

Role of IFC in agricultural investment and large-scale land acquisition

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What is IFC?

- International Finance Corporation
- Private sector branch of World Bank Group
- Mission:
“IFC's mission is to promote sustainable private sector investment in developing countries, helping to reduce poverty and improve people's lives.”
- Work: - Investment Services (IS)
- Technical Assistance and Advisory Services (TAAS)

What is FIAS?

- Foreign Investment Advisory Service
- a Joint Service of the IFC
- Work:
 - FIAS assists governments of developing countries and transition economies
 - emphasis on regulatory simplification
 - investment generation

IFC role in 'global land grab'?

- Promotion of FDI for development
- Barriers to land acquisition for foreign investors –
 - Lack of information
 - Administrative Barriers
 - Weak legal frameworks
- IFC/FIAS → Technical Assistance/ Advisory Services (TAAS)
→ facilitates land investment

How does IFC facilitate access to land markets?

1. PROVIDES INFORMATION:

- *Doing Business* and other rankings
- Promotion/creation of IPAs (“one stop shops”)
- Toolkits for client governments

How does IFC facilitate access to land markets?

2. REMOVES ADMINISTRATIVE BARRIERS:

- Streamlines procedures
- Land-related “products”

How does IFC facilitate access to land markets?

3. STRENGTHENS LEGAL FRAMEWORKS:

- Drafts/reviews/revises legislation

How does IFC facilitate access to land markets?

4. PROMOTES INVESTOR INCENTIVES:

- Tax and duty benefits

Outcomes

- Facilitation of land investment
- Winners vs. Losers
- Case studies

Concerns

- *IFC / FIAS absent from debate*
- How does IFC measure success?
- Weak Sustainability Policy and Performance Standards (PS)
- No application of PS to TAAS or Financial Intermediaries (FIs)

Recommendations

- Revision and Improvement of PS
- Accountability for TAAS, not just investment services (IS)
- Accountability for FIs, not just IFC

- *Increased recognition and systematic analysis of IFC role within 'land grab' discourse*

Thank you

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