editorial: smallholder agri-investments

200,000 hectares of land given to multinational Louis Dreyfus in Côte d’Ivoire for rice export. 70 million pounds of UK taxpayer money to develop genetically modified crops. Privatization of seeds across continents. These are just a few projects in the last years under the banner of ‘investing in agriculture’.

This is why social movements are gearing up for one of the biggest emerging battles over the future of food sovereignty – the corporatization of investment. The private sector portrays itself as the saviour of farming but as this newsletter shows it is small holders who are really investing in feeding people and building rural livelihoods.

Being taken in by the story of the overriding importance of corporate investment means, for example, that ‘codes of conduct’ to continue land grabbing are being developed instead of regulations to stop it.

A closer look at Africa shows that corporate private investment is a strategy i) to sell more chemicals and seeds to African farmers, and ii) to secure low cost access to land and resources for global supply chains that feed the rich - through controlling small holders. This will destroy the environment, kill genetic diversity and push thousands more into hunger.

In October the World Committee on Food Security (CFS) will meet to discuss principles for ‘Responsible investments in agriculture’. We must shout out the message that not all investment is the same. And ask important questions - Investment in what type of agriculture? By whom? For whose benefit?

Colombian farmers have just succeeded in rolling back seed privatization by asking this. And as the Voices from the field show, small holders everywhere are rising to the task.

Kirtana Chandrasekaran, Friends of the Earth International

now is time for food sovereignty!

In the last years hundreds of organisations and movements have been engaged in struggles, activities, and various kinds of work to defend and promote the right of people to Food Sovereignty around the world. Many of these organisations were present in the International Nyéléni Forum 2007 and feel part of a broader Food Sovereignty Movement, that considers the Nyéléni 2007 declaration as its political platform. The Nyéléni Newsletter wants to be the voice of this international movement.

Investment in agriculture: Where, how and for who’s benefit?

After decades of neglect, investment in agriculture is back on the global agenda. The wide recognition that investing in smallholder agriculture is essential to tackle persistent hunger and poverty is welcome. But achieving real gains will depend on whether this investment supports small-scale producers in achieving food sovereignty.

Seventy per cent of global poverty is in rural areas where communities are dependent on agriculture. It is also in these areas that most of the world’s hungry live. Here agriculture plays a multifunctional role – it provides not just food but also livelihoods, good management of shared resources and resilience to shocks from the outside world, such as price volatility or climate change. And it is here that investment strategies must be targeted. A United Nations High Level Panel report on investments found that, despite decades of being undermined by the policies of institutions such as the World Bank and World Trade Organisation, smallholder farming remains one of most productive and resilient forms of farming, with a poverty-reducing potential more than three times greater than any other sector.

It is also the biggest source of current investment in agriculture. A 2012 report by the UN Food and Agriculture Organisation (FAO) found that farmers in low- and middle-income countries (who are mainly smallholders) invest more than $170 billion a year in their farms - three times as much as all other sources of investment combined. This is because investment is not just about money – small farmers maintain and build soil fertility, select and reproduce seeds, build production and storage infrastructure and provide several other essential investments every day.

What’s more, the report also found that farmers’ investment dwarfs expenditures on agriculture by international donors and private foreign investors.

Following this logic, international money flows and courting investment from rich donor countries, corporations or financiers should be marginal to countries’ investment strategies. The central requirement should be to put in place policies that encourage and enable farmers to invest in themselves and their livelihoods.

Farmers face severe constraints on their ability to invest, including a lack of access to credit, insecurity of land tenure, low market prices for their products (that do not even cover costs of production) and increasing constraints on their access to seeds.

In many countries policies actively discriminate against small farmers, for example through favourable subsidies for large farms or free trade agreements that allow low-cost imports.

Ironically, several current schemes promoted as investments in agriculture are, in reality, a further attack on smallholders and their investments. The recent rise in profit-driven, private investment in large-scale industrial plantations across the world, as well as in large-scale foreign direct investment in land, is destroying sustainable small-scale farming and food security and amounts to a grabbing of natural resources.

Investing in agriculture that ensures the right to food and that protects and renews the environment instead of damaging it will require investment policies that ensure tenure of land and natural resources, improve access to local and regional markets and provide public policy support for smallholders to flourish.

Some Civil Society Organisations (CSOs) are looking at how to create a model of investment where capital (either private or public) can be made available to small-scale farmers while maintaining their autonomy and ensuring that any investment provides them with long-term benefits.

Regardless, social movements need to make sure that the narrative of beneficial large-scale private investments does not go unchallenged. This means coming together to share knowledge and experience, and questioning donors, governments and institutions on their long-term model for investment in agriculture.

Stop the corporate onslaught in Africa!

Nowhere is the threat posed by the onslaught of profit-driven private investment in agriculture more obvious than across Africa, where under the guise of feeding Africa and increasing investment, a host of initiatives are underway to destroy smallholders and hand over African resources to corporations.

They come under many names – the Alliance for Green Revolution in Africa (AGRA), African Agricultural Growth Corridors, the G8 New Alliance for Food Security and Nutrition, Feed the Future, the Gates Foundation – but the underlying strategy is the same. They are designed to convert millions of hectares of smallholder-based farming to industrial plantations, with land, seeds, water, forests and food production controlled by corporations and geared towards maximum profits rather than food sovereignty.

In its latest report AGRA openly dismisses concerns from African social movements about genetically modified crops as a “farce” and “fear of the unknown” and pushes for new seed regimes that stop exchanges of seeds by farmers. Multi-million dollar investments from the Bill & Melinda Gates Foundation (a major AGRA donor) into Monsanto, and revolving doors between donors and these corporations skew the agenda of AGRA in favour of corporate-led farming.

The Growth Corridors aim to establish infrastructure specifically for commercial agriculture and are designed by dozens of the world’s largest pesticide, GMO, fertiliser and processed food companies, all of whom stand to make killer profits from new African markets. The G8 New Alliance forces African governments to change national policies to access funding, for example by “systematically ceasing to distribute free and unimproved [non-commercial] seeds to farmers, except in emergencies”, and “refin[ing] land law, if necessary, to encourage long-term land leasing”.

Donor countries such as the US, UK and G8 countries are pushing these schemes to African leaders at the highest levels and attempting to undermine African-led democratic initiatives to tackle hunger, such as the Maputo declaration to increase public spending on agriculture and regional agriculture policies in West Africa.

But social movements are mobilising to hold their governments to account and calling for a clean break with the defective policies of the past. The Alliance for Food Sovereignty in Africa, which includes environmental groups, farmers’ movements, global justice groups, development groups, faith-based groups, women’s groups and youth groups from 50 African countries, convened a meeting to identify the threats and draw up an action plan to achieve food sovereignty in Africa.

In a statement this year African movements identified these schemes as a “new wave of colonialism” based on accessing resources; flow of royalties out of Africa and accessing new markets for corporate production. They warn that even the Comprehensive Africa Agricultural Development programme (CAADP) is a compromised instrument, negotiated under extreme pressure from neoliberal governments.

A plan to achieve food sovereignty in Africa would prioritise smallholders producing for local and informal markets using proven low-input, ecologically sustainable agricultural techniques including intercropping, on-farm compost production, mixed farming systems (livestock, crops and trees). Diversity of farming and knowledge should be paramount, with no corporation able to privatise collective heritage. Investment strategies should be public, participatory and not based on profit.


We should not be surprised, therefore, that the agenda to “regulate” these investments is also driven by their interests. When the World Bank (WB) realised how big and explosive this new land grab trend was becoming, it drew up a set of principles for what it called Principles for Responsible Agricultural Investment (PRAI) and got Food and Agriculture Organisation (FAO) and International Fund for Agricultural Development (IFAD) to sign up to it. The PRAI were blocked by the CFS, and the same CFS started its own consultation on investment issues as an alternative; this will take place in 2013-2014.*

At the moment the G8’s powerful New Alliance on Food Security as well as AGRA (Agriculture Green Revolution for Africa) are pushing in the same direction, openly using the peasant sector to privatise investment and large-scale farming. None of these initiatives aims to stop land deals. Any principles or non-binding-regulation would be used only to “cover up” these land deals or perhaps partially limit the devastating impacts. Also, the recently-adopted Voluntary guidelines on land tenure will not change anything if these are incorporated into effective, binding national law to stop these practices.

Meanwhile, the corporate sector has been moving on its own. Some of the biggest pension funds involved in land-grabbing got together last year and drew up their own Principles for Responsible Farmland Investing. Banks, asset managers and investment funds have been doing the same. For them, in-house guidelines for what they call farmland acquisitions are simply good business practice. They set their own standards to protect their own reputations and manage risks. From what we have seen, governments are not interested in stopping land grabs. The Europeans say they want them to proceed more ethically, while African states clearly want the investors to come in. The corporate sector drive the overall agenda. They are the ones doing the investing, they control the funds. That is why the momentum to regulate land-grabbing is about taming the beast, not putting it to sleep.

*Check Box 1. At the CFS the World Bank (WB) realised how big and explosive this new land grab trend was becoming, it drew up a set of principles for what it called Principles for Responsible Agricultural Investment (PRAI) and got Food and Agriculture Organisation (FAO) and International Fund for Agricultural Development (IFAD) to sign up to it. The PRAI were blocked by the CFS, and the same CFS started its own consultation on investment issues as an alternative; this will take place in 2013-2014.*

For more details, see GRAIN, Responsible farmland investing?, August 2012 (http://www.grain.org/e/4564) and GRAIN, The G8 and land grabs in Africa, March 2013 (http://www.grain.org/e/4663).
Voices from the field

1
I will not waste my land
Andrea Murinda, farmer, Kalangala, Lake Victoria, Uganda.
The Ugandan government, along with corporate giants Wilmar International and BIDCO, are developing palm-oil plantations on pristine islands in Kalangala, Lake Victoria. Elite landowners are constantly looking for land to sell or lease to the company. Everyone’s land or right to land is under scrutiny.

I am Andrea Murinda and I am 70 years old. I live on my land with my wife, we have been together for 40 years. This is the same land where my grandparents, my father and I were born. I have children and I have grandchildren and what helps us all is this land that we live on. We have two-and-a-half acres, I use it to produce all our food and make enough money for the children’s school fees. On this land of ours, I expect in time to come, our children will return to live on it, but if I waste this land, and plant other crops on it, my land will be spoiled and my children will not benefit. That is why I will not plant palm trees here. Palm takes too long to grow and has effect land fertility. The palm does not bring soil fertility, the palm will cost us money now and once that matures we will have no way of making money. This land has helped me, I have lived here for 70 years and my forefathers for over 200 years. This is our home, our graveyard are here. I am here with my wife and our grandchildren. If we spoil the land, where shall we grow food? If we plant palms, in the future my grandchildren will not be able to grow food.

2
The wise fools
Marta Di Pierro, Coop. Agricoltura Nuova, Roma, Italia (member of AIAB and ECVC).

35 years ago a bunch of students and young unemployed people decided to stand up against the concreting of the Agro Romano – a large countryside area spreading from Rome southwards. Together they occupied the piece of public land where the building site was supposed to take place and started farming it. Back then, it was just like many other areas of uncultivated farmland: there were a couple of buildings and shacks to rebuild and a lot of work was required both to keep the occupation going as well as to make the farm sustainable. They set up a co-operative with the main goal of creating jobs and then made three important decisions: that they would work only public land, that they would take a salary for their work, but would reinvest all of the rest of the cooperative income into the farm. Those young people are now over 60 years old and they still run a farm on public land, on which about 50 people work. It became a nature reserve along the way. The group still thinks investing in agriculture – both money as well as time – is paramount. The land produces a vast array of food items and hosts one of the most multifunctional farms in all of Italy. At the same time they help new co-operatives – mine for example – to take over public farmland that has been left idle to create a multitude of multifunctional peasant farms. Together we lobby government to “give agriculture a chance”. When it all started they might have been thought of as fools, but they have been proven wise – certainly wiser than the government, in my opinion anyway.

3
Colombian state supports plundering of natural resources
Luzmilina Ruano Gaviria, National Agricultural Coordinator, Via Campesina Colombia, Nariño Administrative Area, South-western Colombia

The Colombian administrative department of Nariño, which borders Ecuador, is characterised by very small landholdings. In this area we suffer greatly from palm-oil production and from the plundering of bio-diversity resources, for example through logging. In the case of forestry exploitation we are talking about foreign capital firms, while palm investment is mainly via national capital, even if this investment is promoted with large-scale Colombian state support. This ends up disposessing families, mainly black families, who are part of the Black Communities Process. In the central area of the department we suffer from mining and energy exploitation, especially gold mining. Currently 70% of the department is given over as concessions to multinationals, in particular Anglo Gold Ashanti and Colombia Gold (amongst others) that are seeking to take the land away from us in this way. Our countries are in the firing line because of their natural resources. But what is not taken into account is that as human beings we wish to defend our land. As a result we are dealing with a food crisis and a climate crisis, fighting this model of exploitation. Neither capital nor neoliberal theory recognise ethnic groups: indigenous people, peasants and black people are merely seen as a nuisance.
The Food Sovereignty Prize: Antidote to the World Food Prize debacle

Remember the announcement for this year’s World Food Prize? Back in June, three corporate scientists were recognised for conducting the original research on using plant bacterium to insert genes from one organism into another. Though somewhat dated today, their discoveries (and patent law) opened the biotechnology floodgates for the genetic engineering of modified organisms, GMOs. (…) This year’s World Food Prize was also an unabashed corporate celebration of self. Awardees Chilton and Fraley are vice presidents at Syngenta and Monsanto respectively. The third recipient, Marc Van Montagu, is founder and chairman of the Belgian Institute for Plant Biotechnology Outreach. (…) Now in its fifth year, the Food Sovereignty Prize stands in sharp contrast to the World Food Prize. This year’s Food Sovereignty Prize winners, the Group of 4 of Haiti and the South American Dessalines Brigade, are themselves an alliance of Haiti’s four largest peasant organisations (representing over a quarter of a million Haitian farmers), and a delegation of South American peasant leaders and agro-ecologists named after the 19th-century Haitian independence leader Jean Jacques Dessalines. They work together to preserve Haitian Creole seed and to bring rural development and earthquake relief projects to poor communities. Members of the Group of 4 made global headlines in 2010 when they threatened to burn a donation of seeds from Monsanto, countering the industry’s claim that only privileged northern consumers reject their product. The two prizes reflect profoundly different views on the causes of hunger. They also represent diametrically opposed visions for a better world.

To read the full article: http://www.huffingtonpost.com/eric-holt-gimenez/the-food-sovereignty-prize_b_3782818.html

Today it’s Colombia: the peasants’ strike

Since 18th August, more than 200,000 Colombian peasants, both men and women, as well as transport workers and miners, have mobilised against the policies implemented by the government of Juan Manuel Santos. The people who provide food for the nation have said “basta” [enough] and have declared a strike in the agricultural sector. It has been met with repressive action from law enforcement agencies. With the strike, the agri-sector is saying “basta” to the lack of investment in public services for the rural population, “basta” to falling incomes, “basta” to the fact that 77% of the land is in the hands of 13% of the population and “basta” to the privatisation of seeds. Three years ago, resolution 970 was passed. The consequence was that in 2011, 1,167,225 kilos of seeds were confiscated from small farmers and destroyed by the ICA (the Colombian Agriculture Institute) as they were not registered. The crops affected included potatoes, maize, wheat, peas, and beans. The struggle of the Colombian people is a global one. They are fighting the brutal consequences of a new order for food production that favours multinational companies and banks. It is a system that converts food into a raw material or a value on the stock exchange, excluding the role of peasant farmers. It is a new order whose spearhead has been the deregulation and globalisation of the markets for food produce. This has been made possible by the free trade treaties backed by the US and Europe. Everything points towards the next phase of the struggle taking place in Europe, where right now the EU and the US are negotiating the biggest free trade agreement in history. Agriculture is one of the key issues in this treaty. * Currently they are trying to amend resolution 970. A documentary about resolution 970, titled ‘Colombia 970’ can be watched here: http://www.youtube.com/watch?feature=player_detailpage&v=kZWqgS_EL_g Full article in Spanish: http://www.lamarea.com/2013/08/27/hoy-es-colombia-el-paron-de-los-campesinos/

Monsanto’s GM retreat from Europe: a step forward but more battles ahead

This isn’t total surrender: it’s a small step back, but they will hit harder in future. Monsanto’s announcement that it is withdrawing its pending applications to the EU for the cultivation of genetically modified crops needs a cautious welcome, as it is not the end of Monsanto’s ambitions in Europe. Jose Manuel Madero, Monsanto’s president for Europe, told the Financial Times that they will “focus their efforts on securing EU approval for the majority of [GM] animal feed – imported from Brazil, Argentina and elsewhere…” (…) lax regulations already allow imported GMO crops to be fed to livestock in the EU without the resulting products being labelled. (…) Monsanto is likely to also tighten its grip on Europe’s conventional seed market. About 60% of the EU’s fruit and vegetable seed varieties are owned by the company.

To read the full article: http://www.gmeducation.org/government-and-corporations/p213451-monsanto%27s%20retreat%20from%20europe%3A%20don%27t%20believe%20a%20word.html

Much support for, but also resistance to, a UN declaration on the Rights of Peasants

The first session of an intergovernmental working group responsible for drafting a UN Declaration on the rights of peasants and other people working in rural areas took place in the frame of the UN Human Rights Council from 15th-19th July, 2013. International peasant movement La Via Campesina, together with other civil society organisations, has for many years been calling on the UN to adopt a declaration on the rights of peasants. (…) While a majority of countries supported a declaration, others, especially the USA and several EU member states, decided not to engage in negotiations. They pointed to procedural matters and to concerns that new rights might be established. They also raised doubts about the need for an instrument to protect peasants specifically. This despite the fact that, over two days, renowned experts and representatives of peasant organisations and other small-scale food producers presented overwhelming evidence of the importance of peasants to feeding the world and the extreme discrimination faced by rural populations.

The next session of the working group will take place in 2014. In the interim, Bolivia, as the chair, will hold informal consultations with all stakeholders, including governments, peasant organisations and other civil society organisations, in order to elaborate a new draft declaration that will serve as the basis for further negotiations. To read the full article: http://www.fair.org/news/article/detail/much-support-but-also-resistance-to-a-un-declaration-on-the-rights-of-peasants/

Protests in Ecuador against president Correa’s decision to open Yasuni National Park to oil exploitation

On 16th August, Ecuador’s president Rafael Correa approved oil drilling in Yasuni National Park, signalling the collapse of an innovative trust fund that would have conserved this treasure trove of biodiversity. The Yasuní-ITT Initiative was a proposal made in 2007 by the government of Ecuador to refrain indefinitely from exploiting the oil reserves of the Ishpingo-Tambococha-Tiputini (ITT) oil field within the Yasuni National Park, in exchange for commitments from the international community to pay half of the value of the reserves, $3.6 billion over 13 years. The goals of the initiative were to conserve the extraordinary biodiversity in the park, protect indigenous peoples living in voluntary isolation and avoid greenhouse gas emissions. But the Yasuní-ITT Initiative had only attracted investment of US$13.3 million dollars instead of the US$3.6 billion Ecuador needs to compensate for lost oil revenues. One week after the announcement, the Confederation of Indigenous Nationalities (CONAIE), the Confederation of Peoples of Kichwa Nationality (ECUARUNARI), the Confederation of University Students, and environmental organisations such as Acción Ecológica presented a proposal for a referendum to a Constitutional Court. They will need to collect 584,000 signatures – five per cent of all registered voters in this country of 15 million people – in support of the petition. The government is violating article 25 of the constitution, which bans extraction activities in the territories of isolated peoples. According to the Yasuní-ITT trust fund, 78% of Ecuadorians are against drilling in the park. http://www.ipsnews.net/2013/08/civil-society-calls-for-vote-on-drilling-in-ecuadors-yasuni-park/