets of documents will be guided by the common analytical framework that has been developed, and will be oriented at answering the questions in Annex Two.

The study requires an in-depth analysis of complex phenomena, not only economic, but also environmental, social and political. It implies a questioning of some key concepts. Commercial pressures on land refer to investment processes, land tenure regimes and market functioning on different kinds of rights and commodities. Even if it will not answer all the questions, the study will provide evidence and scientific interpretations for more realistic analysis and action, and will create the opportunity for a high level debate on core issues of the twenty first century. In order to facilitate this thought provoking synthesis, highly respected personalities of different ideological positions will be invited to present their comments and interpretations on the study outputs during the final phase of the process.

Thematic Case studies will be elaborated as follows:

- i. **Land acquisitions for agrofuel feedstock production.** The starting points are recent IIED's studies, and especially [Cotula, L., Dyer, N., and Vermeulen, S., 2008 Fuelling Exclusion? The Agrofuels Boom and Poor People's Access to Land, IIED, London].

A study of commercial pressures on land and especially on vulnerable land users cannot ignore the issue of agrofuels crops expansion. US and EU Energy policies have created an artificial market, which has important consequences on land tenure, climate change and food markets.

- ii. **Tenure in carbon trading and forests.** The starting point will be the 2008 RRI's study. [Sunderlin, William D., Hatcher, Jeffrey and Liddle, Megan. From Exclusion to Ownership? Challenges and Opportunities in Advancing Forest Tenure Reform. RRI. 2008].

Forests cover about 4000 million ha, and demand for access to forest land has greatly increased. This study will provide an in-depth analysis of corporate concessions (juridical main schemes, capability to work in a sustainable way, appraisal of economical aspects, possible transitions to full ownership). It will also build on current work examining tenure

rights to carbon. The existence of carbon credits markets is provoking the interest of private investors in huge forested areas in Southern countries. Forest protection mechanisms are still being discussed in post-Kyoto planning, and it is vital to be aware of the consequences generated by the forests carbon credits markets before finalising agreements.

iii. Allocation of the commons to investors.

The Commons are estimated to be the home of 1 to 2 billion people and cover 5 billion ha (1/3 of the world area). Despite improvement in some countries, access and tenure rights for commons users remain much more than precarious than private property rights. Consequently the Commons are the favorite target of land investors and national governments still often consider that these lands as 'unused', 'underutilised' or 'empty', and that they should be offered to foreign investment for agricultural development.

iv. **Commercial pressures on land for food production.** The starting point will be GRAIN's studies and FAO work on food security.

This topic is a burning issue including many elements of current news: the financial crisis, the food crisis, and farmers' demonstrations. Part of the focus of this study will be on offshore food production by food-insecure states, often involving investments by sovereign funds. It will also cover demand for land by private investors in food production. Considering long-term forecasts for global growth in food consumption, it is likely that demand for land for food production will continue, even during times of financial crisis.

v. **Impacts on labour rights.**

The impact of changes of land use from family farming and other forms of small-scale production to plantation agriculture has a profound impact on the economic relations of land-users. The shift of local populations from producers to labourers raises questions of labour conditions and food security, particularly as labour regulations are often weak in areas where such changes are taking place. This study will focus on documenting such impacts.

vi. **Impacts on women.**

Little is understood of the particular impacts on women's livelihoods of commercial pressures on land, although existing research indicates that changes in rural land use towards commercialized farming often exclude women disproportionately. This has been noted, for example, in a 2008 study by FAO on Gender and Equity Issues in Liquid Biofuel Production.¹ In many areas, women are the primary food producers, whereas men are most likely to gain from land sales and new employment opportunities. This study will document impacts on women's access to land and women's livelihoods more generally.

vii. **Impacts on ecosystem services.**

The conversion of mixed use landscapes under various forms of smallholder production to large-scale monocropping by mechanized agriculture has significant environmental implications. Increased demand for water, increased chemical inputs and reduced biodiversity will promote the likelihood of degradation not only in the sites of investment,

¹ <http://www.fao.org/docrep/010/ai503e/ai503e00.HTM>

but in the whole watershed. In addition, displaced landusers may move to forested areas to extend the boundaries of agriculture, thus carrying the impacts even further afield. The reduced ability of degrading ecosystems to provide goods and services to all whose livelihoods are dependent on the ecosystem may be a significant impact of large-scale conversions of land to commercial agricultural production.

Paradigmatic country studies will be elaborated as follows:

i. India: Study on Special Economic Zones.

This topic is very interesting since India, with its 1.1 billion inhabitants and its incredible economic growth rate (9.6% in 2007 and 8.7% in 2008), constitutes a model for many developing countries. The Special Economic Zones concern various land sectors (forests, coastal areas, agricultural zones) and many profit drivers (tourism, mining, industry, dams), presenting both risks and opportunities for local people, and generating significant political reactions at all levels.

ii. Peru: The Land concentration process.

Peru illustrates wider trends that can be observed in Latin America, where concentration of land ownership is taking place through market mechanisms on private land. Peru illustrates that the lack of security of land rights is not the only reason why land grabs are occurring. Investors in large amounts of land are not only members of the Argentinean government or rich national families, but also multinational companies and in some cases foreign States, leading to greater inequality in land ownership than before the agrarian reform of the mid-1970s. Studying the growing concentration of land in Peru can contribute to understanding the mechanisms and consequences of concentration processes all over Latin America, and in developing countries in general.

iii. China: Land tenure reform and offshore investment

The importance of this country for the study is two-fold. It demonstrates both land concentration phenomena as land rights system is change, and China is one of the main investors in land abroad. China holds one sixth of the world population, and 40 % of the world farming population. However, despite the low availability of suitable land for agricultural purposes (9% of farmland), China has been since the early 1980's a net food exporter. All this has been possible thanks to radical land redistribution. Nonetheless, there are now initiatives of large land acquisition in some regions as well as a profound questioning of land rights systems.

iv. Madagascar: The rise and fall of investors (and the government)

The announcement by Daewoo in late 2008 of reaching a 1.3 million Ha agreement with the Government of Madagascar for food and agrofuel production was one of the cases that provoked world interest in the ethics of offshore food production in countries facing high rates of hunger themselves. Madagascar became emblematic of many other similar cases, with continued lack of transparency and contradictory claims from negotiators on the status of agreements reached (or not reached). The depth of public resentment against the handover of land to foreign investors – and the potential long-term implications for social stability – became painfully apparent when popular unrest caused the overthrow of the government, and one of the first actions of the new leader was to announce that the Daewoo deal would not take place. This study will attempt to reveal the lessons learnt from Madagascar.

Thematic and paradigmatic case studies may be reduced or increased, depending on interests of potential contributing authors and organizations, and relevance to the objectives of the study.

Case Studies to be submitted by ILC members will be produced through an invitation to tender, under the supervision of a focal point in Africa and of another one in Asia. In Latin America, a similar exercise has already been initiated, which will complement this ongoing initiative, in order to allow good communication between both sets of research.

Up to five case studies will be undertaken in each continent. They will focus on whatever kind of commercial pressure on land the proposing institution will consider the most interesting. In order to facilitate sharing of experiences, researchers in charge of a case study will also contribute to another case study, in a different country or continent through a short visit and dialogue with their peers. Thus, they will broaden their vision and improve their capability to understand different situations. This method will include Latin-American case studies.

Aligned with the development of specific studies as above, will be the development of a **global report**, coordinated by the ILC secretariat, that synthesises the outcomes of the studies, **focusing on impacts and options for mitigation and opportunities for local land users**. The synthesis will be framed within wider questions of the future of family-farming in global agriculture. The study is being designed so as to be complementary to other studies initiated on the same questions, particularly by ILC members FAO, IFAD and World Bank. It will build on the strengths of ILC's diverse membership, and focus more on impacts and possible solutions than on mapping the phenomenon.

The different elements of the global study are summarised in Annex Three

C. Conferences and seminars

Objective: to provide opportunities for face-to-face exchange of information and collaborative planning by collaborating partners, and to facilitate linkages with similar initiatives by other organisations

ILC will ensure opportunities for collaborating partners to come together to exchange information generated within the context of the initiative, and to plan collaboratively.

In 2009, two seminars are envisaged:

- i. ILC Assembly of members Working Session on Commercial Pressures. This will provide an opportunity for ILC members to discuss commercial pressures on land and the relevance of the initiative to their areas of work.
- ii. DPRN seminar, 8th July, by the University of Groningen with Oxfam-Novib and ILC as partners, and hosted by the University of Utrecht. Information generated on the impacts of commercial pressures will provide a background to this seminar, but it will focus on examining possible tools and regulatory measures to mitigate negative impacts and promote the ability of local land users to derive benefit from land-related investments

In early 2010, prior to the finalisation of the global report a seminar for collaborating organisations and researchers will be organised.

ILC will also support participation in other seminars and conferences addressing similar issues, so as to promote the dissemination of information and outputs generated by this initiative, and to promote wider collaboration.

D. Development of tools

Objective: to develop of possible tools for use by investors, host governments, policy makers, donors and civil society organisations to promote and enable land-related investments to be inclusive of local land-users

The development of tools to mitigate potential negative consequences of land-related investments and promote opportunities for local land users will be an increasing focus of the initiative as it develops. Such tools could include:

- Guidelines for investors in land-related investments
- Methodology for investors to gain prior and informed consent from local land users
- Policy principles for governments and donors
- Benchmarks for best practice in land-related investments
- Tools for empowerment of civil society for equitable community-investor partnerships
- Possible Code of Conduct for large-scale land acquisitions

Consultation will be undertaken with key stakeholders, including the private sector, on the potential usefulness of such tools. Efforts will also be made to strengthen collaboration on this component with civil society organisations working on trade and investment.

The DPRN seminar in July 2009 will be a point in the initiative at which the need and viability of possible tools will be considered, enabling the identification of one or more tools that will be developed starting in the second half of 2009.

Support will be given where appropriate to existing initiatives in this regard, such as FAO's Voluntary Guidelines on Responsible Governance of Tenure of Land and other Natural Resources.

6. ACTORS, ROLES AND RESPONSIBILITIES

Production of the global report will be a collaborative effort. Based on initial consultations with ILC members and partners, the following structures will facilitate collaboration:

- Interest Group: All organisations interested in being kept informed, and possibly contributing information on the initiative will be part of the Interest Group. This will be facilitated by a specific mailing list, moderated by the ILC secretariat, on which information is circulated, drafts are posted to invite comment, and progress is updated. The interest group is open to any members and partners, and involvement in the interest group carries no expectation of commitment for direct involvement in the initiative.
- Advisory Group: The Advisory Group is comprised of those organisations who have undertaken to be directly involved in the initiative. Their role will be to provide guidance and advice to the initiative, and facilitate the involvement of their organisations where appropriate. Some members of the Advisory Group will have been able to take part in the writing of the report, if they want to. The Advisory Group is open to members and partners of ILC.

The ILC Secretariat will facilitate the initiative, in particular the integration of ILC members. It will not be directly involved in the writing of the report, but will oversee the work of technical specialists invited to assist with the global synthesis. It will facilitate exchanges among members, manage the dedicated web section and the mailing list as a communication tool for info sharing within the Interest Group and other stakeholders, support continued resource mobilisation for the initiative, support to the Advisory Groups, and ensure integration into other research and advocacy opportunities. It will also ensure linkages between the global, regional and national levels of ILC's operations.

ILC Secretariat will be directly engaged in and responsible for the building up of the blog mechanism, and will contribute to facilitate the exchanges between participants of different cultural origins, and translation from their current languages to English.

The data used for the studies will be generated primarily from the ongoing research and monitoring initiatives of collaborating organisations. Grants will be provided where needed to

contract collaborating organisations to undertake additional research and writing for the purposes of this study. Such information will remain the joint ownership of the originating organisation and organisations involved in this initiative.

To complement the commissioned work of participating organisations, the ILC secretariat will facilitate a call for case studies from among its membership, partnership and invite selected new participants.

Participating organisations will be responsible for guaranteeing the quality of quantitative, qualitative and geo-referenced data produced, ensuring reference to reliable sources.

7. Project timeline

Activity	Jan 2009	Feb 2009	Mar 2009	Apr 2009	May 2009	June 2009	Jul 2009	Aug 2009	Sep 2009	Oct 2009	Nov 2009	Dec 2009	Jan 2010	Feb 2010	Mar 2010	Apr 2010	May 2010	June 2010	Dec 2011	
Web-based portal	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■
Scoping study	■	■																		
Release Scoping study			■	■																
Research, analysis					■	■	■	■	■	■	■	■	■	■						
Global Report writing														■	■	■				
Release report																■	■	■		
Tool development								■	■	■	■	■	■	■	■	■	■	■	■	■

Annex One: ILC's engagement with commercial pressures on land

Equitable access to, and control over, land and natural resources is at the heart of ILC's vision that *secure and equitable access to and control over land reduces poverty and contributes to identity, dignity and inclusion*. The increased challenges to land tenure security of the poor are a concern to a wide variety of ILC members, who have expressed the need to explore, understand and address this global issue in a comprehensive way. The 11th Session of the Coalition Council in April 2008 tasked ILC to facilitate a collaborative response within the ILC membership to these trends.

The 16th session of the UN Commission on Sustainable Development (CSD16) in May 2008 provided an opportunity to initiate a process of stocktaking and advocacy. CSD16 focused on issues of Agriculture, Rural Development, Land, Drought, Desertification and Africa. ILC was invited by the CSD Secretariat to organize the second panel on land.

Jointly with IFAD, ILC also organised a workshop at CSD16 entitled "Land and Vulnerable People in a World of Change – an appeal for collective action". This workshop brought together 40 stakeholders from inter-governmental agencies, governments and northern and southern civil society organizations. An [issues paper](#) prepared by ILC, focusing both on the challenges and on possible responses, was presented at the workshop, and participants agreed to develop further collaboration in both deepening understanding of the challenges posed by the new trends, and in developing a more coordinated response. Next steps were agreed to include commissioning research, setting up a mechanism for the exchange of information, and planning for joint engagement with CSD17 (see [workshop report](#)).

As a follow-up, the ILC secretariat has developed a thematic section on its website entirely dedicated to the *commercial pressures on land* global initiative (http://www.landcoalition.org/program/cpl_index.html) plus a new blog (<http://www.landcoalition.org/cpl-blog.html>) containing an annotated bibliography of emerging literature, samples of press coverage and relevant information on CPL. A summary of highlights is sent out to blog subscribers on a weekly basis.

The June 2008 High Level Conference on World Food Security hosted by FAO confirmed the concerns of world leaders of increasing food insecurity for the world's poor. Nonetheless, it also demonstrated that the rising tenure insecurity associated with these trends is not yet an issue of concern at this level. This is despite the availability of information, such as FAO and IIED's [Fuelling exclusion? The agrofuels boom and poor people's access to land](#) released in the week of the conference (see [secretariat report of HLC](#)).

Further focus on commercial pressures was prompted at the July 2008 IASCP conference "Governing Shared resources: connecting local experience to global challenges" in Cheltenham, England. In part this was prompted by the release at the conference of RRI's report [From Exclusion to Ownership?](#) A meeting at the IASC by ILC members and partners pushed forward the debate, fixing once more the need for action, considering the heightened vulnerability of common-pool resources to expropriation in the face of current trends.

A number of ILC's members and partners have already initiated significant research projects on the impacts of commercial pressures on land. Apart from those of FAO, IIED and RRI, research projects are ongoing by CEPES, AGTER, IFAD, NITLAPAN and CIFOR. Five ILC members and partners are starting research projects on various aspects of commercial pressures on land, coordinated by the ILC platform in Latin America. The annotated bibliography on ILC's website is evidence of the increasing volume of significant research being undertaken on various aspects of these trends. ILC is also initiating a collaborative effort with IFAD and the Belgian Survival Fund to support piloting of community-private sector joint partnerships on land utilisation in Tanzania. The results from this initiative will inform possible opportunities that small-scale land users may be able to obtain from increased commercial demand for land.

ANNEX TWO: ANALYTICAL FRAMEWORK FOR GLOBAL INITIATIVE

The following questions will guide the analytical aspects of the global initiative. For a full discussion of these, see the separate document *Issues and Conceptual Framework for the ILC Study*, produced by Agter for ILC.

1. WHAT ARE WE TALKING ABOUT?

- *Questions to be answered about the type of commercial pressure*

Commercial pressures on land can embody two types of processes: privatization and concentration. It is necessary to define precisely whether the case involves land privatization or land concentration. A privatization process often takes place on common or state-land, whereas a concentration process concerns individually-owned lands. The two processes can follow each other in the history of a specific area.

- *Questions to be answered about the history of land tenure and the current land tenure mechanisms*

It is essential to put in perspective the land tenure history of the area examined by the study: how have rights to land been constructed? What are those rights in the current legal system? What kinds of rights are recognized by law, and to whom? How are these rights guaranteed? Does customary law system exist? How is it linked to international and national legal systems? What are the governance mechanisms on land and natural resources existing in the area concerned? How are communities/landusers/farmers organized?

- *Questions to be answered about the project/policy generating the commercial pressure on land*

Whatever is the type of commercial pressure studied (privatization or concentration), it is necessary to define the type of project/policy generating these pressures. Are the investments public or private, national or international? What is the type of contract (long term rent, direct purchase, etc.)? What is the land acquired for? What is the extent of land acquired? Is the project inserted into a long-term dynamic or is it new?

WHO ARE THE ACTORS INVOLVED?

The analysis should concentrate on three types of actors: the investor, the host state and the local land users.

- *Questions to be answered about the investor*

Who is the investor? Is it public (state, public company, local community, etc.) or private (agro-industrial or commercial companies, investment houses, etc.)? Is it a national, foreign or transnational company? Is it supported by a foreign state? What are the motivations of the investor? Does it want to secure food or energy supply? To what extent is its investment based on speculation?

- *Questions to be answered about the host state*

Which State entity is involved in the decision making process (federal State, state, specific institutions, regional or local administration, etc.)?

What are the motivations of the host State? There can be explicit motivations such as national or local policies for development, food or energy supply, or implicit motivations such as corruption, individual interests of the decision makers, etc.

International political and economical context is also very important: is the host State involved in bilateral or multilateral free trade agreements? Is it dependent on aid, food or energy supply? Is it committed to international covenants/conventions/agreements such as IL0169 on indigenous

people's rights or regional charters on human and people's rights?

- *Questions to be answered about the local land users*

Who are they (indigenous communities, family farmers, employees in large-scale farms, hunters and gatherers, etc.)? What kinds of rights are recognized on land and natural resources? Do they have rights to their territorial management guaranteed in practice? How are they organized (traditional customary organizations, trade unions, NGOs, family farmers organizations, etc.), and how are they represented? Do they benefit from any kind of (social, economic, cultural) protection from the State? Have they been consulted by the State and/or the investor during the negotiation process and how? Has their voice been heard?

If local land users agreed with the investment project, why did they agree? What were their motivations (access to capital, building of local infrastructure, access to markets, transport facilities, no other choice because impossible to live from their precedent activity, etc.)? On the contrary, if they didn't agree with the investment project, what did they struggle for and how? What is the result of this struggle?

WHAT ARE THE RISKS AND OPPORTUNITIES?

Commercial pressures on land can generate different kinds of risks and opportunities for the local land users, the states and the human societies in general.

- *Questions to be answered about the opportunities*

Opportunities for investors are usually self-evident, but commercial pressure on lands can also generate some interesting opportunities for the host State, the local land users and society in general. They can generate access to capital and markets, encourage the development of rural areas, participate in building infrastructures, assure food security, etc.

All possible opportunities should be understood and analyzed, but not only in the short-term. The long-term opportunities of commercial pressures on land, at all levels (political, economic, social, environmental, etc.) should be defined, and evaluated.

- *Questions to be answered about the risks*

Commercial pressures on land also can generate risks at all levels: risks for the host State (political instability, important rural exodus, increasing poverty and inequalities, food insecurity, etc.), risks for the local land users (loss of their sources of income, poverty, violation of their rights, loss of their cultural identity, deterioration of their environment, etc.), and risks for the entire society (ecological damage to lands and natural resources, acceleration of global warming, loss of cultural diversity, etc.).

All risks should be analyzed (political, economic, social, cultural, environmental risks), at all levels. In some cases, commercial pressures on land already have generated important consequences that can be understood and evaluated. In other cases, risks are only potential risks, but should be evaluated on a long-term scale (especially risks concerning environments issues).

ANNEX THREE: SUMMARY OF GLOBAL STUDY

MAIN OBJECTIVES	GENERAL QUESTIONS Understanding the worst in order to be able to build the best.	SPECIFIC QUESTIONS AND ISSUES	TRANSVERSAL STUDIES AND CASES STUDIES						EXAMPLES OF EXPECTED OUTPUTS (non-exhaustive list) Short Term (ST) and Long Term (LT)						
<p>1/ How could commercial pressures on land become opportunities for the poor, for those who appear now as being the most affected by land grabs?</p> <p>2/ Under which conditions could commercial pressures on land drive at development options compatible with the general interest of humankind?</p>	<p>Land and Natural Resources Tenure Regimes</p> <p>Understanding appropriate conditions for land grabs and land concentration.</p>	<p>What happens in the situation of Common Lands?</p>	<p>CASE STUDY OF MADAGASCAR</p>	<p>ILC MEMBERS AND PARTNERS' CASE STUDIES</p>	<p>CASE STUDY OF INDIAN SEZ</p>	<p>STUDY ON WOMEN</p>	<p>STUDY ON LABOUR RIGHTS</p>	<p>STUDY ON ECOSYSTEM SERVICES</p>	<p>COMMONS AND VULNERABLE TENURE SYSTEMS</p>	<p>ST & LT</p> <ul style="list-style-type: none"> ⇒ Secured Land and Natural Resources Collective Rights at Territorial level ⇒ Redefinition of Bundles of Rights between different owners, collective instances and individuals 					
	<p>Main Drivers.</p> <p>Understanding the ways global markets are working.</p> <p>Why capital owners can become so easily legitimate owners of land and natural resources assets worldwide?</p>	<p>Food markets and access to food</p>	<p>TRANSVERSAL STUDY ON FOOD PRODUCTION</p> <p>CASE STUDY OF CHINA</p>						<p>ST & LT</p> <ul style="list-style-type: none"> ⇒ Regulation Frameworks at different spatial scales ⇒ Which goods and assets could not be transformed in commodities and which New Human Rights need to be established ⇒ Mechanisms to enable sustainable development processes for all, and especially for the poor ⇒ Mechanisms to reduce inequalities ⇒ Land Taxes Proposals 						
	<p>Governance. Political aspects.</p> <p>Understanding the ways Governments and States are favouring land and natural resource grabs?</p>	<p>Host States</p>	<p>ILC members and partners' case studies</p>						<ul style="list-style-type: none"> ⇒ Guidelines for Governments (ST) ⇒ Guidelines for International Funding Institutions (ST) ⇒ Elements for Civil Society Organisation campaigns (ST) 						
		<p>Investors' States</p>													
		<p>Agrofuels</p>	<p>TRANSVERSAL STUDY ON AGROFUELS</p>												
		<p>Forests and Carbon Trading mechanisms</p>	<p>TRANSVERSAL STUDY ON CARBON TRADE MECHANISMS AND FOREST APPROPRIATION</p>												
		<p>Others, Tourism, Water, Biodiversity, Mining, Urbanisation, etc.</p>	<p>ILC members and partners' case studies</p>												