

Africa Not Benefiting From Foreign Land Deals

By Barry Malone

ADDIS ABABA, April 28 (Reuters) - Africa is giving vast tracts of farmland to rich nations looking to feed their own people without ensuring those on the world's hungriest continent benefit, the African Union (AU) said on Tuesday.

Countries in Asia and the Gulf that are mainly reliant on food imports have been increasingly seeking land in the developing world to grow crops for their own populations.

"African countries have not been in a reasonable bargaining position," AU Agriculture Commissioner Rhoda Peace Tumusiime told Reuters in an interview at AU headquarters in Addis Ababa.

"The pace of the trend was very fast and they didn't envisage that there should be benefits to the community."

Quickly nicknamed "land-grabbing" by many Africans, the phenomenon has drawn sharp criticism from some who accuse the buyers of ignoring the interests of local people.

"The majority of African people are still poor and can feel they are being exploited by the foreigners," Tumusiime said. "So we need to improve the situation if we can."

Oil-rich nations like Saudi Arabia, Qatar and the United Arab Emirates have been buying land in desperately poor countries like Ethiopia and Sudan that often struggle to feed themselves.

But Tumusiime said cross-border farmland deals could still prove mutually beneficial and boost global food security -- if African governments learned how to negotiate more effectively.

GUIDELINES AGREED

"I don't think it should be purchasing of land, it should be investment," the AU commissioner said.

"The population of this continent is dependent on land, so to be beneficial it needs to be a production/trade arrangement between the host country and investing country."

Such deals would increase overall food production and could bring more produce to international markets and also to the poorest African households, Tumusiime said.

Guidelines on how to negotiate with foreign investors were agreed at an AU ministers' meeting in the Ethiopian capital last week, she said, and will be presented to African leaders for ratification at a summit in July.

"They point to potential benefits like improved infrastructure, taxation and provision of health facilities and outline how communities should be involved themselves in the production side," Tumusiime said.

She added that "multiplier" industries such as beef-processing plants should be set up on the continent by foreign companies to create jobs for locals.

Commenting on one estimate that as many as a million Chinese farmers could be working in Africa by next year, the commissioner said such a large number of foreign farmers would be "catastrophic" and could cause political instability.

"It has happened already in some countries where foreign investors came and the local population was not consulted," she said. "Then land is taken and it can even cause riots so we need more organisation to put an end to so many coming in."

The U.N. Food and Agriculture Organisation says private investment to develop agriculture in poorer countries is urgently needed if the world is to double food output by 2050 and stamp out hunger that still afflicts about 1 billion people.

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(Editing by Daniel Wallis) (END/2009)