

# **Green Scenery**

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The Country's Natural Resources Are Natures Gift To Us What We Make Of Them Are Our Gift To Posterity

#### **PRESS RELEASE**

## Green Scenery Launches Oakland Institute Country Report Sierra Leone: Study Reveals Serious Problems With Large Land Deals And Agricultural Investment In The Country

### Freetown, Sierra Leone. 9 June 2011

A new report from the US-based Oakland Institute shows that by early 2011 close to 500,000 ha of farmland in Sierra Leone had been leased or were under negotiation for lease by foreign investors. That represents almost 10 percent of the country's estimated 5.4 million hectares of arable land suitable for farming.

The report, "Understanding Land Investment Deals in Africa, Country Report: Sierra Leone," is the result of an indepth study undertaken in Sierra Leone in late 2010. It notes that most of the land acquisitions are recent, part of a global rush for farmland sparked by the financial, fuel and food crises of 2008-2009. Most of the land deals to date in the country are for the production of sugarcane and palm oil, the raw stock for producing biofuels, primarily for export. Sierra Leone does not have the facilities to make use of such fuels. The report notes that such land deals put smallholder farming, which employs about half the population, and food security at risk.

According to Patrick Caulker, CEO of the Sierra Leone Investment and Export Promotion Agency (SLIEPA), the purpose of foreign investment is to create employment and end the country's dependence on donor funds. But the Oakland Institute notes that in its bid to attract foreign investment, the Government of Sierra Leone is offering investors advantages that will limit both, revenue accrued in the country and local employment. General fiscal incentives include a 10-year tax holiday on agricultural investments in tree crops and rice and zero import duty. Sierra Leone also allows 100 percent foreign ownership in all sectors, requiring no restrictions on expatriate employees and permitting full repatriation of profits.

The Oakland Institute finds a serious lack of transparency and public disclosure in the land deals. Land leases are negotiated directly with chiefs and landowners, and often the signatories do not have copies nor are they aware of the terms of the leases or even the land area covered. The Research team faced difficulties in accessing ninformation on legal frameworks and overviews on the quantity of leased land and investment in agriculture.

As a result of the lack of public information and disclosure, there is little critical or accurate media coverage of the land deals and there is no serious public debate on the subject.

There is confusion surrounding the purported "availability" of cultivable land: the oft-quoted notion that 85 percent of arable land in Sierra Leone is available to investors appears to be based on outdated surveys, as no recent land survey documents have been identified.

The report profiles four large land acquisitions, three of which are subsidiaries of European companies: Addax Bioenegery; Quifel Agribusiness (SL) Ltd; Sierra Leone Agriculture Ltd. and the Iranian company Sepahan Afrique. Only one of the four investors studied, Addax Bioenergy, has signed a Memorandum of Understanding (MOU) with the government of Sierra Leone (GoSL). To date, none of the four case study investments adheres to the

World Bank principles for responsible agro-investment, nor do they conform to the set of core principles laid out by the United Nations Special Rapporteur on the Right to Food, to address the human rights challenge posed by large-scale land acquisitions. Local farmers, landowners and community members have protested land leases in three of the four cases studies.

### **Oakland Institute concludes that**

- 1. "There is a great lack of transparency and disclosure of land deals, to the extent that local communities cannot make informed decisions regarding lease negotiations.
- 2. The weak legal framework and lack of inter-agency coordination within the GoSL leads to weak oversight of land deals and lack of enforcement of protections and safeguards.
- 3. Confusion surrounding the "availability" of land for investment in Sierra Leone poses great risks to local communities. Without proper land inventories, smallholders' land will continue to be infringed upon.
- 4. Land is being cultivated for agro fuel production as opposed to food production for local markets raising serious doubts about the value of investments for local food security.
- 5. The manner in which land deals are negotiated takes advantage of local vulnerabilities and social structures. The process lacks safeguards and grievance mechanisms.
- 6. The non-binding nature of Environment Impact Assessment requirements, and their lack of enforcement, allows investors to ignore their responsibilities and the health of ecosystems.
- 7. Promotion of land investment by the government and the World Bank Group leads to important questions regarding who benefits from these investments a small privileged group or the majority of Sierra Leoneans.
- 8. Land deals are being negotiated in a manner that alienates local landowners and creates social conflict. Investors are not fulfilling pledges to the community and grievance mechanisms are not being honored."

The report notes that because of these problems, "the conditions surrounding agricultural investments in Sierra Leone are ripe for exploitation and conflict". Until they are resolved, the Oakland Institute calls on international institutions and donor partners to discontinue support for large-scale land acquisitions in Sierra Leone.

#### About the report and the Oakland Institute

This Sierra Leone report is part of the Oakland Institute's (OI) seven-country case study project to document and examine land investment deals in Africa (Ethiopia, Mali, Mozambique, Sierra Leone, Sudan, Tanzania, and Zambia) in order to determine social, economic, and environmental implications of land acquisitions in the developing world. The Oakland Institute is a policy think tank dedicated to advancing public participation and fair debate on critical social, economic, and environmental issues.

The research team conducted an in-depth study of the issue of large land acquisition in Sierra Leone, including thorough literature review, interviews with a multitude of stakeholders, informants and officials, field visits to sites.

The report provides background on the institutional and political context of the country, the current macroeconomic situation, the state of food and agriculture, and the current investment climate. Additionally, it documents detailed information regarding four land investment deals currently being carried out in Sierra Leone.

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