# Growing evidence against the New Alliance for Food Security and Nutrition



June 2015

Through the G7's New Alliance for Food Security and Nutrition, known as the New Alliance, the Department for International Development (DfID) is using £600 million of aid to facilitate corporate investment in Africa's food systems. In return for this aid, African countries have had to make changes in their land, seed and trade rules, handing control over to big business at the expense of small-scale farmers.

Corporations involved in the New Alliance argue that they provide responsible win-win investment for local farmers by increasing infrastructure, markets and employment opportunities. Evidence from across the African continent suggests these investments are having a negative impact on small-scale farmers. These farmers have lost access to resources such as water, seeds and land as corporations take control. This is a problem because small-scale farmers are the key to addressing food security in Africa. They produce 70% of the continent's food.

The New Alliance model has met widespread opposition across the world as hundreds of farmers and civil society organisations have called for its immediate suspension.

# Tanzania: flagship project leads to debt and displacement

The UK company Agrica, has received over £7 million of aid money from DflD to build a rice plantation (KPL Farms) in the Kilombero Valley in central Tanzania. The project is promoted as an example of successful responsible investment and is one of the flagship projects of the New Alliance.

However, a report published by the Oakland Institute, Greenpeace Africa and Global Justice Now<sup>1</sup> provides evidence of debt, environmental

ICAI criticise the New Alliance

In May 2015<sup>2</sup>, the Independent Commission for Aid Impact criticised DfID's close relationship with big business, saying that it was performing "relatively poorly against ICAI's criteria for effectiveness and value for money". The report described the New Alliance as "little more than a means of promotion for the companies involved and a chance to increase their influence in policy debates". It also had concerns about "the level of strategic oversight DfID has over business engagement activities", saying that "DfID needs to do more to translate its high level ambition into detailed operational plans with a clear focus on poverty reduction".

damage and unfair displacement. Far from being a model of successful agriculture, this flagship project demonstrates the problems of large-scale agricultural development and its impact on small-scale farmers.

In the resettlement process, 230 farmers were displaced from their land with reports from villagers of inadequate compensation. Some received just \$17 per acre, which is less than the amount it now costs to rent an acre in the village for a year. A villager said, "When they came here, they told me that if I provided land for KPL they would build me a new house ... But they did not do that; they just threw us out of there and gave us a little money in order to survive."

Local farmers have also faced debt as they signed contracts to grow rice for the company. The report shows that under this scheme, the company told the farmers what to grow, how to grow it and the price they would pay for it. Locals have lost control over the means of their production, transforming them from farmers to labourers struggling to make a living on their own land. Farmers have become burdened with debt because they cannot afford the high cost for the chemicals they are required to buy as part of their contract. One farmer said, "Through the contract, we were forced to accept technologies that we don't really need to get a good harvest. All decisions about farming were

made by KPL ... Because I was in debt I had to do it the way they demanded."

In March, ActionAid reported<sup>3</sup> that a similar scheme by EcoEnergy in Tanzania, also backed by the New Alliance, saw farmers falling into debt.

### Ghana: farmers lose control over seeds

In return for aid from the New Alliance, Ghana has made policy commitments that enable the private sector to commercialise the seed system. The controversial Plant Breeders Bill is currently under review by the Ghanaian parliament after widespread opposition from farmers, trade unions, faith groups and traditional leaders across the country.

The proposed legislation is unpopular because it gives intellectual property rights to big seed companies, which would prevent farmers from freely saving, swapping and breeding seeds that are purchased from seed companies. The National Association of Farmers and Fishermen, among others, fear that the bill will "replace traditional varieties of seeds with uniform commercial varieties and increase the dependency of smallholders on commercial seed varieties". This is likely to increase costs for farmers because they will have to purchase seeds for every planting season. Corporate-owned seeds often have to be used with chemical inputs, which are also expensive, as well as having detrimental impacts on farmers' health and the environment.

#### Nigeria: land grab

The US based company Dominion Farms is named in Nigeria's framework agreement with the New Alliance, where it commits to establishing a rice farm and processing facility on 30,000 hectares of land in eastern Nigeria.

However, the community of people who live or farm in the area have condemned the project as a land grab by Dominion Farms. Evidence in a report published by Nigerian NGOs including Friends of the Earth Nigeria, and Global Justice Now<sup>4</sup> demonstrates that the community, which was not adequately consulted, were forced off their land, causing them to lose access to traditional grazing rights and cutting them off from public water systems. Furthermore, the compensation promised by Dominion Farms has not been received, and promised schools, hospitals and roads are yet to be built five years into the project.

Rebecca Sule from the local community says: "The only story we hear is that our land is taken away and will be given out. We were not involved at any level."

The community say they will not give up lands that they have used to feed their families for generations and are planning a peaceful resistance.

## Solutions that work for small-scale farmers

The New Alliance is not the only model for agricultural development. There are alternatives which meet the needs of small-scale farmers and assist them to develop sustainable food systems. Agroecology, or small-scale sustainable agriculture, gives farmers control over their land, seeds and soil, boosts yields and improves food security, while preventing the debt cycle that comes with the regime of intensive chemical inputs.

#### What you can do

Please ask the Secretary of State for International Development:

- To end the UK's support for the New Alliance.
- And how they will support agroecology, which enables small-scale farmers to build sustainable food systems and keep control of their livelihoods.
- Or get in touch for further information by contacting dan.iles@globaljustice.org.uk
- 1 www.oaklandinstitute.org/sites/oaklandinstitute.org/files/OI\_Report\_Irresponsible\_Investment.pdf
- 2 http://icai.independent.gov.uk/wp-content/uploads/2015/05/ICAI-Business-in-Development-FINAL.pdf
- 3 www.actionaid.org/sites/files/actionaid/stopecoenergy.pdf
- 4 www.globaljustice.org.uk/sites/default/files/files/resources/dominion\_farms\_land\_grab\_in\_nigeria\_-\_web.pdf



Global Justice Now campaigns for a world where resources are controlled by the many, not the few, and works in solidarity with social movements to fight injustice. We used to be the World Development Movement.