G8 New Alliance condemned as new wave of colonialism in Africa

Critics say landmark initiative to boost agriculture and relieve poverty favours big business to the detriment of small farmers

• Interactive: what promises have been made and where?

Claire Provost, Liz Ford and Mark Tran
The Guardian, Tuesday 18 February 2014 09.34 GMT

Small farmers are supposed to be the main beneficiaries of the New Alliance, but they have been shut out of the negotiations. Photograph: Tony Karumba/AFP

A landmark G8 initiative to boost agriculture and relieve poverty has been damned as a
new form of colonialism after African governments agreed to change seed, land and tax laws to favour private investors over small farmers.

Ten countries made more than 200 policy commitments, including changes to laws and regulations after giant agribusinesses were granted unprecedented access to decision-makers over the past two years.

The pledges will make it easier for companies to do business in Africa through the easing of export controls and tax laws, and through governments ringfencing huge chunks of land for investment.

The Ethiopian government has said it will "refine" its land law to encourage long-term land leases and strengthen the enforcement of commercial farm contracts. In Malawi, the government has promised to set aside 200,000 hectares of prime land for commercial investors by 2015, and in Ghana, 10,000 hectares will be made available for investment by the end of next year. In Nigeria, promises include the privatisation of power companies.

A Guardian analysis of companies' plans under the initiative suggests dozens of investments are for non-food crops, including cotton, biofuels and rubber, or for projects explicitly targeting export markets.

Companies were invited to the table through the G8 New Alliance for Food Security and Nutrition initiative that pledges to accelerate agricultural production and lift 50 million people out of poverty by 2022.

But small farmers, who are supposed to be the main beneficiaries of the programme, have been shut out of the negotiations.

Olivier de Schutter, the UN special rapporteur on the right to food, said governments had been making promises to investors "completely behind the screen", with "no long-term view about the future of smallholder farmers" and without their participation.

He described Africa as the last frontier for large-scale commercial farming. "There's a struggle for land, for investment, for seed systems, and first and foremost there's a struggle for political influence," he said.

Zitto Kabwe, the chairman of the Tanzanian parliament's public accounts committee, said he was "completely against" the commitments his government has made to bolster private investment in seeds.

"By introducing this market, farmers will have to depend on imported seeds. This will definitely affect small farmers. It will also kill innovation at the local level. We have seen this with manufacturing," he said.
"It will be like colonialism. Farmers will not be able to farm until they import, linking farmers to [the] vulnerability of international prices. Big companies will benefit. We should not allow that."

Tanzania's tax commitments would also benefit companies rather than small farmers, he said, adding that the changes proposed would have to go through parliament. "The executive cannot just commit to these changes. These are sensitive issues. There has to be enough debate," he said.

Million Belay, the head of the Alliance for Food Sovereignty in Africa (AFSA), said the initiative could spell disaster for small farmers in Africa. "It clearly puts seed production and distribution in the hands of companies," he said.

"The trend is for companies to say they cannot invest in Africa without new laws ... Yes, agriculture needs investment, but that shouldn't be used as an excuse to bring greater control over farmers' lives.

"More than any other time in history, the African food production system is being challenged. More than any other time in history outside forces are deciding the future of our farming systems."

AFSA has also denounced the G8 initiative as ushering in a new wave of colonialism on the continent.

Barack Obama launched the New Alliance at the 2012 G8 summit at Camp David, following years of underinvestment in agriculture and the failure of donors to disburse millions of dollars in funding for global food security promised at the 2009 G8 meeting in L'Aquila, Italy.

Just eight African governments have met their own commitment, made under the Maputo accord in 2003, to invest 10% of their budgets in agricultural development.

With traditional aid budgets under pressure, donors are increasingly turning to the private sector to fill the gap, sparking concerns that taxpayer money to help the world's poorest people is being diverted to programmes that raise the profile and promote the interests of commercial investors.

Six African countries signed up to the New Alliance at launch, and another four joined last year.

The initiative relies on the "personal commitment of top-level leaders", according to a document from its overarching leadership council, seen by the Guardian. The council brings African presidents together with the heads of donor agencies and top business executives. The CEOs of companies including Unilever and the agribusiness giants Syngenta, Yara and Cargill have had seats on the leadership council.
Companies have refused to make their full investment plans under the New Alliance available for public scrutiny, and freedom of information requests to the UK government were rejected on the basis of commercial confidentiality.

A consultant hired by donors to draft a co-operation agreement for the New Alliance in Malawi said it helped to raise the profile of private investors' needs at the most senior level of government.

**Joint opportunities**

Øystein Botillen, manager of global initiatives at fertiliser giant Yara International, said the initiative helped donors and companies "pull in the same direction" and created space for "dialogues on where there are opportunities, how investments can be of mutual benefit".

Kavita Prakash-Mani, Syngenta's global head of food security, said it planned to develop a $1bn business in Africa by 2022 and was working closely with the US development agency (USAid) and the UK Department for International Development (DfID). "We have ongoing conversations to see where we may be able to find joint opportunities."

Prakash-Mani said the company was not involved in drawing up countries' co-operation frameworks, but added that policy reforms were "essential to ensure that investments made by Syngenta and others have the desired impact on the ground". She added that "better coordination between regulations across countries will also help speed up the introduction of much needed technology for use by African farmers".

Critics of the New Alliance have questioned how it will help poor farmers. A document seen by the Guardian shows the initiative is based on assumptions about how investment can reduce poverty and has set no specific targets for its stated goals of boosting food security and nutrition on the continent.

Colin Poulton, a research fellow at the centre for development, environment and policy at the School of Oriental and African Studies in London, told the Guardian: "Without a clear theory of change indicating how increased investment in large-scale agriculture will lead to poverty reduction, improved food security or nutrition, and without clear plans to ensure that large numbers of outgrowers will be engaged in the new value chains, the New Alliance is so far primarily an initiative to commercialise agriculture in Africa."

Some civil society groups say the initiative has the potential to benefit farmers, but are concerned by the speed at which policy changes are being driven through, and the lack of consultation, particularly with groups based in Africa. Farmers the Guardian spoke to said they were unaware of the initiative or that laws were being changed.

Kato Lambrechts, Christian Aid's senior advocacy and policy officer, said: "Governments
have signed on to promise to fast-track or implement policies, regulations or laws that need to be further discussed and debated in-country. The concern is that these are being pushed through in exchange for new private sector commitments to invest in agriculture value chains, which cannot be a substitute for well-developed and comprehensive policies that address the needs of poor farmers to allow them to move out of poverty."

Benito Eliasi, from the Southern African Confederation of Agricultural Unions, which has represented civil society on the leadership council, said: "The implementation of legislation is one of the biggest problems facing farmers in Africa. We need to safeguard farmers ... Farmers need to be involved. If they are not involved, this will fail."

Gawain Kripke, Oxfam America's policy director, said insufficient consultation with civil society and farmers was a fatal flaw. "There's a 100-year history of failed development projects in Africa and around the world ... It's not just about being nice."

The UK development secretary, Justine Greening, told the Guardian that smallholder farmers were "absolutely a core part of the New Alliance". She said: "Do medium and large corporations have a role to play? Of course they do, but it will not be an exclusive approach. I don't believe it will be.

"I think overwhelmingly we need to be careful that we don't come at all these key projects that ultimately involve the private sector with a sense of somehow they're going to be bad."

Tony Burdon, DfID's head of growth and resilience, admitted that more consultation could have taken place with civil society and farmers' groups, and that companies could be more transparent about their investment plans, which he described as "light on detail" in some cases.

But he added that focusing on civil society and issues of accountability was missing the point of the initiative. He said the New Alliance would help to increase agricultural growth and farmers' incomes, which would in turn improve food security and reduce poverty levels, something public sector funding alone had not achieved.

Britain's aid watchdog said last month that it would be examining the New Alliance as part of its wider investigation into whether UK funding for nutrition was achieving its aims.