Experts warn of risks in unbridled foreigners’ access to farmlands

BY RUELLE ALBERT CASTRO

Efforts must be made to ensure that foreign access to local agricultural lands follow strict guidelines in order to protect the rights of farmers, according to Olivier De Schutter, United Nations Special Rapporteur on the Right to Food.

De Schutter made the statement in the midst of big countries’ interest to acquire and develop agricultural lands in smaller countries.

Export credit agencies for one should make support to investors conditional on certain requirements that concern respect for existing land rights. International human rights bodies should also carefully “scrutinize” how land ownership is transferred from locals to foreigners to stop unethical practices in acquiring lands, and to recognize the links between access to land and other basic rights like food, housing, and work, said De Schutter.

"Land does not go to the most efficient producers, it goes to those who have capital and who can afford it... The result, if things are left unchecked will be more inequality and poverty," warned De Schutter in an interview with select journalist from Asia, Europe and Africa through online forum NewsQuote.net citing some questionable means the transfer happens in some places.

"Most of these investments occur with a complete lack of transparency, without proper consultation of the local communities concerned, and they will benefit investors and perhaps some of the local elites -- but they will create much less employment, and contribute much less to rural development, than would policies supporting small farmers and ensuring their access to land," De Schutter added.

Acquisition of lands in developing countries have been heating up, driven by expectation that food will soon become as precious a commodity as oil.

Countries like China, India, South Korea, Saudi Arabia, and Kuwait, as well as Wall Street banks like Goldman Sachs and Morgan Stanley have been on the forefront of acquiring large tracts of lands in Asia and Africa, which had become even more intense following the spike of food prices in 2008.

The "acceleration" of these large-scale acquisition was also documented in the report submitted by De Schutter to the UN in December last year.

In the Philippines, international aid organization Oxfam GB noted that land investments is spearheaded by China, which is interested in tapping land for agribusiness, with Gulf countries Bahrain, Kuwait, Oman, Qatar, Saudi Arabia, and the UAE not far behind.

Several business groups have been calling for the lifting of the ban on foreign ownership on lands, claiming this will boost investments in the Philippines.

De Schutter said that transferring land ownership to foreigners carries risks, in particular the chances of reducing poverty in the rural areas.
"The land that is given away to investors, is land that will not be available to promote small-scale farming, although the poverty-reducing potential of the latter is much more important," he said.

Governments, according to De Schutter, should work to minimize the "risk" of reconcentration of land which happens with titling scheme and instead work to protect peasants’ rights under agrarian reform.

Anti-eviction laws, laws protecting tenants and favoring land rental markets, should be pushed more, he said him.

"Anti-eviction laws should protect the land users, who often are not formally the owners of the land they cultivate. Only under certain, strictly defined conditions, should it be acceptable to evict people from land that they depend on for their livelihoods. "Anti-eviction laws and tenancy laws -- implying a disaggregation of property rights -- are preferable to protect land users who in many cases till land that is formally owned by others, or by the state," said De Schutter.

For countries where foreign ownership is already allowed, De Schutter said governments should work to ensure that food produced in these lands serve to improve local food security, rather than being shipped abroad, and that this will not lead to "internal dumping" and disruption on the local markets that can lead to farmers’ loss of revenues.

"There are considerable dangers with the current situation -- land is becoming a speculative asset, and the rush to secure farmland often is done by investors, whether public or private, that have little concern either for the overall welfare of the local communities or for the long term impacts," said De Schutter.

De Schutter’s opinion is shared by Oxfam who in its "Land Investments" report called for a "balance" between use lands for (foreign) private businesses and its use for (local) food and development needs.

"All these point to the urgency of coming up with a coherent and appropriate regulatory framework that will govern investments in Philippine agricultural lands so that these will promote, rather than undermine, the country’s agricultural and overall economic development objectives," it said.

"The sad reality is no such framework exists at present, putting at risk not only the interests and welfare of small farmers and landholders but the sustainability no less of agricultural industries in the country," it added.

Many Chinese firms have already signed lease agreements with farmers for the lease of their land for agricultural purposes. Oxfam said that while giving land access to foreigners provide additional income and businesses to the Philippines, it also leads to land reconsolidation and "undermine" the ideals, principles, and objectives of agrarian reform.

"Ironically, it is the government, through Philippine Agricultural Development and Commercial Corporation (PADCC), that facilitates reconsolidation of farmlands in order to produce for investors the volume requirement for particular crops. In the process of land reconsolidation, however, farmers actually give up control over their lands to investors and corporations," it said.

"In many instances, the lands that these investors would consider ideal for their projects are those that are already being cultivated and occupied, since such are already developed and ready for production, arable and fertile, near water sources and other natural resources necessary for agricultural production, and are generally accessible to public transport," it added.

Oxfam also said that this results to the Philippines giving up access for actual and potential food production.

"Given the gap in rice/food consumption and production, the 1.37 million hectares identified by PADCC for agricultural land investments, if tapped to produce rice, could yield 2.4 million metric tons of rice at the very minimum. This is enough to make the Philippines self-sufficient in rice production and insulate it from volatilities in the world food market," it said.

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