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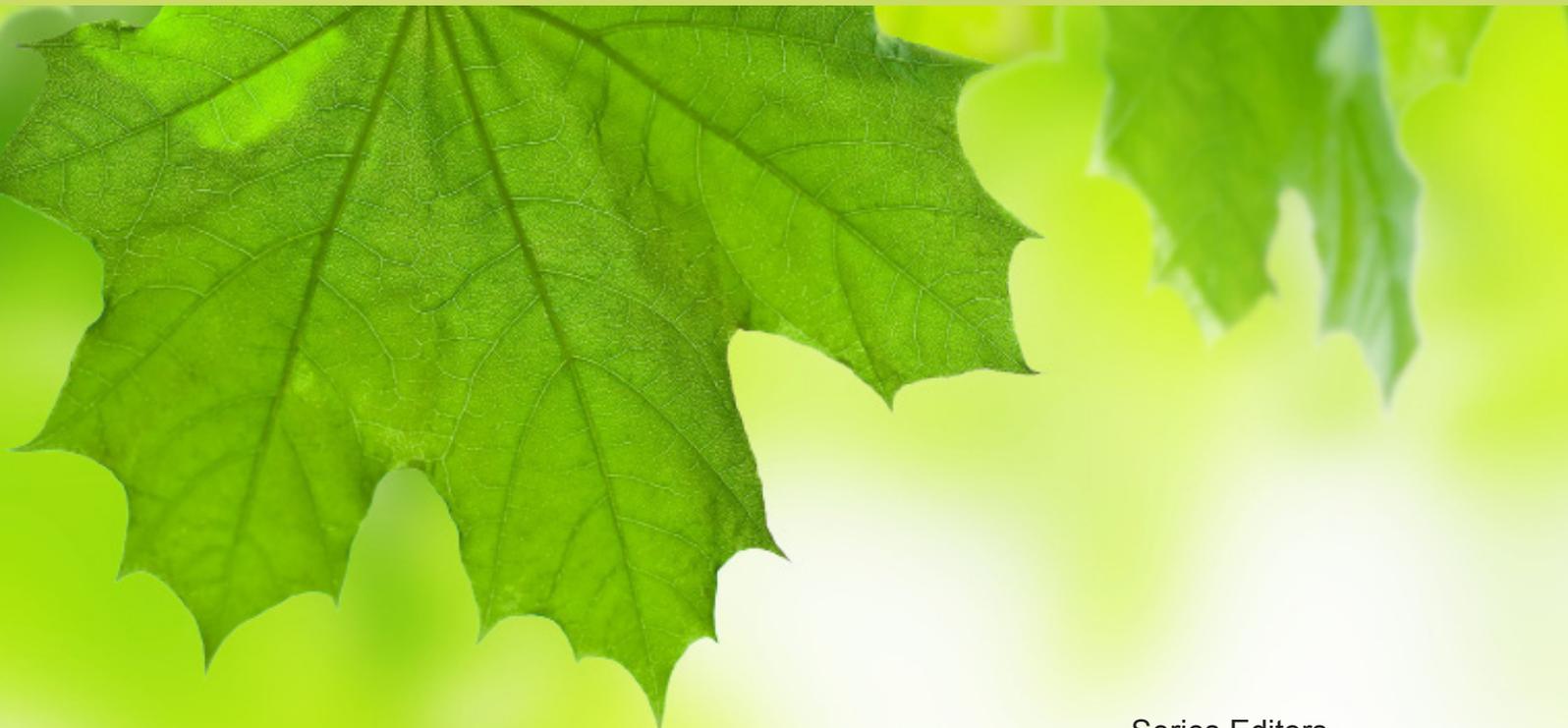
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Foreign Investment in Land and Corporate Social Responsibility: An Investigation for Africa

Stefania Bracco, Marta Antonelli and Margherita Emma Turvani



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Dr. Joël Houdet
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1. State of Environment Rapid Assessment (SoERA): Development of a Tool for Framing and Managing Urban Environmental and Social Challenges
2. Foreign Investment in Land and Corporate Social Responsibility: An Investigation for Africa

Foreign Investment in Land and Corporate Social
Responsibility: An investigation for Africa

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Abstract

Land acquisitions, emerged about 10 years ago, are an important issue for sustainable development in many countries in the South of the world, especially in Africa, which has experienced a diffused phenomenon of large scale acquisitions of agricultural land. The paper analyses who invests in agricultural land in Africa and for what purpose, while investigating investors' profile and responsibility to ensure the economic, environmental and social sustainability of the investment. The study argues that investors may find it profitable to adopt Corporate Social Responsibility strategies in the context of land acquisitions, and provides evidence on the actual behaviour in terms of sustainability of the economic operators acquiring land in Africa since the year 2000. The results show that CSR initiatives are not sufficient to cope with the external social and environmental costs associated with land acquisitions, and that they thus need complementary actions by public, financial and civic actors.

1. Introduction

The present study analyses the much controversial and debated phenomenon of the acquisition of large tracts of agricultural land, which has emerged as a global phenomenon in the mid 2000s and entails a transfer of rights to use, control or own the land, and also involves a conversion from local uses (people livelihoods or ecosystems) to commercial use. The purposes of land acquisitions range from food production to forestry purposes or biofuel crops growth. The phenomenon accelerated substantially during the 2007-2008 surge in food prices (De Schutter, 2011). These acquisitions have targeted mainly developing countries, particularly in Africa, where the reported land deals concerned an area equivalent to the territory of Kenya or about 5% of the continent's agricultural area (Anseeuw *et al.*, 2012). Southeast Asia, as well as Latin America and the Caribbean and the Soviet Eurasia have been identified as other important targets (Borras and Franco, 2011; Visser and Spoor, 2011; Borras *et al.*, 2012). A water dimension in global land acquisitions have also been spotted (Woodhouse and Ganho, 2012; Allan *et al.*, 2013)

The drivers of this wave of investments in agricultural land have been identified as mainly three. First, the need to secure food supplies for land (and water) scarce countries (Jägerskog *et al.*, 2012). Secondly, renewable energy policies in European Union, which have driven land acquisitions by investors from EU countries (Antonelli *et al.*, 2015b). Thirdly, speculation on future increases in the price of agricultural land (De Schutter, 2009). Investors range from private companies, state-owned companies, investment funds and public-private partnerships. The largest majority of the *realised* land transactions are pursued by investors from *single countries* (80% of the deals in production or concluded by means of an oral or written agreement), whereas, about 19% land deals investors from more than one country. Very often one of the investors belongs to the country targeted by the land acquisitions. USA, Indonesia, Malaysia, the United Arab Emirates, China and the United Kingdom are the countries where most of the deals in production or concluded by means of an oral or written agreement originate (Antonelli *et al.*, 2015a).

The implications of such investments for the targeted countries are quite hotly debated, especially due to the tendency in investment concentration in low-income countries, with a high incidence of hunger and weak land institutions (FAO, 2012). Some authors have argued that foreign land investments may provide opportunities for better access to capital, transfer of technology, employment generation and enhancement in productivity. But, on the other hand, they may cause dispossession and loss of livelihoods, weakening in local food security, corruption and environmental damages. These issues are particularly risky in many Sub-Saharan countries as they have weak land governance and protection of land rights (Arezki *et al.*, 2011, Deininger and Byerlee, 2011). For these reasons, the legitimacy of foreign land deals is one of the most controversial issues debated by the scientific community worldwide (IFAD, 2011). The need to ensure that foreign investments are managed in such a way to guarantee a social and environmental safeguard of local stakeholders has been highlighted (HLPE, 2011).

Against this backdrop, this work aims to fill the gap in evidence on who is investing in land in Africa, for what purpose, while investigating investors' profile and responsibility to ensure the economic, environmental and social sustainability of the investment. The study provides an analysis of the opportunities, costs, and governance aspects linked to land investment in Africa, and in particular to foreign business and corporate uses of agricultural land in Africa.

Finally, the paper analyses investors' behaviour in terms of sustainability of the investment in land. Several standards, certification and labelling systems aim at managing economic, environmental and

social performance of private and financial investors to ensure the sustainability of their actions. After describing why the investor may find it profitable to adopt Corporate Social Responsibility strategies in the context of land acquisitions, we provide evidence on the actual behaviour in terms of sustainability of the economic operators acquiring land in Africa since 2000.

The study is structured as follows. The following section presents an introduction on CSR strategies in the context of land investment. Section 3 shows the research methods and the sources of data deployed in this study. The fourth section is devoted to the presentation of the results. More specifically, it will outline the scope of land acquisitions in Africa and discuss the CSR strategies put forward by the main investors. The analysis is innovative, as the profile of investors from the point of view of the responsibility of land investments has rarely been addressed. The final section draws some conclusions.

2. CSR strategies in the context of land investment

Large-scale land acquisitions (LSLAs), particularly in Africa, often displace and prevent the use of resources by smallholders for food production, without compensating them properly, thus threatening livelihood and food security of local communities (HLPE, 2011). For these reasons, public and civil actors have called for responsible land investments (Deininger and Byerlee, 2011; Global Witness, 2012; HLPE, 2011). Adopting responsible behaviour may also be a convenient business strategy for investors. Unsustainable social and environmental actions can result in fact in direct costs or delays connected to land disputes with local communities, non-governmental organizations, or governments; loss of reputation related to consumers' demand for 'fair' products; loss of public subsidies and/or financial support; financial risks (Bracco, 2015a). In order to avoid these risks, responsible investment should take into account social and environmental spillovers connected with land acquisitions. Therefore, economic operators should recognize legal and customary land rights of local stakeholder by means of Free Prior Informed Consent (FPIC) and preserve environmental resources, biodiversity and areas holding high conservation values (HCV). For these reasons, adopting CSR strategies in the context of land acquisitions can reduce costs and conflicts for private investors and allow them to comply with law and regulation. Voluntary initiatives improve business efficiency and reduce business risks generally by providing members with instruments, such as FPIC procedures, social and environmental requirements and conflict-resolution mechanisms (Bracco, 2015a).

In the context of land investment, CSR strategies include joining voluntary standards, certifications and labelling systems which govern the negotiation, implementation, monitoring and enforcement of these standards (Roberts, 2011), thus helping corporations reduce the risks connected to the investments. CSR initiatives can be commodity-specific schemes; forest related initiatives or emission and carbon sequestration mechanisms; financial sector related initiatives; and other global or regional multi-stakeholder initiatives (Bracco, 2015a). Moreover, they can set requirements concerning quality of the product, or some kind of economic, environmental and social standards. Economic standards cover usually management and business issues; environmental requisites generally address biodiversity protection and the sustainable use of land and natural resources; whereas social requirements are often times connected to international human or labour rights standards (Bracco, 2015a).

Section 4.2 shows original results on the importance of CSR standard and certification initiatives in the context of land acquisitions in Africa, distinguishing the deals according to their scope (food production, energy production or flexible use).

3. Data sources and methodology

The Land Matrix Global Dataset¹ (thereby referred to as Land Matrix) is an online public database reporting land transactions across the world and provides the main source of data deployed here to account for large-scale land acquisitions in Africa. The land transactions reported in the Land Matrix database are those that entail a transfer of rights to use, control, or own land through sale, lease, or concession; imply a conversion from land used by smallholders or for environmental functions, to large-scale commercial use; are 200 hectares or larger; have been concluded after the year 2000 (Land Matrix, 2015). Land Matrix records cases of intended and realised land deals involving foreign or domestic investors, and at any level of implementation (under negotiation, start-up phase, in operation, failed). The Land Matrix database reports the extension of each deal (area of each land transaction in term of hectare). Our analysis focuses on the about 380 land acquisitions that have been concluded in African countries. It includes deals in operation (with production, 176 deals), in phase of start-up (no production, 47 deals), abandoned (23 deals) or not started (30 deals). For all of them, when referring to the size of acquisition, the contracted hectares are considered. Only in a few cases when the contracted size was not available, the intended size is adopted instead, if it was possible to cross-check that the transaction had taken place. In fact, all the deals recorded by the Land Matrix have been cross-checked with other information about investors' characteristics and attitude towards CSR and standards and certification systems. This methodology has allowed us also to provide additional sources and information on the concluded deals collected by the Land Matrix dataset: namely the profile of investors (private, financial, public sector), the purpose of the deal, and the strategies of the investors to pursue responsible investment. The final purposes of land acquisitions are classified into the following main categories:

- **Biofuel**, when the land is used to grow crops destined to biofuel production;
- **Non-biofuel**, when the land is used to grow crops which are not used for the production of biofuels, but for other food and non-food commodities, or for purposes such as forestry, livestock and tourism;
- **Flexible**, when the land is used to grow crops which can be used for multiple uses (e.g. food, biofuel, industrial use), and it is not possible to identify their final destination.

Given the variety in intended purpose of the deals, the Land Matrix divides the acquisitions according to the 'intention of deal' into seven categories: biofuel; flexible; food crop; wood/conservation/carbon sequestration; livestock; non-food-agricultural commodities and tourism. We have updated and improved these data according to our extended evidence on the investors. In the analysis, acquisitions made for food crop; wood/conservation/carbon sequestration; livestock; non-food-agricultural commodities and tourism will then be aggregated into the 'non-biofuel' category.

Information on investors has been retrieved from corporate sources, such as statements, official declarations, and websites, as well as from academic sources and media. Other data deployed in the study include data on foreign direct investments from UNCTAD (2014). Responsible behaviour strategies are evaluated through the analysis of the investors' participation in standards, certification and labelling systems and their attitude toward CSR and sustainability issues.

1. The partners of the Land Matrix project are ILC (*International Land Coalition*), CIRAD (*Centre de coopération internationale en recherche agronomique pour le développement*), CDE (*Centre for Development and Environment at the University of Bern*), GIZ (*Deutsche Gesellschaft für Internationale Zusammenarbeit*) and GIGA (*German Institute of Global and Area Studies*), with the support of Oxfam, the Swiss Development Cooperation and the European Union.

4. Results

4.1 Land investments in Africa: scope and actors

According to several studies, Africa is the most targeted continent by large-scale land acquisitions (Ansew *et al.*, 2012; Antonelli *et al.*, 2015). African countries have a number of characteristics that have made them attractive for foreign investors. First of all, several Sub-Saharan African Countries have a relevant supply of non-forested, non-protected and low-populated areas potentially suitable for expansion of rain-fed cultivation (Deininger and Byerlee, 2011). Geographical and political variables are also important factors. Geographical proximity between origin and target countries, colonial ties, renewable water resources, weak institution and governance, vague land tenure systems in receiving countries are important drivers of land investment (Giovannetti and Ticci, 2013; Arezky *et al.*, 2011). In particular, weak land governance and weak security of local land rights are increasing the presence of foreign investors (Giovannetti and Ticci, 2013, Deininger and Byerlee, 2011).

Our evidence shows that, in terms of number of concluded deals, Mozambique is the first country targeted by land acquisitions, followed by Ethiopia, United Republic of Tanzania, and Ghana (Figure 1). Looking at land acquisitions by acreage, the picture looks quite different. In terms of contracted hectares, the top target countries are South Sudan and the Democratic Republic of Congo (DRC), which together account for more than 6 million hectares of agricultural land². The third country in terms of size of land acquired is Mozambique, where the contracted area amount to more than 2 Mha. Total contracted land acquired exceeds one million hectares also in the case of Liberia, Sierra Leone and Sudan. These first six countries alone account for more than 60% of the total contracted hectares.

2. South Sudan and DRC data are strongly affected by the area of one very large deal each. In the case of South Sudan, the most relevant acquisitions is a 30-year agreement between an Emirati Company and the government of South Sudan to operate an ecotourism venture on about 2 million ha of a national park (The Oakland Institute, 2011; Norwegian People's Aid, 2011). Also the data on DRC are influenced by one highly controversial big acquisition of 1.9 million ha made by a US-based group (FSC-Watch, 2012).

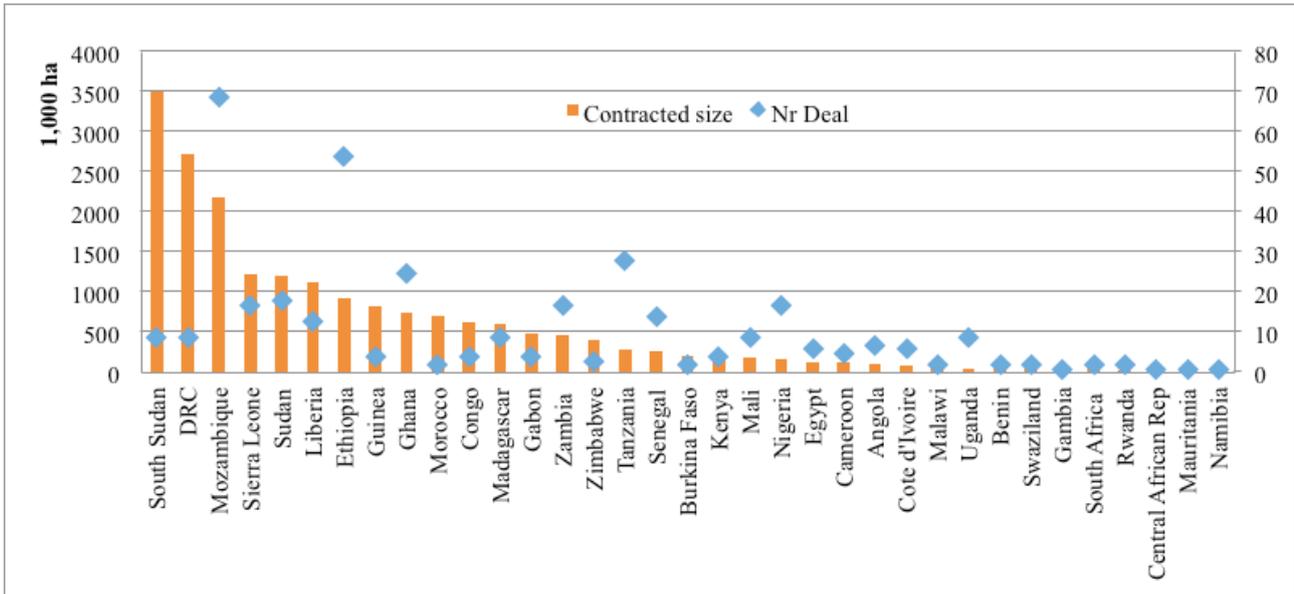


Figure 1: Target African country by number of concluded deals (right axis) and hectares contracted (left axis), 2000-2014

Note: The total concluded acquisitions in Africa are 380, and include deals in operation (176 deals), in phase of start-up (47 deals), abandoned (23 deals), not started (30 deals). For all of them, we consider the contracted hectares when we refer to the size of acquisition. Only in a few cases, when the contracted size was not available, we adopted the intended size, if we could cross-check that the transaction had taken place.

Source: Authors' elaboration on The Land Matrix Global Observatory data, accessed 06/02/2014.

The picture looks quite different considering total inward Foreign Direct Investment (FDI) inflows. Figure 2 shows which African country (excluding South Africa) has received more Foreign Direct Investment in the period 2000-2012. Many countries receiving huge attention from land investors are not major attractor of Foreign Direct Investment, and the same holds true in the other direction, as in the case of Nigeria, which is one of the biggest recipients of large-scale land investments, after South Africa. Sudan, Congo, Ghana and the Democratic Republic of Congo are important target of both FDI and land acquisitions. In the case of FDIs, investors do not seem to prefer weak business environment in the Country where they operate.

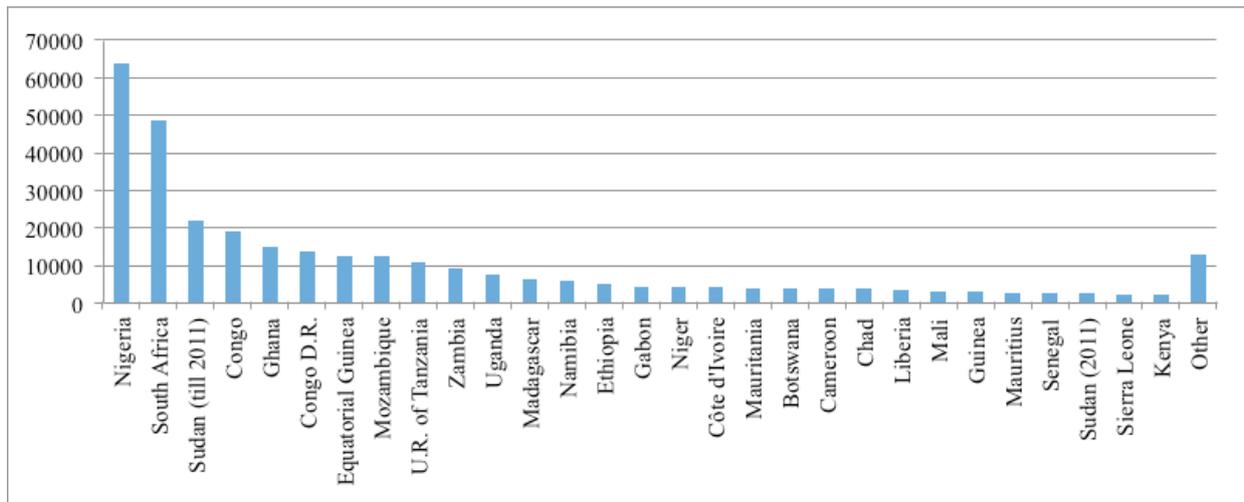


Figure 2: FDI inflows in African countries³, current US\$, 2000-2012

Source: Authors' elaboration on UNCTAD data (2014).

There are several factors differentiating broad FDI from land investment. First, FDI do not depend widely upon geographical variables such as the availability of land in the receiving country, which varies widely in Sub-Saharan Africa, from countries with very limited availability (such as Malawi and Rwanda) to relatively land abundant nations (like Democratic Republic of Congo, United Republic of Tanzania and Zambia). Moreover, land tenure and land governance play a fundamental role in attracting land investments, which is not generally true in case of FDI.

Foreign investors are increasingly looking towards African land for energetic reasons, for food security and production, as financial assets and also for forestry purposes (Figure 3). A first important driver of land acquisitions in Africa is the energy policy set by European Union and United States, aiming at expanding their renewable energy production. About one third of the deals analysed are explicitly for growing bio-commodities meant to become biofuels, amounting to about 6 million ha of contracted land (Figure 3). In terms of contracted hectares, *Jatropha curcas* is by far the main crop grown in the acquired areas, and accounts for more than one-fifth of the international large-scale land acquisitions in Africa, followed by oil palm and sugarcane⁴. In about a hundred cases, it is impossible to distinguish whether the final purpose of acquisition is the production of biofuel or not, since the crop cultivated is suitable both for biofuels production and other purposes (hereby referred to as *flexible*). Flexible crops grown in Africa include corn (maize), oil palm, soya bean, wheat and sugar cane. Acquisitions made to grow *flexible* crops cover an area of about 3.4 million ha⁵.

3. FDI inflows and outflows comprise capital provided (either directly or through other related enterprises) by a foreign direct investor to a FDI enterprise, or capital received by a foreign direct investor from a FDI enterprise. FDI includes the three following components: equity capital, reinvested earnings and intra-company loans (UNCTAD, 2014).

4. In Africa, the area contracted to produce *Jatropha* amounts to more than 2.8 million ha, while the hectares acquired to grow oil palm and sugarcane amount respectively to about 690,000 ha and 310,000 ha. It is impossible to define the exact amount of land contracted for each single commodity, because many deals refers to more than one crop without specifying how much land will be allocated to each commodity separately. Therefore, we base our calculations only on the *contracted* size of acquisitions with a single crop. Considering acquisitions with multiple commodities, the total amount of land designated to produce each crop will therefore be higher.

5. The identification of the final purpose of the crop is particularly difficult when the investor is a financial actor. In this case, it is often impossible to know what the acquisition is made for, unless it is made explicit by the investor itself or by some specific report on the deal. Instead, in the case of corporations, it is sometimes sufficient to look at the sector in which the company is normally operating to understand the scope of the acquisition.

Another important factor boosting foreign large-scale acquisitions is the interest in meeting domestic food security needs. This is the case of the Gulf Cooperation Council (GCC), UAE and Saudi Arabia in particular. A combination of water scarcity, growing food prices, increasing population has raised major concerns about national food security in the GCC countries. As a result, they are increasing acquiring land abroad to grow commodities needed to meet their domestic demand (Cotula, 2012). Thirdly, after the sub-prime crisis and the changes in the financial market, many speculators moved their capital to land and international food markets (Merian Research & CRBM, 2010). In this case, land is acquired not only for productive uses, but also as asset against inflation, as a way to diversify a portfolio or as a vehicle to enter new markets and to create dominant positions in emerging markets (HLPE, 2011; Cotula, 2012). Unfortunately, it is not straightforward to identify speculative land acquisitions, but the relevant presence of investment companies and financial actors in the acquisitions is an indicator of the relevance of speculative investments in land in Africa. Finally, our evidence shows that a vast number of large-scale acquisitions in Africa are related to ecological policies which increase investment in land for issues such as forest preservation, water scarcity, conservation of biodiversity, REDD (*Reduced Emissions from Deforestation and Forest Degradation*) program and other carbon sequestration schemes (Figure 3)⁶. Large-scale land acquisitions are described by purpose in Figure 3.

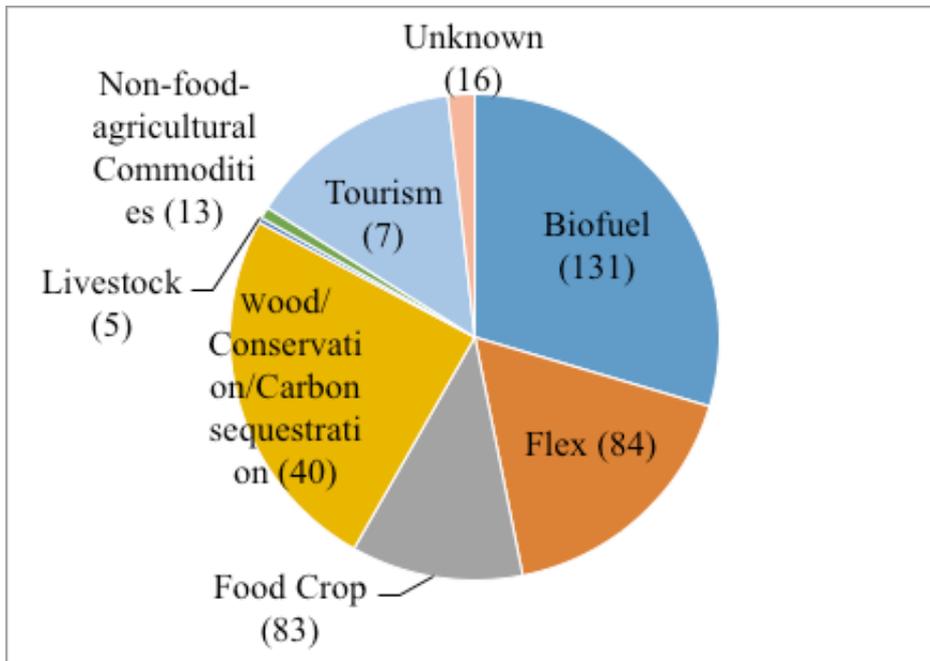


Figure 3: Large-scale land acquisitions in Africa by purpose, in term of hectares contracted, number of deals reported on brackets, 2000-2014

Source: Authors' elaboration on The Land Matrix Global Observatory data accessed 06/02/2014.

As Figure 3 shows, in terms of size, biofuel feedstock production is the main purpose of large-scale land acquisitions in Africa, covering almost 6 million hectares. A second relevant scope is wood, forestry and conservation, which cover a contracted area of about 4.8 million ha. In terms

6. These categories are built upon the Land Matrix's intention-of-deal division, but we have updated and improved these data according to our extended evidence on the investors. In the analysis, acquisitions made for food crop; wood/conservation/carbon sequestration; livestock; non-food-agricultural commodities and tourism are then aggregated into the 'non-biofuel' category.

of number of contracts, Food crops are the declared intention of investment in the majority of non-biofuels acquisitions. However, the deals with food crop purpose cover a contracted area of 2.2 million ha, which is less than the area contracted by the seven acquisitions made for tourism⁷. Non-food-agricultural commodities, consisting mainly in cotton, flowers, and rubber cover only an area of about 150,000 ha, despite being involved in thirteen acquisitions. An even smaller area is covered by acquisitions made for livestock. In a few contracted agreements, the crop subject of the acquisition is unknown, because it is not specified in any of the information sources available. It is important to notice that the majority of the abandoned deals are among the biofuels category, where almost 15% of the production has failed.

In terms of investors, evidence shows that companies from the European Union are the main actors. Investors from the United Kingdom, Italy, Norway, Portugal, France, Netherland, Belgium and other European Countries account for almost 150 deals and more than 6 million contracted hectares in Africa. The main reason why European investors acquire land in Africa is biofuels production (Antonelli et al 2015; Bracco, 2015b). In fact, in 2009 the European Union has set a target of 10 percent of its total road transport fuel to come from renewable energy by 2020. Large part of European Union's feedstock demand for biodiesel production has to be covered by imports; so an expected 20-30 million hectares is needed to meet the 2020 target (Franco *et al.*, 2010).

As Figure 4 shows, after Europe, most of the investors come from the United States, which have acquired more than 4 million ha, with 37 deals. In several cases, the USA investors are acquiring land with partners from other OECD Countries or from the target country. Despite agribusiness enterprises being responsible for most of the US deals, the largest amount of land acquired by US investors is made for Wood purpose⁸. The second biggest single investor are the United Arab Emirates (UAE), with a few big acquisitions concentrated mainly in South Sudan, Sudan, Ghana, Sierra Leone, Egypt and Zimbabwe. The main purpose of the acquisitions in the case of UAE is normally food crops' production or tourism. Saudi Arabia instead is acquiring land particularly in North and East African Countries, aiming mainly at strengthening the domestic food security. Finally, Western media have often stressed the importance of this Chinese investment in Africa. Our data suggest instead that, despite being involved in many deals, the land actually contracted by Chinese investors amounts to a little more than 300,000 ha.

7. Among the acquisitions made for Tourism we find a very large investment by an United Arab Emirates (UAE) company to develop an about 2 million ha tourism project in Boma National Park, Jonglei State, South Sudan. This very large-scale acquisition alone has a big impact on the area accounted for Touristic purpose.

8. US data on hectares acquired are strongly influenced by the already mentioned 1.9 million ha investment made by a US-based group in DRC (FSC-Watch, 2012).

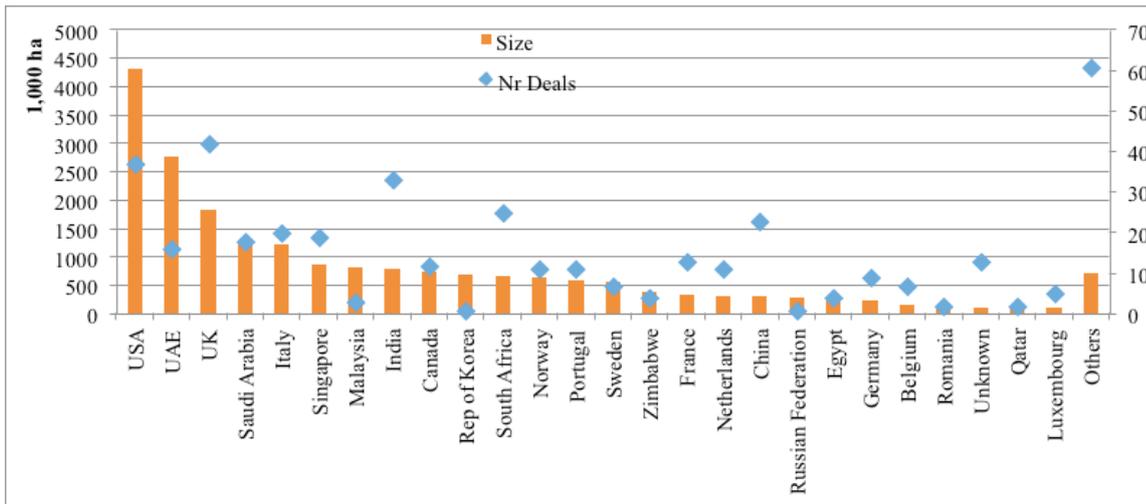


Figure 4: African land acquisitions by investors' country of origin, in terms number of deals (right axis) and hectares contracted (left axis), 2000-2014

Source: Authors' elaboration on The Land Matrix Global Observatory data, accessed 06/02/2014.

The private investors acquiring agricultural land in Africa are mainly agribusiness or energy corporations, investment company and holdings; but there is a lot of variety in the actors involved. Financial institutions, banks and funds are very important players, as well as foreign governments and public entities, which are often somehow involved in the acquisition. Figure 5 shows the importance of private companies, public actors and financial institutions in the international large-scale land acquisitions in Africa. Private entrepreneurs and multinational corporations⁹ are by far the main investors, being involved in the vast majority of the acquisitions. Private corporations often invest in partnership with domestic investors and governments, or, in few cases, in partnership with only other foreign investors.

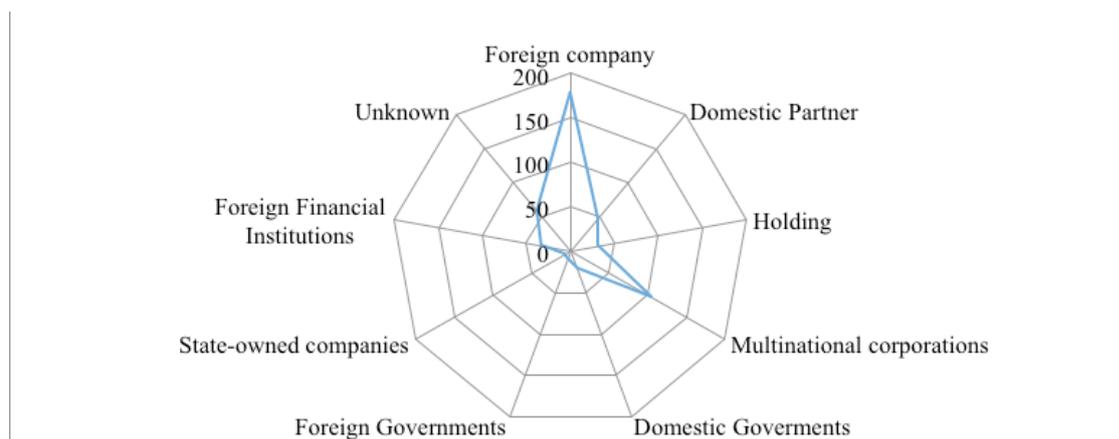


Figure 5: Direct role of private, public and financial investors in land investments in Africa, in terms of number of deals, 2000-2014

Source: Authors' elaboration

9. We define as 'Multinational Corporation' any foreign investor involved in more than one acquisition, but only if the acquisitions take place in two (or more) different Countries.

In some cases, it is also possible to trace back the “investment chain” that underpins the land investment and find out who is financing it. Among the financiers of the investors we find private and national banks, development banks and funds, private foundations, domestic and foreign Governments and Ministries, Arabic Princes and Sheiks, Sovereign Wealth Funds, pension funds, the World Bank’s International Financial Corporation, and Development agencies such as the US Agency for International Development (USAID), the UK Department for International Development (DfID) and the United Nations Environment Programme (UNEP). For instance, Van Gelder with German (2011) analyzing in details the financing of biofuel and related feedstock in forest-rich countries of Asia, Africa and Latin American, find out that large financiers are fundamental in sustaining the growing rate of investment in land in the biofuel sector. Therefore, responsible investment instruments applied by private financial institutions on a voluntary basis, as complementary to government actions, would help making the investments sustainable.

4.2 Evidence on CSR strategies in the context of land acquisition in Africa

In the context of land acquisition, several mechanisms may induce investors to adopt responsible behaviour, such as direct cost or delay connected to land disputes with local community, civil society, or Governments; consumer pressure to have ‘fair’ products; reputation risk; loss of public subsidies or financial support; financial risks (Bracco, 2015b). Different kinds of investor (such as, energy companies, food corporations or financial operators) face different pressures. For instance, large agribusiness corporations with a strong brand receive bigger pressure by consumers and reputational risk than small companies. On the other hand, for biofuels operators, standards and certification schemes can promote better practices, quality and transparency along the entire supply chain, so reducing the risks (FAO 2013). Moreover, the European Commission requires the biofuels entering its market to meet some sustainability criteria in order to be eligible to receive governmental support and to count for meeting the RED target on renewable energy; and one way in which an economic operator can prove compliance is by joining one of the voluntary schemes approved by the Commission (European Commission, 2009, Article 17). For this reason, we divided the land acquisitions in Africa according to their final purpose.

However, as shown by Figure 6, the majority of the investors in Africa does not commit to any of voluntary schemes addressing sustainability issues. Only less than 25% of the investors acquiring land in fact join a voluntary standard, certification and labelling initiative (*Certified CSR* in Figure 6). This is particularly true in the case of acquisitions made for biofuels crops. The most cited CSR mechanisms are commodity specific initiatives such as the Roundtable on Sustainable Palm Oil and international standards and certification such as ISO 14000, ISO 9000, the Forest Stewardship Council, the UN Global Compact, and the Global Reporting Initiative.

In several cases, the investors declare to be concerned about sustainability of their action, but they practically refer to small development projects or workers facility which do not represent a CSR strategy in the proper sense (Heal, 2008). In Figure 6, these acquisitions are named *Claimed CSR*, because the investors do not provide any proof of their actions certified by voluntary initiatives. For about one fourth of the acquisitions, the investors do not consider CSR in their business strategy (*No CSR*). Finally, for about 20% of the deals no information on the investors’ behaviour can be found (*No info*).

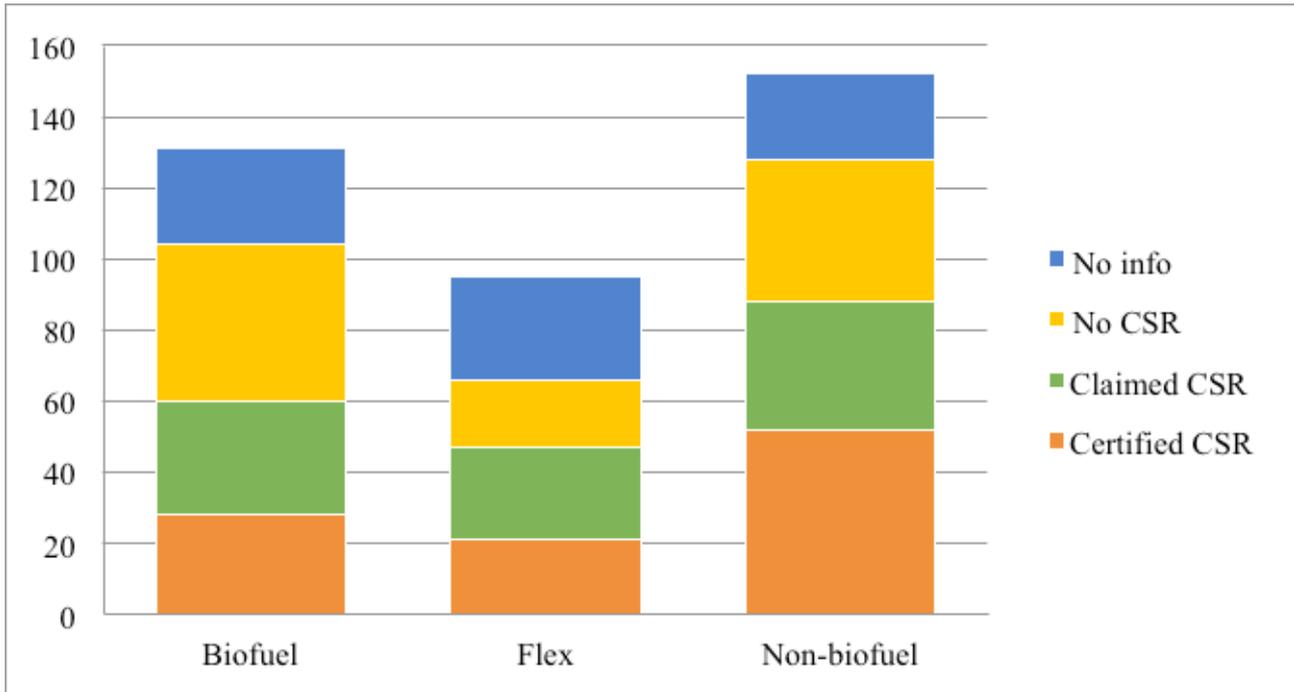


Figure 6: Certified and Claimed CSR in African LSLAs, by purpose of acquisitions, in terms of number of deals.

Source: Authors' elaboration

Our analysis of the behaviour of the investors in terms of CSR shows that the number of economic operators involved in standard, certification and labelling systems is still highly insufficient to guarantee responsible land investment in Africa. Moreover, many of the initiatives appointed by the investors still lack of instruments to deal with the external costs associated with land acquisitions. In fact, only some commodity-specific initiatives, forest-related mechanisms, financial-sector-related initiatives and few other schemes provide both social and environmental standards; while other appointed standard and certification systems do not cover both the environmental and social sustainability aspects, and are so clearly insufficient to cover all the responsibility aspects related with land acquisitions' issues (Bracco, 2015a). For instance, the ISO 9000 deals only with quality management of the good; therefore ignoring social and environmental standards; whereas ISO 14000 addresses mainly the environmental management, but not social concerns. Finally, a major issue with many standard, certification and labelling schemes is the fact that, being voluntary, they usually lack mechanisms to ensure member compliance, so they are ineffective in guaranteeing the responsibility of investors' behaviour (Bracco, 2015a).

5. Conclusions

The present study has analysed the phenomenon of large-scale land acquisitions in Africa, with a focus on the responsibility of the investments. It has been shown that a major driver of land acquisitions in Africa is the energy policy target set by European Union and United States. About one third of the deals analysed are explicitly for growing biofuel crops. The study has shown that companies from the European Union are the main investors (United Kingdom, Italy, Norway, Portugal, France, Netherland, Belgium), accounting for almost 150 deals and more than 6 million

contracted hectares. These investors are mainly agribusiness or energy corporations, investment companies and holdings. The analysis has shown that the majority of the investors in Africa does not commit to any of voluntary schemes addressing sustainability issues. Only less than 25% of the investors acquiring land in fact join a voluntary standard, certification and labelling initiative. This proportion is highly insufficient to guarantee responsible behaviour.

The study has argued that CSR initiatives are a positive step to promote responsible corporate behaviour and have a role to play in assuring the sustainability of investments. However, they are not sufficient to cope with the external social and environmental costs associated with land acquisitions. Our evidence shows that what private sector actors in Africa are doing to guarantee responsible land investment is far from ensuring this goal. There is thus the need for complementary actions to be taken by public, financial and civic actors.

Firstly, governments should make some of the voluntary requirements set by these initiatives legally binding for the corporations operating on their territories or targeting their markets, as the European Union is doing for biofuels. Secondly, as the 'land rush' is increasing competition for natural resources, African Governments should legitimate people's land rights and improve governance of natural resources. Some initiatives such as the Voluntary Guidelines for the Responsible Governance of Tenure of Land, Fisheries, and Forests in the Context of National Food Security, can help governments to design national regulatory frameworks. They ask governments to recognize, respect and safeguard all legitimate tenure right holders and their rights against threats and infringement. Moreover, public and financial actors have a responsibility to monitor the investors that they support and finance. Financial credit and political backing, guarantees and insurance should be tied to environmental and social requirements. Finally, regional and international organizations have the responsibility of facilitating dialogue between different stakeholders, and helping harmonizing the various initiatives to make them accountable for and more effective. In particular, the voice and the rights of the weaker actors, such as local people in countries receiving investment, must be taken into account when analysing economic, political, environmental and social consequences of land investments.

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