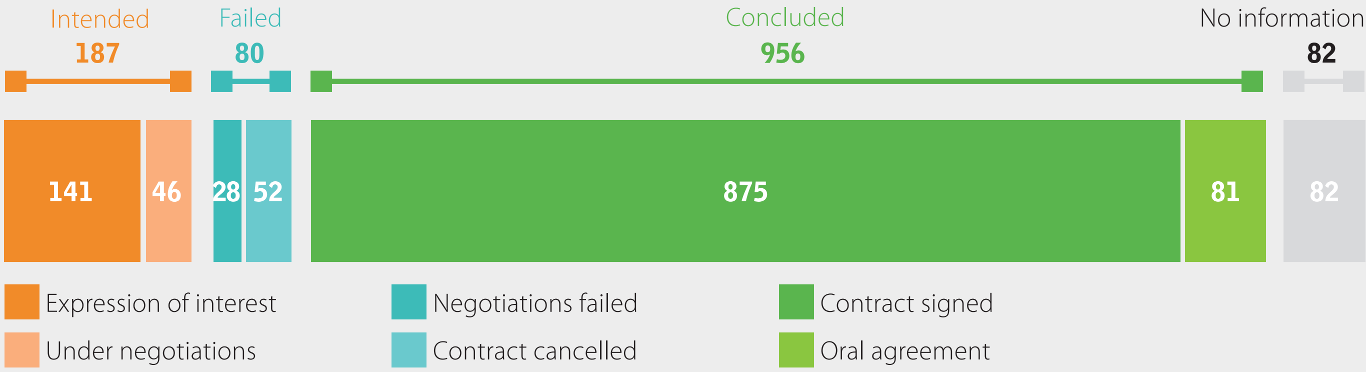
LAND MATRIX NEWSLETTER - OCTOBER 2014
www.landmatrix.org

DATA OVERVIEW

Figure 1 Number of deals according to negotiation status



Data as of 1 September, 2014

LAND MATRIX IS DECENTRALIZING AND EXPANDING ITS NETWORK WITH NEW REGIONAL FOCAL POINTS

In view of enhancing the quality of the Land Matrix (LM) database, but also to increase its impact on policy-dialogue, the LM is presently involved in a process of decentralisation and expansion of its networks. As a result of a call for interest launched in February 2014, five regional focal points have been selected and will support the LM on regional level data collection, research, policy advocacy and networking and communication. Our experience in the last two years (see box 1 for some insights from Africa), has shown that the process of decentralisation is essential in order to promote transparency and accountability in decisions over land and investment and improve data quality. Nonetheless, quality control and overall coordination is still necessary in order to guarantee consistency and compliance with LM criteria.

The **five regional focal points**:

- **AFA** (**Asian Farmers' organisation for Sustainable Rural Development**) *asianfarmers.org*: an alliance of national farmers' organizations, currently with 17 member organizations in 13 countries in Southeast, East, South and Central Asia, with a combined membership of around 12 million small scale women and men farmers, fishers and indigenous peoples.
  Contacts: Marciano T. Virola, Jr. (Coordinator LM Asia Focal Point) afajun@asianfarmers.org; Esther Penunia (AFA Secretary General) afaesther@asianfarmers.org
- **JASIL** *www.cbnrm.mn*: a Mongolian non-governmental organization whose mission is to promote sustainable management of natural resources and land through equitable and participatory processes. JASIL is responsible for data collection of Central Asia (Mongolia, Kazakhstan and Kyrgyzstan at an initial stage) and coordination with local and regional governmental and non-governmental organizations.
  Contacts: Mrs.Bolormaa Tsooj (Coordination LM Central Asia Focal Point) bolortsi@gmail.com; Dr.Hijaba Ykhabai (Director of JASIL) ykhanbai@hotmail.com

- Eco Ruralis *www.ecoruralis.ro*: a Romanian NGO that includes in its 500 person membership many family farmers whom are mostly peasants. Other members include small organic farmers, urban and rural gardeners as well as agricultural activists. Eco Ruralis is a member of European Coordination Via Campesina and is connected to national and international networks that work on many agriculture-related issues.
  Contacts: Szőcs-Boruss Miklós-Attila (Coordination LM Eastern Europe Focal Point) attila@ecoruralis.ro
- FUNDAPAZ (Fundación para el Desarrollo en Justicia y Paz) *www.fundapaz.org.ar* : a civil society organization with the mission of fostering human development in rural communities in Northern Argentina. FUNDAPAZ will act as Institutional Coordinator and will be mainly in charge of networking and dissemination activities. INENCO (Research Institute on Renewable Energy) will concentrate on data-collection, report writing, and communication with other regional partners and global initiatives. The LM Latin America Focal Point will work in close liaison with the "Red Territorios Visibles" www.redterritoriosvisibles.org
  Contacts: landmatrix.lafp@gmail.com
- University of Pretoria (UP) *www.up.ac.za* : a major academic institution in Africa, particularly engaged in the development of consistent data with regards agriculture and land governance. The Post-Graduate School of agriculture and Rural Development, The Department of agricultural Economics and the Center for the Study of Governance Innovation will partake in this LM endeavour.
  Contacts: Wytske Chamberlain (Coordination LM Africa Focal Point) Wytske.chamberlain@gmail.com; Angela Fraser (Research Assistant) ange_fraser@yahoo.com; Ward Anseeuw (overall coordination) ward.anseeuw@up.ac.za

As an additional new partner, we welcome **Tactical Tech Collective (TTC)**, an organisation dedicated to the use of information for activism. TTC was already involved in conceptualising the Land Matrix website, and will join us now as full partner. TTC will play a crucial role in further developing the communication strategy and the technology behind the Land Matrix. For more information: *www.tacticaltech.org*

DECENTRALIZING FOR MORE DYNAMIC DATA AND ENHANCED POLICY ADVOCACY THE CASE OF AFRICA

Overall data quality is on the rise, particularly for Africa. This is in part to the establishment and development of three complementary data collection methods.

1. *Continuous scrutiny of secondary information by a reinforced team of research assistants, complemented by crowd sourcing and mechanisms of continuous follow up of status of the projects/tracking of new projects.*
2. *An extensive network of key information sources in almost all African countries. This network, coordinated by the African Regional Focal Point, and based on long-term partnerships, includes i) individual/independent informants such as academics, farmers organizations, civil society, international co-operations, etc., ii) collaboration with the Land Policy Initiative and its focal points, iii) agreements with governments and private sector.*
3. *Collaboration with existing or new decentralized land observatories. Each observatory, whether national or thematic, which functions as relatively independent entities and managed by their own interest group, produces data which will then be feeding into the LM global observatory. Such observatories exist already in Madagascar, are being established in Tanzania, Cameroon and South Africa (other countries are to follow).*

With these methods, data has become meaningfully dynamic for Africa. Since the last newsletter, there have been a total of 260 modifications to the current African deals; 78 new deals were added and 16 cases were deleted. As a result, the African database has increased from 785 to 879 total deals. While hectarage under contract has decreased by 295000ha, the number of deals under contract increased by 68. The number of cases in operation increased by 35. The remaining modifications are attributed to 'minor changes' to the database, i.e. changes to data sources, change in former use, change in local community tab.

The enrolment of new Regional Focal Points for the other continents should lead to similar set-up, resulting in improved data collection and data quality.

DATA TRENDS AND DYNAMICS: IMPROVED DATA ON LAND DEALS SHOW ONGOING IMPLEMENTATION

Since the launch of the second phase of the Global Observatory in June 2013, the LM database grew significantly. Table 1 shows that the number of concluded deals increased by 27% from 755 deals in June 2013 to 956 deals in September 2014. However, the respective area increased with less speed: Both measures, the intended size and the size under contract went up by 10%. For intended deals we take stock of 42 new deals (+29%) accounting for 4 million hectares (+37%). The sharpest increase can be found at failed deals where the number of deals grew by 60% accompanied by a raise of 2.6 million hectares for the intended size and 0.8 million hectares for the size under contract.

Table 1: Dynamics of international land acquisitions according to negotiation status

	Number of deals			Intended size (in million ha)			Size under contract (in million ha)		
	Jun 13	Sep 14	Δ	Jun 13	Sep 14	Δ	Jun 13	Sep 14	Δ
Concluded deals	755	956	27%	54.9	60.5	10%	32.6	35.7	10%
Intended deals	145	187	29%	10.8	14.8	37%	n.a.	n.a.	n.a.
Failed deals	50	80	60%	4.9	7.5	53%	1.1	1.9	73%

Data as of 5 June, 2013 and 1 September, 2014

As of September 1st, more than 60% of deals in our database are operational with 503 deals in operation and another 129 deals in the start-up phase. The current size under production remains rather low with only 4.1 million hectares (Table 2).

Table 2: International land acquisitions according implementation status

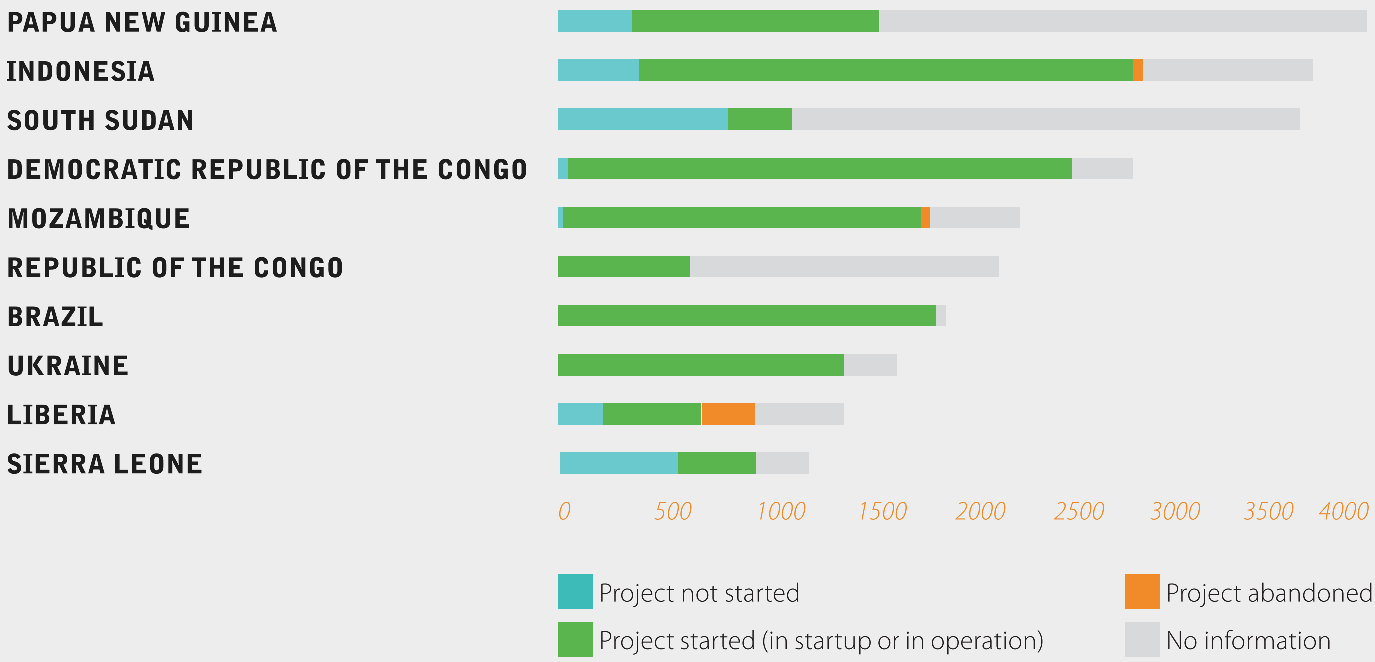
	Number of concluded deals	Size under contract (million ha)	Current size under production (million ha)
Project not started	54	2.8	n.a.
Start-up phase (no production)	129	3.2	n.a.
In operation (production)	503	17.0	4.1
Project abandoned	32	1.4	n.a.
No information	265	13.0	n.a.
Total (deals or ha)	**983**	**37.3**	**4.1**

Data as of 1 September, 2014

DIFFERENTIATED PATTERN OF IMPLEMENTATION

Looking into the dynamics of the top 10 target countries, different patterns emerge: some countries exhibit a high rate of start-up projects, e.g. Brazil, Mozambique, and the Democratic Republic of the Congo. Other countries are characterized by a low implementation rate, e.g. South Sudan and Sierra Leone. Whereas, Liberia and Mozambique exhibit some abandoned deals.

Figure 2: Dynamics of top 10 target countries – Size under contract (in 1,000 ha) by implementation status



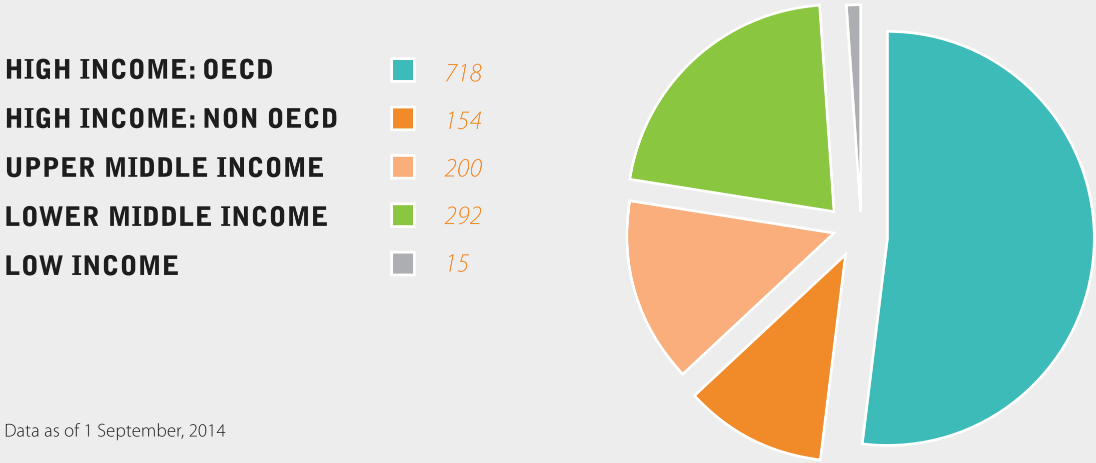
Data as of 1 September, 2014

An important trend is underway: even though there might be few speculation cases, the majority of deals are becoming increasingly operational. Better understanding such dynamics is still a challenge.

INVESTORS: MAINLY FROM HIGH-INCOME COUNTRIES

The vast majority (63%, 872 deals) of foreign investments come from high-income countries, mainly OECD countries (52%, 718 deals). Lower middle income countries account for 292 deals (21%) and upper middle income countries for 200 deals (15%).

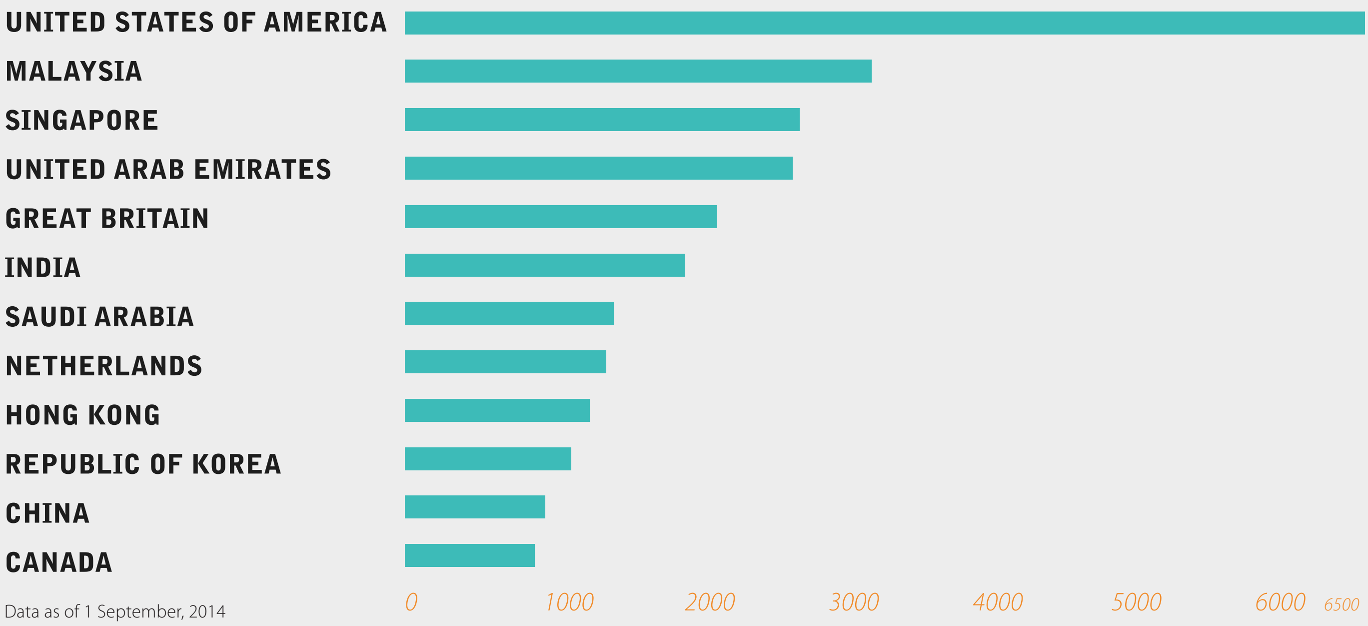
Figure 3: Number of deals per Investor countries' income level



Data as of 1 September, 2014

The USA, Great Britain and the Netherlands are three industrialized countries among the top 10 investors. The United Arab Emirates and Saudi Arabia represent investors from OPEC countries. A large group among the top 10 investors are from populous emerging economies, namely, Malaysia, India, and South Korea. Finally, there are investors from small states with strong financial sectors, such as Hong Kong and Singapore. The last two groups represent capital-rich but natural resource poor countries. China, being "only" in position 11 plays an important role, especially in South East Asia.

Figure 4: Top twelve investors according to the size under contract (in thousands of ha)

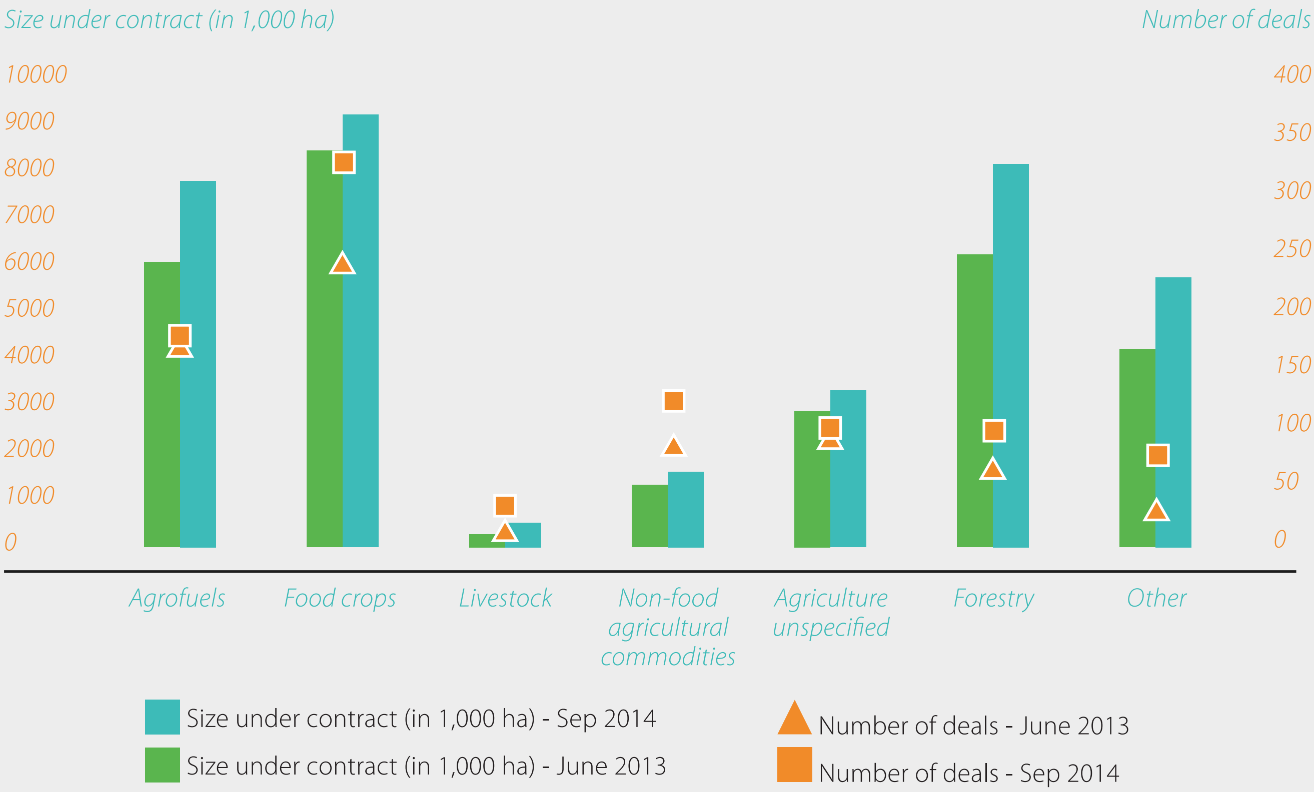


Data as of 1 September, 2014

DRIVERS OF LARGE-SCALE LAND ACQUISITIONS

The main driver of large-scale land acquisitions remains agriculture, with a 40% increase of food crop production and livestock farming more than doubled. Agrofuel production with 190 deals, remains the second most important driver, but only increased slightly by 6% since June 2013. Moreover, the number of forestry projects raised by 50%.

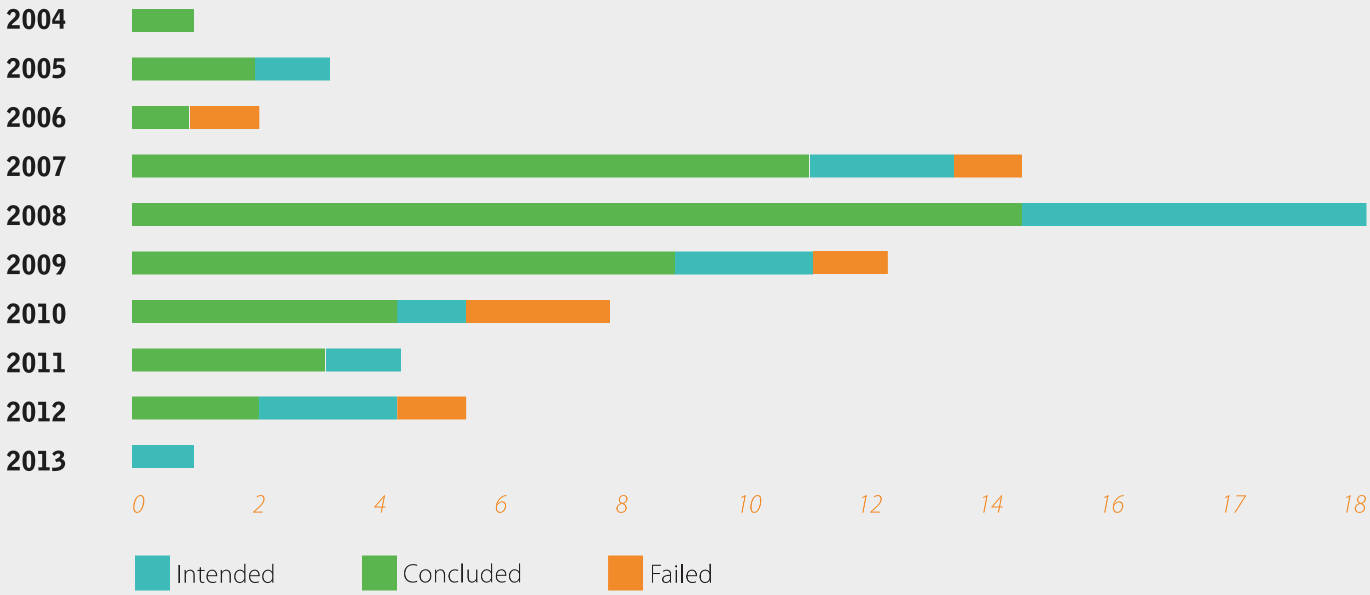
Figure 5: Main drivers of concluded large-scale land acquisitions



Data as of 1 September, 2014

Shedding light on agrofuel projects, we can assert that they account for a significant share of land acquisitions: about 100 deals amounting to 3.8 million hectares under contract focus on fuel or energy production; for another 100 deals (4.4 million hectares) the production of agrofuels is at least part of the intention. Increasing demand for agrofuels is often motivated by renewable energy promoting policies, such as the EU target of reaching a 20% share of energy from renewable resources by 2020. Our assessment further shows that agrofuel projects require huge initial investments and take a few years to yield returns. Evidence shows by comparing failure rates: only 5% of non-agrofuel investments fail, whereas this rate is significantly higher for pure agrofuel projects, with over 15% failure rate. In this context, Jatropha projects have a particularly high record of failure, as well as non-implementation rate, leading to a drastic decrease of new jatropha projects.

Figure 6: The fading jatropha hype – number of jatropha deals according to negotiation status



Data as of 1 September, 2014

ANNOUNCEMENTS / PAPERS

Land Matrix in Media

Land Matrix Receives Prix Ars Electronica Honorary Mention

The Land Matrix was selected among 2,703 entries from 77 countries for the Honorary Mention in the *Prix Ars Electronica* award for digital communities. Established in 1987 as one of the world's premier awards honouring creativity and innovativeness in the use of digital media, the awards was presented at the Ars Electronica Gala in the Brucknerhaus in Linz, Austria on Friday, September 5, 2014.

Land Matrix in Arte Documentary

ARTE | 26.04.2014

Mit offenen Karten: Ackerland zu verkaufen–Ein Markt für sich/ Le Dessous des cartes : Terres arables, un marché pas comme les autres (in German and French). *http://future.arte.tv/de/mit-offenen-karten-der-globale-wettlauf-um-anbauflaechen*

Publications based on LM data

Nolte K, Ostermeier M, Schulze K. 2014. Food or Fuel – The Role of Agrofuels in the Rush for Land. GIGA Focus International Edition English, 05/2014, Hamburg: GIGA. *http://www.giga-hamburg.de/de/system/files/publications/gf_international_1405_0.pdf*

Messerli P, Giger M, Dwyer M, Breu T, Eckert S. 2014. The geography of large-scale land acquisitions: Analysing socio-ecological patterns of target contexts in the global South. Applied Geography 53:449–459.