GLOBAL RUSH FOR AGRICULTURAL LAND: INTRODUCTORY SNAPSHOT

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Land Acquisitions: Who, What, When, Where, Why…

- Governments, for-profit entities acquiring agricultural land to secure food supplies for home jurisdictions and for commercial purposes.
  - Governments look overseas due to inability to produce at home (*e.g.*, Middle Eastern states, particularly in the Gulf).
  - For-profit entities see the near- and long-term for profit opportunity.
- Local governments often are counter-parties.
- Small farmers and local communities affected, often adversely or in ways that are not clear (for various reasons).
- Land deals in Africa, East, South, and Central Asia, etc.
- Terms of land deals and effects often are opaque.

Issues:
Legal, Political, Social, Environmental

- Lack of coordinated investment, poor or absent environmental planning, insufficient protection of (or clarity as to) rights of affected communities, and absence of financial and legal inclusiveness complicate issues.
- Agriculture, land, food, and particularly agricultural land have qualitative/sentimental value for local land owners, small farmers, communities, and nations, which compounds the issues.
- Land acquisitions (labeled "land grabs" by some) are politically risky; *see e.g.*, Madagascar, Vietnam, Australia, Arab Spring.
- Land acquisitions are fraught with legal risk at the local (unclear land/other rights, lack of transparency), national, and international levels.
- Usage of large tracts of land and water resources by acquirer parties raises questions as to environmental impact and sustainability, including from the perspective of international law and other states (*e.g.*, permanent sovereignty over natural resources).

And Economic Issues:
Food Insecurity: % of Spending on Food

RANK 2011	COUNTRY	% CONSUMPTION SPENDING ON FOOD	HOUSEHOLD CONSUMPTION PER PERSON	SPENDING PER CAPITA ON FOOD
1	U.S.	6.7%	$33,575	$2,239
2	Singapore	7.4%	$18,874	$1,393
3	U.K.	9.4%	$23,728	$2,225
4	Canada	9.7%	$27,632	$2,688
5	Switzerland	10.2%	$45,317	$4,608
6	Ireland	10.2%	$22,153	$2,260
7	Australia	10.7%	$36,292	$3,880
8	Austria	10.9%	$27,479	$2,997
9	Germany	11.1%	$23,937	$2,658
10	Denmark	11.2%	$28,592	$3,200
11	Netherlands	11.8%	$22,148	$2,612
12	Finland	12.0%	$25,857	$3,109
13	Qatar	12.3%	$13,672	$1,683

Source: AEI, April 22, 2013 (http://www.aei-ideas.org/2013/03/chart-of-the-day-as-a-share-of-household-spending-the-us-has-the-most-affordable-food-in-world/ (Compiling USDA International Data for 2011).

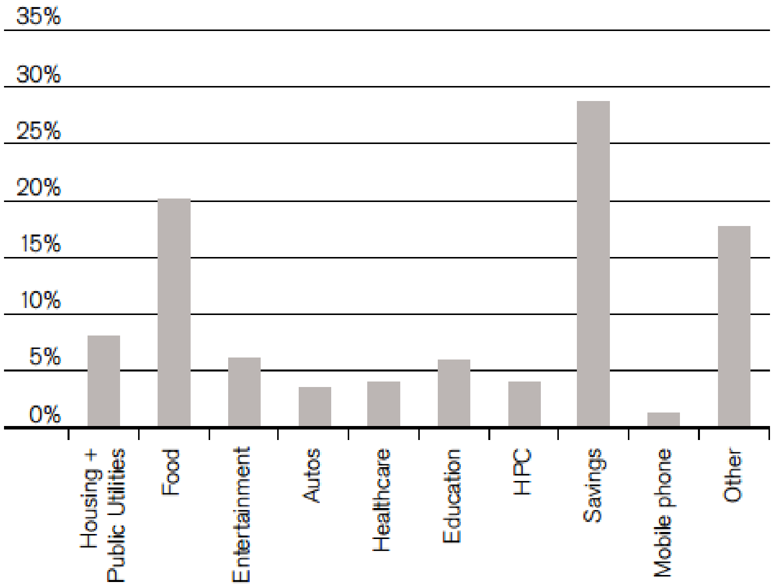
Food Insecurity: % of Spending on Food

CHINA

Figure 34

Monthly spending by category (%)

Source: Credit Suisse Emerging Consumer Survey

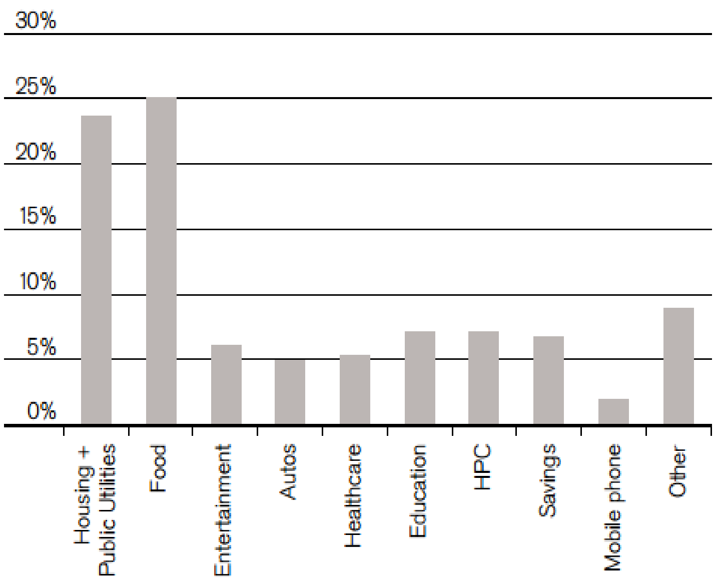


TURKEY

Figure 76

Monthly spending by category (%)

Source: Credit Suisse Emerging Consumer Survey



Source: Credit Suisse Emerging Consumer Survey 2012

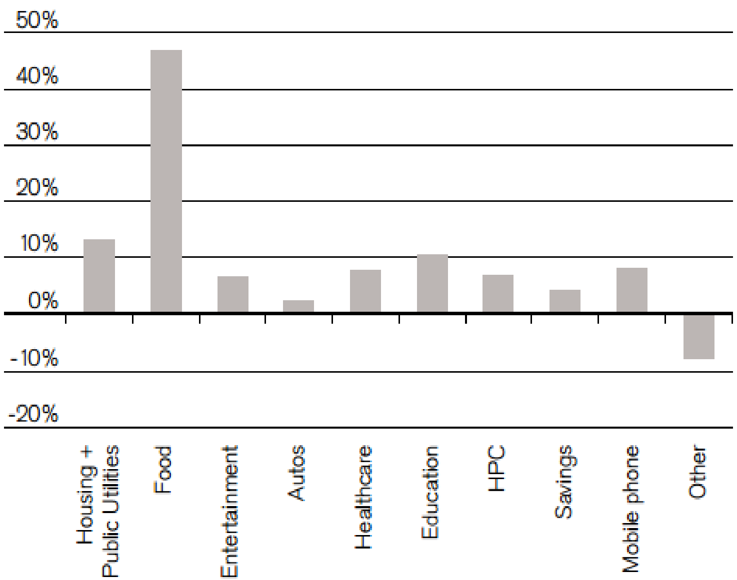
Food Insecurity: % of Spending on Food

EGYPT

Figure 41

Monthly spending by category (%)

Source: Credit Suisse Emerging Consumer Survey

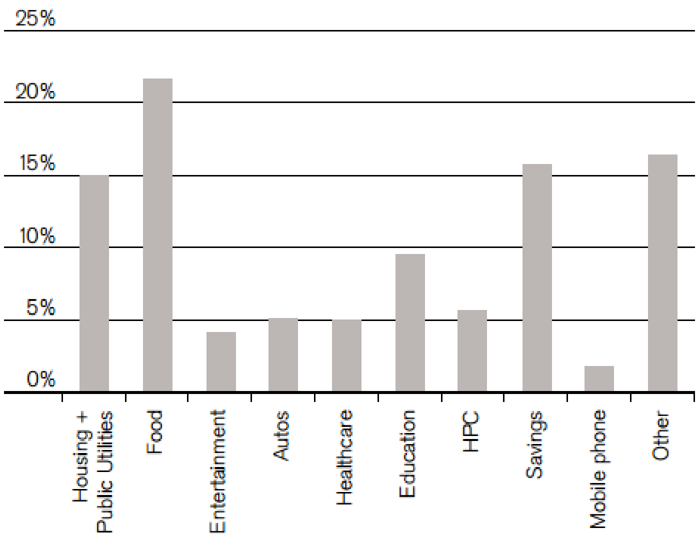


INDIA

Figure 48

Monthly spending by category (%)

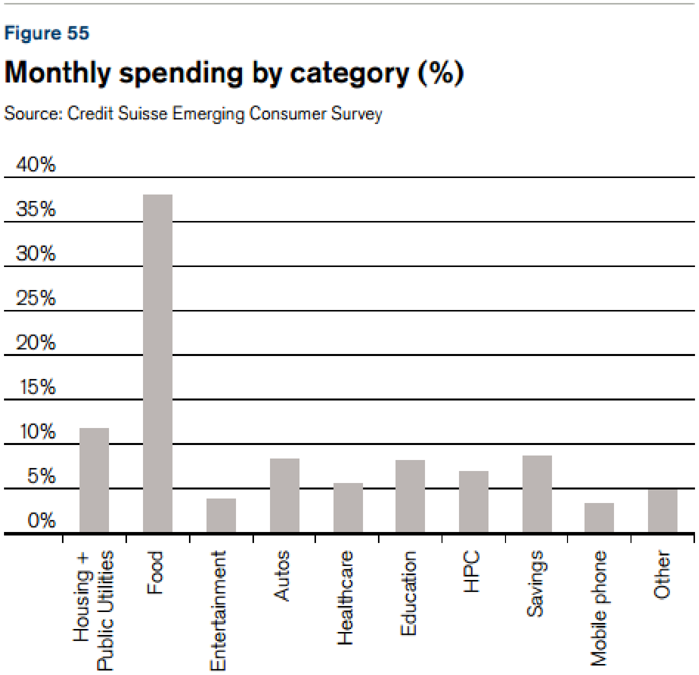
Source: Credit Suisse Emerging Consumer Survey



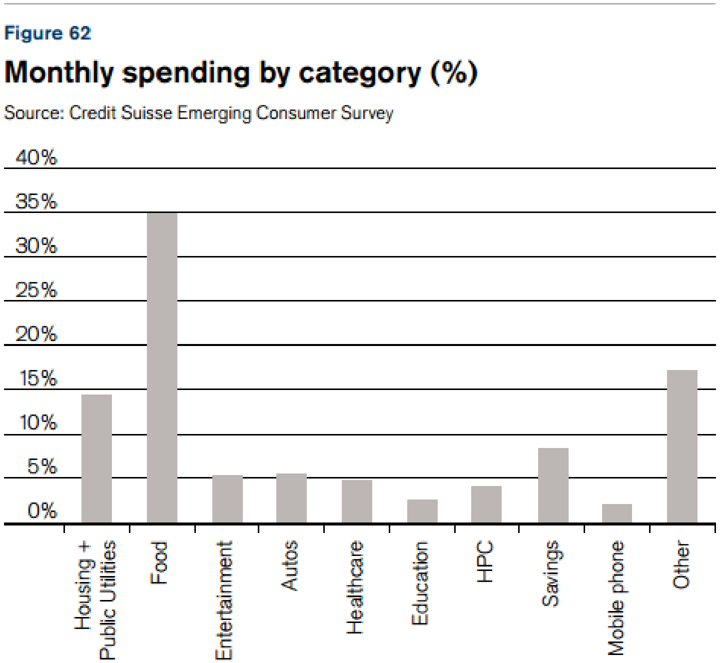
Source: Credit Suisse Emerging Consumer Survey 2012

Food Insecurity: % of Spending on Food

INDONESIA



RUSSIA

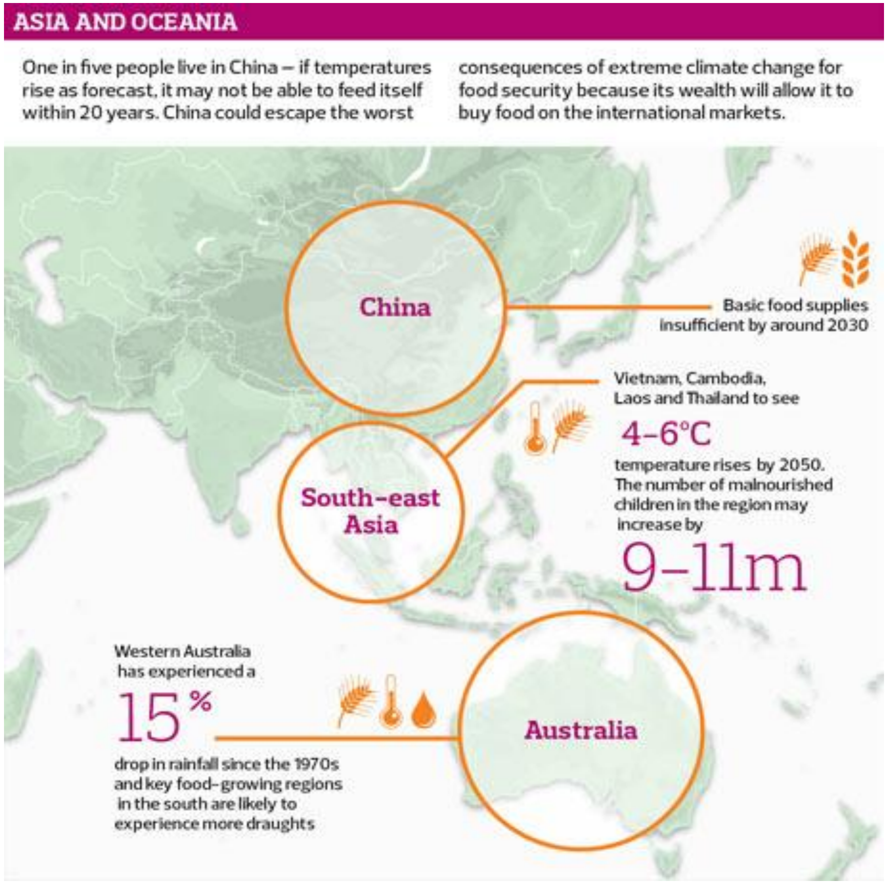


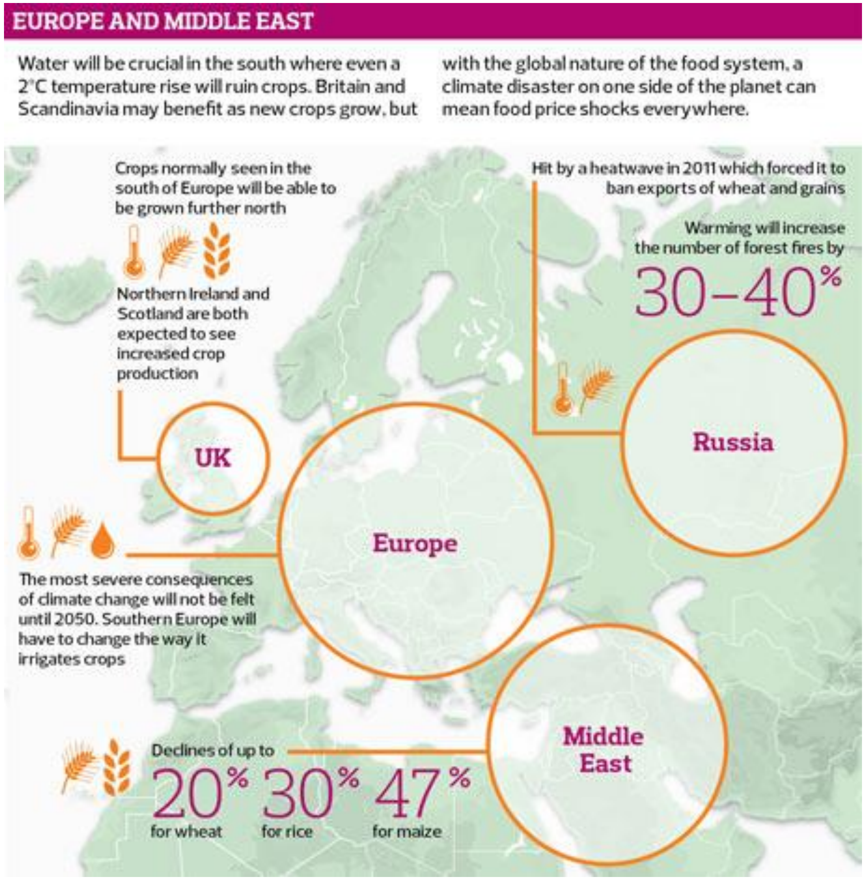
Source: Credit Suisse Emerging Consumer Survey 2012

A Multi-Dimensional, Growing Problem

- Global population projected at 9 billion by 2050. (FAO)
- Food production must double by 2050. (FAO)
- Price rises and instability, impact on governments and consumers, without commensurate rises in income/economic growth.
- Sub-optimal, reactive policy responses.
- Insufficient credit/finance for small farmers and other small-scale parties in the food chain.
- Water scarcity.
- Climate conditions, e.g., "Millions Face Starvation as World Warms" The Guardian (April 13, 2013).

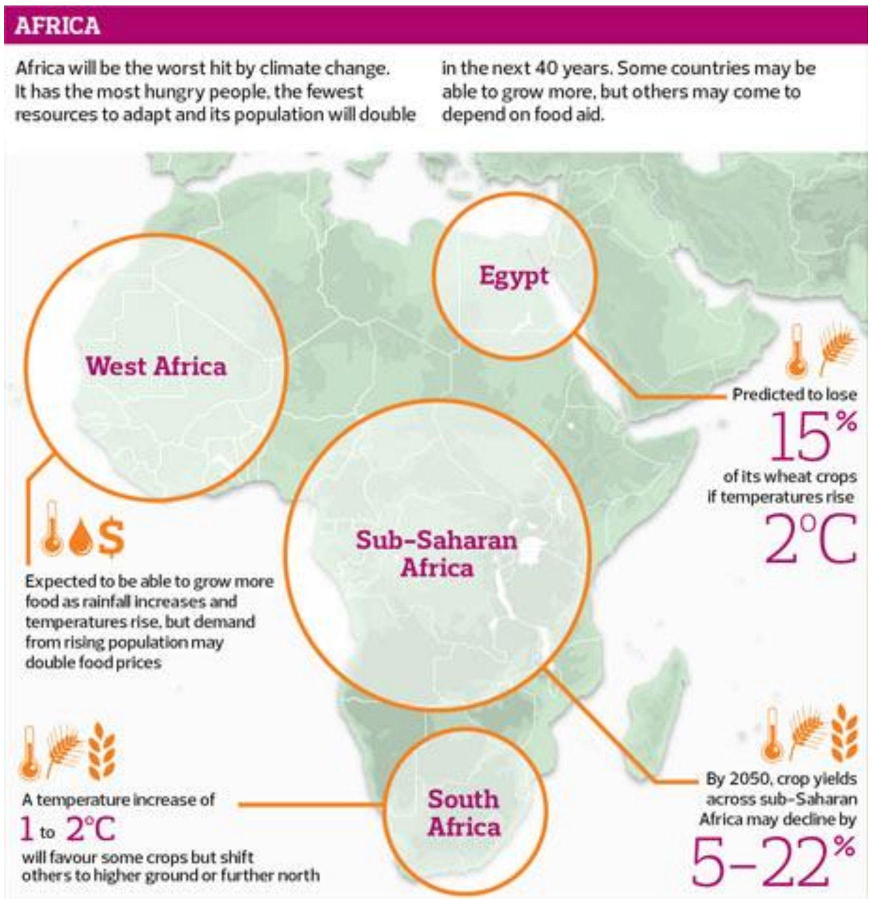
Climate Change and Food Insecurity

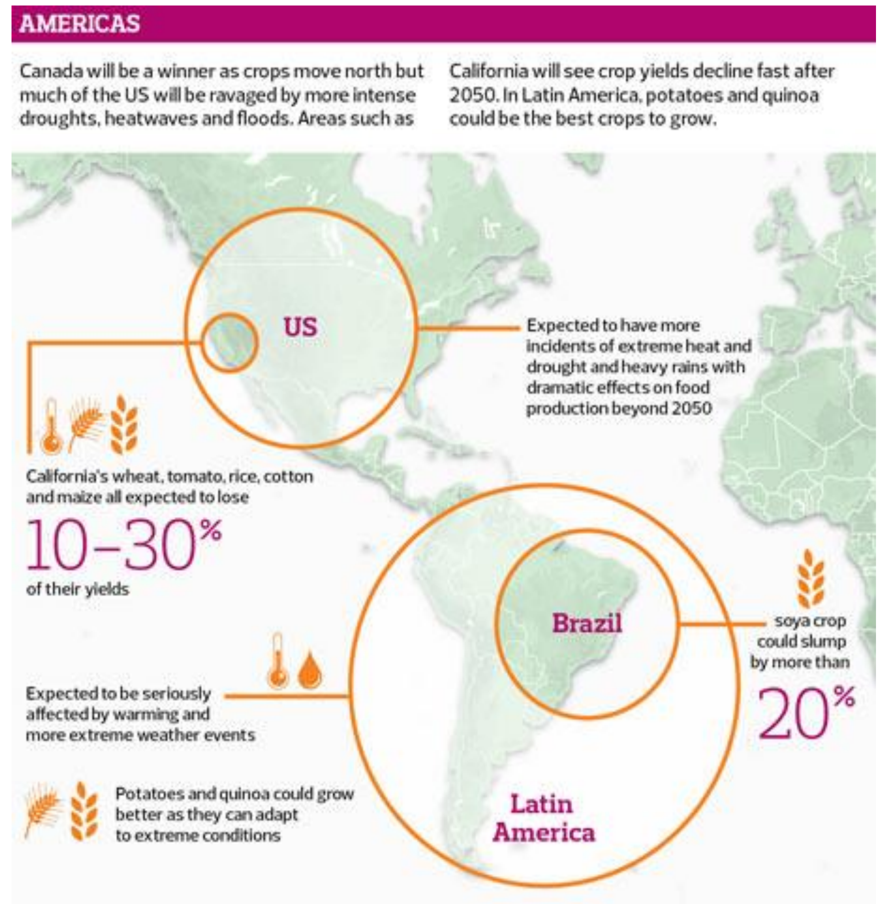




Source: The Guardian, Climate change: how a warming world is a threat to our food supplies, April 13, 2013 (http://www.guardian.co.uk/environment/2013/apr/13/climate-change-threat-food-supplies)

Climate Change and Food Insecurity





Source: The Guardian, Climate change: how a warming world is a threat to our food supplies, April 13, 2013 (http://www.guardian.co.uk/environment/2013/apr/13/climate-change-threat-food-supplies)

Responses, Potential Responses

- **Legal and Policy**
  - Principles for Responsible Agricultural Investment.
  - Guidelines for food export (repatriation) by foreign investment at times of local food shortages.
  - Multi-lateral efforts to enforce local rights.
  - Multi-lateral efforts to define and enshrine local rights.
  - Bilateral, multi-lateral frameworks governing agricultural land use by third parties in states sharing a common resource, such as a waterway.
- **Practical**
  - Infrastructure building (*e.g.*, delivery and storage).
  - Training, know-how, technology; *e.g.*, storage, delivery, agricultural practices.
  - Proper allocation of resources and long-term outlook, rather than short-term approaches that ultimately are unsustainable (*e.g.*, Saudi Arabia).
  - Structure agricultural investment in ways that are inherently inclusive, financially, environmentally, and legally.

Thank You

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