ASSESSMENT OF THE EFFECTS OF LAND OWNERSHIP AND LAND GRAB ON DEVELOPMENT

– WITH A PARTICULAR FOCUS ON SMALL HOLDINGS AND RURAL AREAS –

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Importance of land for development

- Access to land is a tool for poverty reduction

- Countries with a more egalitarian distribution of land tend to be characterized by higher levels of economic growth

- Developing countries have very unequal land distribution, with many small holders

- Land access in developing countries often not through formal, individual property rights
Importance of property rights: A controversy I

Advantages of formal property titles (Hernando de Soto and others):

- increase investment in land and productivity
- enable the poor to access credit markets
- land market develops and land is therefore allocated efficiently
Importance of property rights: A controversy II

Criticism of approach of de Soto and others:

- Link between individual titling and productivity or access to credit markets could not always be shown empirically
- Individual property titles may lead to “distress sales” in times of hardship
- Costs of land titling considerable
- Impact and advantages of customary and cultural rules must not be underestimated
- Gender impact
- Re-distribution not considered
Importance of property rights: conclusions

➤ No one-size-fits-all solution

➤ Land reforms (redistributive, registration of titles) need to be accompanied by other measures which enable productive farming by small-holders (capacity-building, allocation of water rights etc.)

➤ Secure access to land more important than formal property rights for pro-poor development
Risks and opportunities of land grabbing

- NGOs worried over impacts on food security, the environment and human rights
- Land ownership in developing countries rarely simple and clear → local farmers lose land
- Weak regulatory frameworks and lack of monitoring and publicity
- Loss of regulatory capacity of host countries for long periods of time

- World Bank and some developing countries’ governments welcome more foreign investment
- Benefits in form of jobs, improvement of infrastructure and technology transfer
Recommendations on land policies

- Increase **ODA** dedicated to **agriculture**
- Strengthen the role of the **EU Land Policy Guidelines**
- Implement the EU Communication “**An EU policy framework to assist developing countries in addressing food security challenges**”
- Acknowledge and help implement the findings of the **International Assessment of Agricultural Knowledge, Science and Technology for Development (IAASTD)**
Recommendations on land-grabbing

- Strengthen the **sustainability criteria** for **bio-fuel production** in the EU Renewable Energy Directive
- Strengthen **human rights** in international investment agreements and treaties
- Support developing countries in **informed decision-making** on investments
- Actively support the **FAO Voluntary Guidelines**
- Improve **reporting** and **monitoring** on large scale land acquisitions involving European investors and support further research
Thank you for listening.

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