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Land access, land acquisitions and rural development: New challenges, new opportunities

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Background

Land is an asset of enormous importance for billions of rural dwellers in the developing world, and especially in ACP countries. The nature of property rights and their security vary greatly, depending on competition for land, the degree of market penetration and the broader institutional and political context. Although there are specificities according to countries and regions, some general trends and common challenges can be identified and the pressure on land is set to increase over future decades, given the impacts of population growth, urbanisation, globalisation of markets, international investment flows, trade negotiations and climate change¹.

The links between land access and poverty reduction

Land access can be broadly defined as the processes by which people, individually or collectively, gain rights and opportunities to occupy and use land (primarily for productive purposes but also other economic and social purposes), whether on a temporary or permanent basis. These processes include participation in both formal and informal markets, land access through kinship and social networks, including the transmission of land rights through inheritance and within families, and land allocation by the state and other authorities with control over land. As a resource becomes scarcer and more valuable, those with weak rights to the resource tend to lose out, especially the poor, those in peri-urban areas, indigenous people, women and those in areas of conflict. Addressing the land access and tenure security needs of these groups is crucial for social justice, political stability and peace and for promoting rural development, as it helps create conditions that encourage local and foreign investment². Women's rights are particularly vulnerable accentuated by the rising incidence of HIV/AIDS.

Land tenure, productivity growth and innovation

Increasing the security of poor people's tenure of land, in rental markets through tenancy reforms, or through customary tenure can, under certain conditions, increase productivity, and make land more accessible to the poorest than land titling and the privatisation of land. In most countries, there is a need for the direct involvement of state institutions, in addition to non-state and private sector actors, to promote the interests of the poor³. In many cases, secure access to land is seen as promoting better resource management decisions, preventing or minimising local conflict over land, and, most importantly, contributing to increased productivity⁴. But, rural livelihoods are dependent on diverse income sources. Not owning agricultural land does not automatically represent a situation of disadvantage for rural households and in some cases lack of credit, knowledge and labour can affect productivity more than tenure. However, for the extremely poor and food insecure rural households land access and tenure security are among the main factors influencing their options and prospects, representing a stable basis of food security and income in a context of limited, seasonal and un-remunerative rural labour markets. The increasing incidence of drought, crop failure and livestock deaths, water scarcity, deforestation and land degradation causes the loss of millions of hectares of agricultural land due to severe degradation. Land access and tenure security influences decisions on the nature of crops grown—whether for subsistence or commercial purposes and the extent to which farmers are prepared to invest in improvements in production, sustainable management, and adoption of new technologies and promising innovations⁵.

¹ FAO, International Conference on Agrarian Reform and Rural Development (ICARRD), March 2006, Issue Paper 1 - Policies and practices for securing and improving access to land. http://www.icarrd.org/icard_doc_down/Issue_Paper1sum.pdf

² IIED and FAO, Better land access for the rural poor. Lessons from experience and challenges ahead, 2006, <http://www.iied.org/pubs/pdfs/12532IIED.pdf>

³ ODI, Making agriculture work for the poor, Natural resources perspectives, 2007, <http://www.odi.org.uk/resources/specialist/natural-resource-perspectives/111-making-agriculture-work-poor.pdf>

⁴ A 2005 World Bank analysis of land policies in 73 countries between 1960 and 2000 shows that countries with more equitable initial land distribution achieved growth rates two to three times higher than those where land distribution was less equitable.

⁵ IFAD, Improving access to land and tenure security, 2008, <http://www.ifad.org/pub/policy/land/e.pdf>

Emerging challenges: the effects of climate change, food and financial crisis on land

The rapid demographic growth and urbanization in many developing countries increase the pressure on land for agricultural production. These pressures combined with increasing distrust in the functioning of regional and global markets due to the economic crisis, have brought renewed attention to foreign direct investment in agriculture. A number of countries,--with severe natural resource constraints but rich in capital--seek to buy or lease land in developing countries in order to secure their long-term needs for food supplies, feed and biofuels.⁶ Foreign public and private corporations and industrial groups are buying millions of hectares of land in Africa, Asia and Latin America to produce food or agrofuels. Investment banks and hedge funds are also buying vast tracts of agricultural land around the world⁷. In principle, such investments are not to be condemned given that greater investment in agriculture is needed. But countries need to negotiate contracts wisely, and an enforceable code of conduct should be called that ensures the participation of local producers, respect for customary property rights, appropriate compensation, sustainable management of natural resources, and application of non-impaired trade policy rules. Indeed, rule-based, transparent, fair, and free international trade is needed in times of crisis⁸. For low-income, food-deficit countries, the current challenges are formidable, in the face of increased demand for food, high food prices on international markets and reduced capacity to import. Their needs. have to be met by domestic food production --production that in most developing countries in Africa and Asia is carried out by smallholder farmers⁹.

The private sector local food industry

If well exploited, the growing interest in investment in agriculture can be a major source of financing and provide the opportunity to acquire technologies and share knowledge that can facilitate productive agricultural diversification in ACP countries and contribute to strengthening the local private sector throughout the value chain. Moreover, it is important to develop links between producers and the agribusiness sector and make investments beneficial to small farmers by promoting the growth of local food SMEs.

Land policies and land governance now in the development agenda

Secure land rights are now recognised by most African governments as essential for peace, stability and economic growth. The African Union sees better governance of land and natural resources as central to peace and stability across the continent. ACP governments must take the lead in land policy and tenure reform, since political interests are at stake and donors should support this process¹⁰. In many places, titling and registration of land may be much less important than working to strengthen local institutions with responsibility for managing land rights and related disputes. The recent shift towards decentralising government has been valuable in getting land rights management much closer to the field¹¹.

Objectives of the Briefing

CTA, EC-DG Development and EuropeAid, ACP Secretariat, the ACP Group, and Concord in collaboration with PROPAC, Central Africa regional organizations, the CDE and FAO are organizing the briefing in the context of EU/ACP cooperation. The objectives are: (i) To raise awareness about existing and emerging key challenges related to land; (ii) To facilitate exchange of information and expertise; (iii) To contribute various perspectives to the debate.

More than 130 policy makers from Central Africa, representatives of EU Member States, regional organizations, bilateral and multilateral bodies, civil society groups, research networks and development practitioners are expected to attend the briefing.

Available material

⁶ Joaquim Von Braun, Food and Financial Crises - Implications for Agriculture and the Poor, IFPRI Food Policy Report No. 20, December 2008, <http://www.ifpri.org/pubs/fpr/pr20.pdf>

⁷ IFAD, Improving access to land, cit., <http://www.ifad.org/pub/policy/land/e.pdf>

⁸ Joaquim Von Braun, Food and Financial Crises, cit. <http://www.ifpri.org/pubs/fpr/pr20.pdf>

⁹ IFAD, Improving access to land, cit., <http://www.ifad.org/pub/policy/land/e.pdf>

¹⁰ African Union - African Development Bank - UN Commission for Africa, Land policy on Africa: a framework of action to secure land rights, enhance productivity and secure livelihoods, 2006, <http://www.uneca.org/sdd/meetings/LandPolicy/IssuesPaper.pdf>

¹¹ C. Toulmin, Securing land rights for the poor in Africa — Key to growth, peace and sustainable development, http://www.undp.org/Legalempowerment/pdf/Africa_land_2.pdf