BACKGROUND REVIEW ON SOCIAL IMPACTS OF LAND GRABBING ASSOCIATED TO BIOFUELS PRODUCTION

Lead Author: Rachel Marini Ravagnani, State University of Campinas, Phone: +55.11.964708202. E-mail: <u>rachelmr@fem.unicamp.br</u> Co-author: Arnaldo Walter, State University of Campinas, Phone: +55.19.35213283, E-mail: <u>awalter@fem.unicamp.br</u> Co-author: Carlos Augusto Matuguma, Natura Cosméticos, Phone: +55.11.964710515, E-mail: <u>carlos.matuguma@gmail.com</u>

Overview

In the international scenario, biofuels can be considered a trend bound to continue taking into consideration renewable fuels for transportation. Not until recent years social concerns, arising from the increased production and use of such fuels, became more prominent and closely investigated. The destination of land to the production of biofuels, a concern deriving from social matters, became a major issue mainly after the 2007-08 food price crisis. Large-scale land acquisition performed by either private investors or governments mainly in Asian and African countries have been under analysis regarding their potential to impair access to land by the local community hence causing negative social impacts.

In the literature, it is possible to identify authors affirming that biofuels are one of the main drivers for the practice called "land grabbing". At this point controversy lies since for many, biofuels and related investments can provide relevant opportunities generating jobs, regional development and capital flow. On the other hand, diverse analysis focus on the downsides of such investments, highlighting the negative impacts on communities who have experienced land expropriation.

Therefore, the purpose set for this paper is to identify the origins of the concerns linking land grabbing to biofuels, assessing the arguments used to support both the positive and to the adverse sides of the discussion and their social impacts on communities of African and Asian countries. The role of biofuels on the food price crisis is also closely analyzed since it since it provides the basis for many arguments anti biofuels. Another aim of this paper is to verify the role of certification schemes aiding on the prevention of practices that can undermine social sustainability.

The paper relies on data analysis to comprehend the movement of large-scale land acquisitions and draw conclusions regarding the role of biofuels regarding land grabbing practices.

The paper's structure is set in six sections including introduction and conclusion. After the introduction, the second section gives a brief overview about the land grabbing issue, its origins, concept and the nature of the concerns of these land acquisition practices. The third section links land grabbing to their social reflections and discusses about the international human rights framework. The fourth section is subdived in five: the first brings the evolution of biofuels through the last decade; the second discusses the food price crisis; the third brings the methodology of the analysis; the fourth analyses the data and the fifth gathers the main findings. On the fifth section, the role of certification schemes, regarding biofuels, as tools to collaborate to prevent such practices is explored. Finally, the sixth section highlights the main findings and conclusion of the study.

Methods

Regarding the methodology followed, the paper draws an extensive literature analysis considering publications on the matters investigated. Since the primary goal set for the paper is to identify the concerns linking land grabbing to biofuels, publication from academics, NGOs and organizations such as FAO were used to identify: (i) the origins of the discussion; (ii) the arguments used to associate land grabbing to biofuels; (iii) data evidence from large-scale land acquisitions. For that, in order to analyze land deals, the Land Matrix developed by the International Land Coalition, a reference database on the topic, was used as a database.

Regarding the analysis of the role of certification schemes, the most prominent schemes for biofuels were assessed (RSB, Bonsucro and ISCC) in order to verify how social issues are treated within them and how land tenure is addressed on each one of them.

Results

Results found from the analysis conducted were not absolute, proves that the matter is complex, and has several ramifications. The literature studied revealed a polarized scenario. Initially, defining and characterizing a land acquisition as a land grab is one of the first challenges given that there are multiple interpretations on what can be defined as a land grab. Aside from interpretation matters while authors and especially NGOs defends that biofuels are a main cause for land grabs, especially in African and Asian countries, concrete evidence and cases to support

such theory are difficult to identify. The analysis of some countries in particular showed that it is necessary to analyze contracts on a case basis to identify possible land grabbing outbreaks associated to biofuels land acquisitions. The speculation generated by large-scale land acquisitions proves to be harmful and present a distorted scenario.

Finally, it is possible to say that certification schemes can be an effective tool to constraint this phenomenon. One highlight is that they can act in two ways: firstly drawing more attention to the matter hampering thus the occurrence of land grabbing and secondly pointing out where weak legislation may facilitate its occurrence. Furthermore, certification schemes can act forcing investors to prove consent from local community thereby creating an environment in which land grabbing is harder.

Conclusions

Firstly, it is important to affirm that land grabbing is a real problem who requires attention and action. However, regarding biofuels, the concerns may not have the alleged scale. That is said considering the background in which these fuels are claimed to promote land grabbing.

Issues regarding the use, destination, distribution and ownership of land are not a recent matter, however, a series of events made it even more apparent. The volatility of oil prices, observed in the years 2005-2008, evidenced that biofuels could play an important role to energy security. Further, the increasing use and production of such fuels, mainly from 2005 to 2010, alongside with its growing perspectives, were mistakenly pointed as the main cause to the food price crisis observed in the years 2007-08. These factors combined, stressed out the issue of land relating to biofuels production.

Large-scale land acquisition, for a variety of purposes occurred mainly in African and Asian countries. Claims that those acquisitions were destined to host biofuels projects or energy crops are hard to be proven since there is the possibility that energy related crops and food related crops overlap. It is true that land grabs for biofuels production may occur, yet affirm that biofuels production is a main driver for this practice is not accurate after analysing the data. However, it is possible to state that the projection patterns for biofuels production and consumption are one of the factors driving new patterns of land investments internationally – this means that speculation has more prejudicial effects in misrepresenting facts.

In the policy area, a conclusion that rises is that more stringent land legislation and transnational governance of land acquisitions are of utmost relevance to hinder harmful land/agricultural practices. The role of certification schemes aiding governments and the social society involved reveals itself as relevant and can be instrumental in this sense. Social sustainability criteria, even with its limitations, can act as ally for communities ensuring preservation of basic rights.

References

Aziz Elbehri, Anna Segerstedt, Pascal Liu (2013). "Biofuels and the Sustainability Challenge: A global assessment of sustainability issues, trends and policies for biofuels and related feedstocks". Trade and Markets Division. Food and Agriculture Organization of the United Nations. Rome.

Cotula, L., Vermeulen, S., Leonard, R. and Keeley, J., 2009, Land Grab or Development Opportunity? Agricultural Investment and International Land Deals in Africa, IIED/FAO/IFAD, London/Rome.

Dan van der Horst, Saskia Vermeylen (2011). S"patial scale and social impacts of biofuel production". Biomass and Bioenergy, **35**, 2435-2443.

Davis, K. F., D'Odorico, P., Rulli, M. C. (2014). "Land grabbing: a preliminary quantification of economic impacts on rural livelihoods". Popul Environ, **36**, 180–192

Dereje Teklemariama, Hossein Azadia, Jan Nyssena, Mitiku Hailed, Frank Witlox (2015). "Transnational land deals: Towards an inclusive land governance framework". Land Use Policy, **42**, 781-789.

Hamelinck, C. (2013). Land grabs for biofuels driven by EU biofuels policies. Ecofys, Netherlands.

HLPE, 2011. Land tenure and international investments in agriculture. A report by the High Level Panel of Experts on Food Security and Nutrition of the Committee on World Food Security, Rome 2011.

HLPE, 2013. Biofuels and food security. A report by the High Level Panel of Experts on Food Security and Nutrition of the Committee on World Food Security, Rome 2013

Philipp Baumgartner, Joachim von Braun, Degnet AbebaW and Marc Müller (2015). "Impacts of Large-scale Land Investments on Income, Prices, and Employment: Empirical Analyses in Ethiopia". World Development, **72**, 175-190.

Pilgrim, S., Harvey M. (2010). "Battles over Biofuels in Europe: NGOs and the Politics of Markets". Sociological Research Online, **15** (3) 4. Available at: http://www.socresonline.org.uk /15/3/4.html. Last access 05/18/2015. Thomas K. Rudel (2013). "Food Versus Fuel: Extractive Industries, Insecure Land Tenure, and Gaps in World Food Production". World Development, **51**, 62–70.