



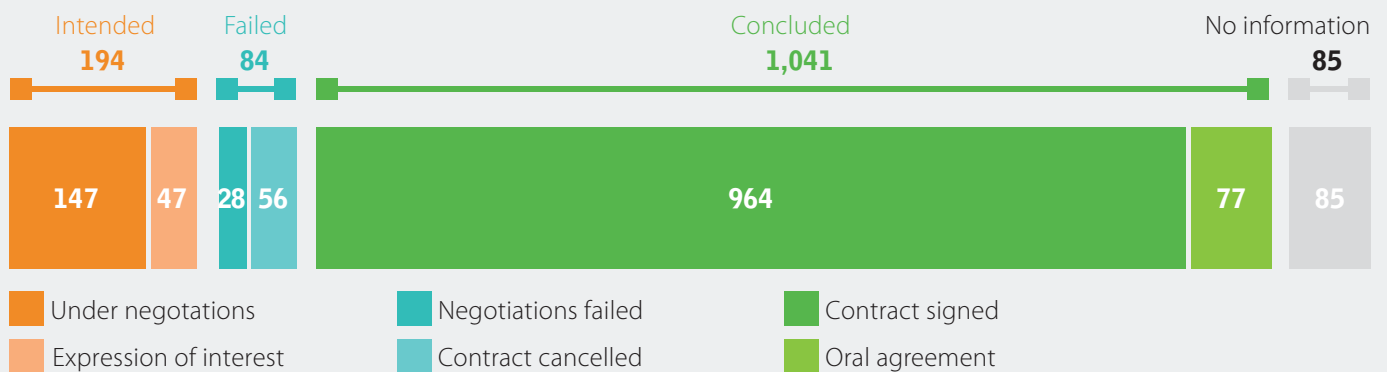
The Land Matrix Initiative (LMI) is a global and independent land monitoring initiative that promotes transparency, accountability, and greater public involvement in critical decisions that affect the lives of land-users around the world. www.landmatrix.org is LMI's Global Observatory - an open tool for collecting and visualising information about large-scale land acquisitions. The Global Observatory is coordinated by the International Land Coalition (ILC), Centre de Coopération Internationale en Recherche Agronomique pour le Développement (CIRAD), Centre for Development and Environment (CDE), German Institute of Global and Area Studies (GIGA) and Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ). In the context of decentralization, five regional focal points support the LMI on regional-level data collection, research, advocacy, networking and communication, including: the Asian Farmers' Organisation for Sustainable Rural Development (AFA) covering Southeast, East, South and Central Asia; Mongolian NGO Jasil covering Mongolia, Kazakhstan and Kyrgyzstan; Romanian NGO Eco Ruralis covering Eastern Europe; Argentinian CSO Fundación para el Desarrollo en Justicia y Paz (FUNDAPAZ) covering Latin America; and University of Pretoria covering Africa.

IN THIS EDITION

- Data overview
- The LMI implements its decentralization process
- News from the regions
- Data trends and dynamics: data consolidation and continued trend of project implementation – challenges remain

DATA OVERVIEW

Figure 1: Number of international deals according to negotiation status





THE LMI IMPLEMENTS A DECENTRALIZATION PROCESS

Within the framework of decentralization, the LMI presently engages in three core activities:

1. Establishment of a project support unit (PSU)

The PSU will be based at the University of Pretoria, hosted by the Post-Graduate School of Agriculture and Rural Development as part of the Department of Agricultural Economics and the Centre for the Study of Governance Innovation. In addition to management, communication, and networking, the core mandate of the PSU will be to coordinate the growing LMI team, in particular the LMI decentralized entities and regional focal points. The PSU coordinator will also act as a resource person, engage in strategy development, and participate in fund-raising for the LMI. The PSU coordinator will be supported by a research assistant and a communication assistant. The process of appointing the coordinator and support staff will soon be finalized.

with the University of Pretoria to further develop this portal at the continental level.

3. Continuous support for the establishment of decentralized, mainly national, observatories

The LMI has been engaged in discussions aimed at initiating and effectively supporting the implementation of national observatories. Currently, support to land observatories is being provided in Madagascar, Laos, Cambodia, Peru (mainly by CDE and ILC), Cameroon and South Africa (by University of Pretoria/Ci-rad). Discussions concerning the establishment of observatories have been initiated in Uganda, Mozambique, and Sierra Leone.

2. Launch of the African Large-Scale Land Acquisitions (LSLA) portal - LANDObs

Same as the LMI, the African Land Observatory portal – LANDObs - is an open tool for collecting and visualizing information about large-scale land investments in Africa. It was launched by the Land Policy Initiative (LPI) during the Land Policy in Africa Conference in Addis Ababa, 11-14 November 2014. LANDObs is powered by the LMI. The two portals are interlinked and mutually beneficial: the LMI feeds Africa-specific data to LANDObs, while the latter fuels the African debate on LSLA and renders data collection within Africa more dynamic and locally engaged. Together with the Framework and Guidelines on Land Policy in Africa (F&G, 2009), which facilitates land policy development and implementation, LANDObs responds to the Nairobi Action Plan recommendation to establish a monitoring and reporting mechanism on land and investment. The LPI is now working in partnership



FROM THE REGIONS

Latin America

The Latin America focal point publishes regular monthly updates in English and Spanish ([click here to view](#)), providing data analyses, news on the expansion of the network and use of data.

Central Asia

The Central Asia focal point, based at JASIL (Mongolia), has started to generate more systematic updates regarding agricultural land acquisitions. Mining deals are also being monitored, but at this stage are not yet visible on the public interface. Organizations from Kazakhstan and Kyrgyzstan are involved in the review and update of data.

Asia

The regional coordinator and the newly recruited regional data assistant are reviewing new land deals reported through the LM Asia network and/or the crowdsourcing tool. Existing deals are undergoing a round of validation to clean up data entries and correct inconsistencies. This process is expected to be completed by June 2015 for 12 countries, namely Philippines, Indonesia, Vietnam, Cambodia, Thailand, Laos, Myanmar, Nepal, Bangladesh, India, Sri Lanka, and Pakistan. After this initial round of validation, data entry and update will be handed over to country data coordinators, whose capacities in data collection, data analysis and presentation are currently being built.

Africa

Data collection has been recently strengthened through the introduction of LANDObs and the establishment of several land observatories in the continent. The South African Land Observatory is being launched by the University of Pretoria. Although LSLA is part of the observatory, its mandate will be much broader and will include collection of information on land ownership, land use patterns, land transactions, etc. Discussions regarding the establishment of observatories have been initiated in Uganda, Mozambique, and Sierra Leone.



DATA TRENDS AND DYNAMICS: DATA CONSOLIDATION AND CONTINUED TREND OF PROJECT IMPLEMENTATION

A comparison of the most recent data with the data presented in the last newsletter (October 2014) shows a clear trend of data consolidation. While there are no major changes in the data patterns, more deals have been added across all negotiation statuses (see table 1). The highest increase is found in concluded deals (58 new deals), increasing the cumulative total to 1,041 concluded deals with a contracted area of 38.2 million hectares.

Existing deals are regularly updated and the quality of data is improving as a result of the decentralization process and the work of regional focal points. This process has an important implication for data interpretation, as the dynamics of LMI data are not only reflecting developments on the ground, but also improvements in data collection and entry. The effects of these two factors on data are difficult to disentangle. For example, more intensive research, regular information provision by LMI networks, and enhanced feedback from the field on individual deals is likely to improve information on implementation and thus increase the number of deals reported to be “in operation.” These deals may have been operational before, but information was unavailable. Such is the case for Romanian deals, since the regional focal point Eco Ruralis is based in Romania.

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

	Number of cases		Intended size (in million ha)		Size under contract (in million ha)	
	2015 Feb	Δ to 2014 Sep	2015 Feb	Δ to 2014 Sep	2015 Feb	Δ to 2014 Sep
Concluded deals	1 041	58	64.2	1.9	38.2	0.9
Intended deals	194	8	16.0	1.2	n.a.	n.a.
Failed deals	84	5	7.6	0.1	1.9	0

Data as of February 14, 2015 and September 1, 2014

Table 2 shows that, among the 1,041 concluded deals, deals “in operation” account for the greatest increase. Moreover, 536 deals (51 per cent) are reported to have started production, while another 131 deals (13 per cent) are in the start-up phase.

Nonetheless, the LMI continues to face challenges with capturing data on the contract implementation status; for a quarter of deals (269), such information is not available. This challenge is particularly pronounced for data on the current size under production. As table 2 indicates, the current size under production appears to have decreased since the last newsletter. This decrease is due to a large single deal in Brazil that was temporarily withdrawn from the public database while it was the subject of major revisions. The figures in brackets in table 2 include this specific deal, demonstrating how the size under production can be dominated by individual large deals.

Table 2: Dynamics of international large-scale land acquisitions according to implementation status

	Number of concluded deals		Size under contract (million ha)		Current size under production (million ha)	
	2015 Feb	Δ to 2014 Sep	2015 Feb	Δ to 2014 Sep	2015 Feb	Δ to 2014 Sep
Project not started	72	18	3.1	0.3	n.a.	n.a.
Start-up phase (no production)	131	2	2.8	-0.4	n.a.	n.a.
In operation (production)	536 (537)	33 (34)	17.9 (18.8)	0.9 (1.8)	3.6 (4.5)	-0.5 (+0.4)
Project abandoned	33	1	1.4	0.0	n.a.	n.a.
No information	269	4	13.1	0.1	n.a.	n.q.
Total (deals or ha)	1,041	58	38.2	0.9	3.6 (4.5)	-0.5 (+0.4)

Data as of 1 September, 2014



DIFFERENT PATTERNS OF CONTRACT IMPLEMENTATION IN TOP TARGET COUNTRIES

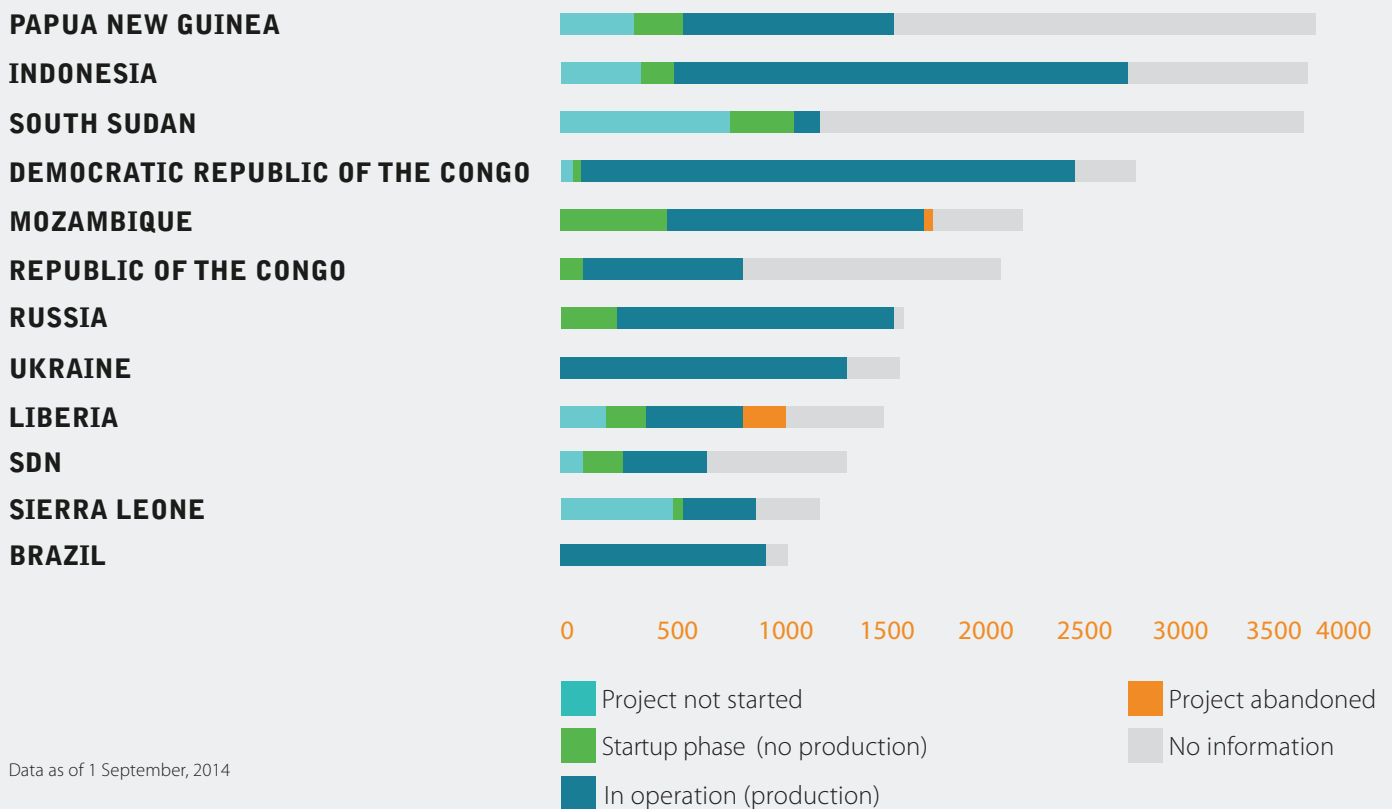
Figure 2 examines contract implementation in the 12 top target countries (determined by the total contract size of concluded deals):

Some countries have a particularly high share of projects for which information on implementation is unknown (e.g. Papua New Guinea, South Sudan, and the Democratic Republic of Congo).

Some countries (e.g. Liberia and Mozambique) show high rates of abandoned projects.

In some of the countries (e.g. South Sudan and Sierra Leone), the implementation of most concluded deals has not yet started. Of particular interest are active projects, i.e. those that are either in "start-up phase" or "in operation." Indonesia, the DR Congo, Mozambique, Brazil, Ukraine, and Papua New Guinea have the highest proportion of such projects.

Figure 2: Implementation status of top 12 target countries according to contract size of concluded deals



Data as of 1 September, 2014



Table 3 takes a closer look at project implementation in the top target countries, comparing land areas under contract with areas where implementation has begun or is ongoing, as well as areas currently under production. It shows that investors are more successful in moving towards production in some of these countries than in others. For example, Papua New Guinea has the largest area under contract, but only 31 per cent of it is currently in use, and only 3 per cent is currently productive. The DR Congo has the largest area where implementation has begun or is ongoing, but less than 1 per cent of that area is currently productive. It is worth noting that deals in the DR Congo tend to be rather large: six active deals amount to 2.41 million hectares. Conversely, deals in Indonesia tend to be small: a similar area as that in the DR Congo is divided among 69 projects. Most of the area under production in Indonesia (625,000 hectares) is used for oil palm cultivation.

Two noteworthy countries are Ukraine and Brazil. While Brazil is 12th in the list of top target countries in terms of area under contract, nearly 67 per cent of that area is already under production (708,000 hectares). Ukraine has the largest area currently under production (745,000 hectares), representing nearly 47 per cent of the area under contract.

Table 3: Implementation in top target countries

Rank	Country	Concluded deals		Active projects (in start-up and production phases)		Projects in production phase	
		size under contract (in 1000 ha)	#of deals	size under contract (in 1000 ha)	#of deals	size under contract (in 1000 ha)	#of deals
1	PNG	3799	39	1176	19	118	16
2	IDN	3626	120	2410	69	625	65
3	SSD	3 491	9	305	5	2	3
4	COD	2 765	11	2414	6	22	4
5	MOZ	2 204	71	1702	40	55	31
6	COG	2 132	7	672	5	3	4
7	RUS	1 732	18	1585	17	24	15
8	UKR	1 600	11	1350	10	745	10
9	LBR	1 341	14	463	9	26	7
10	SND	1 269	19	395	10	4	8
11	SLE	1 241	20	358	11	3	8
12	BRA	1 057	48	1014	42	708	41

Data as of February 14, 2015



Table 4 shows that the majority of deals are concluded by private companies and stock exchange-listed companies, followed by investment funds. However, in terms of prompt commencement of production, the most successful are projects operated by individual entrepreneurs (100 per cent), investment funds (93 per cent), and semi-state-owned companies (95 per cent). Further data analysis shows that:

- Some countries rely almost exclusively on private investors, e.g. Papua New Guinea and the DR Congo.
- Some countries have a high proportion of projects operated by stock exchange-listed companies, e.g. Indonesia, Brazil and Ukraine.
- Some countries have a diversity of investors, including private companies, stock exchange-listed companies, and investment funds, e.g. Brazil and Mozambique.
- State-owned companies and individual entrepreneurs play a negligible role in the countries with the largest areas moving towards or currently under production.

Table 4: Active projects (in start-up and production phases) by investor type in selected target countries

		Private company	Stock-exchange listed company	Individual entrepreneur	Investment fund	Semi state owned company	Statet-owned	Other	No info	Total (deals or hectares)
Concluded deals (implementation size known)	# of deals	333	236	10	57	21	34	4	77	772
	size in 1000 ha	12 100	8 479	219	2006	332	793	93	1108	25 130
All started deals	# of deals	278	213	10	53	20	25	4	64	667
	Δ	83%	90%	100%	93%	95%	74%	100%	83%	86%
	size in 1000 ha	8 865	7 794	219	1 956	323	501	93	975	20 726
	Δ	73%	92%	100%	98%	97%	63%	100%	88%	82%
Active projects in selected target countries										
Papua New Guinea	# of deals	17	1	0	0	0	0	0	1	19
	size in 1000 ha	930	6	0	0	0	0	0	240	1176
Indonesia	# of deals	8	56	0	0	5	0	0	0	69
	size in 1000 ha	174	2022	0	0	214	0	0	0	2 410
DR Congo	# of deals	3	0	0	1	0	1	0	1	6
	size in 1000 ha	2258	0	0	10	0	108	0	37 800	40 176
Brazil	# of deals	8	18	0	14	1	0	0	0	41
	size in 1000 ha	228	1327	0	204	9	0	0	0	1768
Ukraine	# of deals	1	8	0	0	0	1	0	0	10
	size in 1000 ha	50	1267	0	0	0	33	0	0	1350
Mozambique	# of deals	23	5	-	7	-	1	-	3	39
	size in 1000 ha	751	370	-	503	-	2	41 545	0	43172

Data as of February 14, 2015

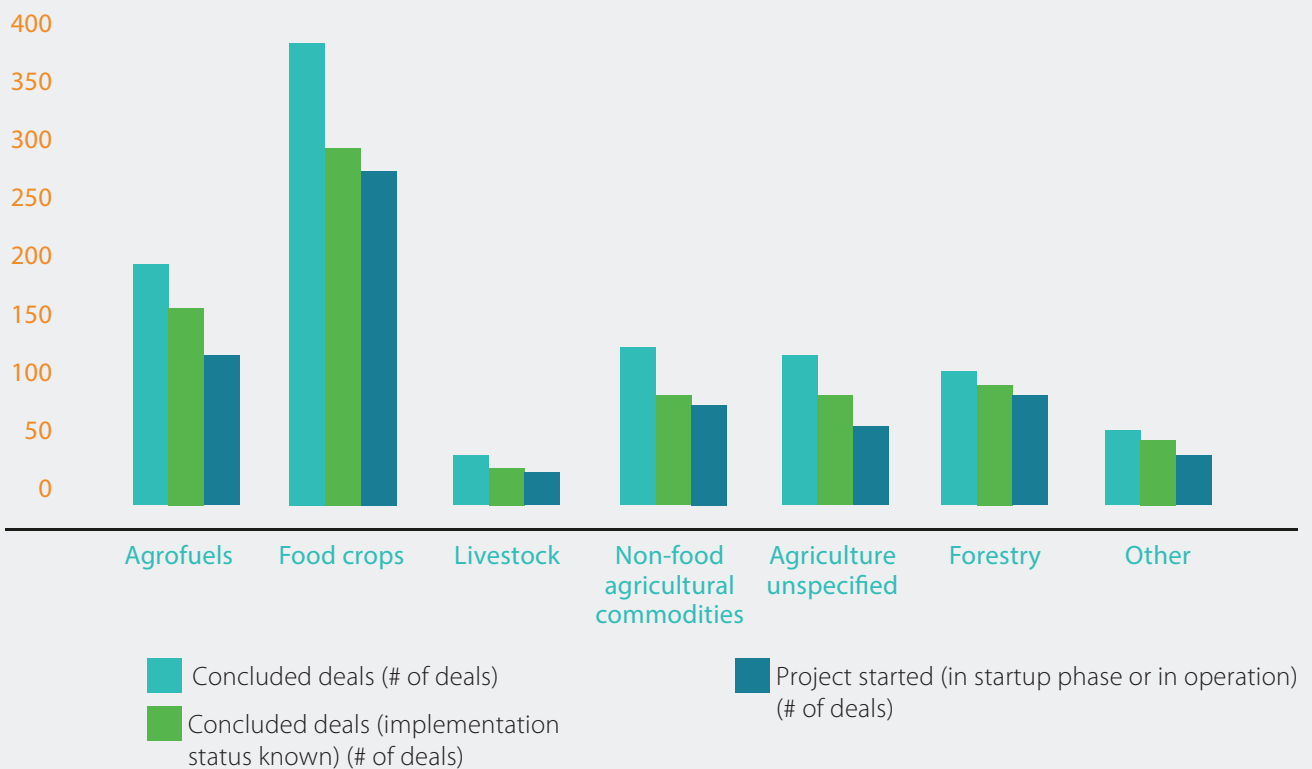
1 As noted earlier, data on area currently under production is extremely difficult to obtain and hence prone to inaccuracies. Area under production can change on a daily basis. Often, this information is subject to business confidentiality.



Figure 3 demonstrates that livestock and forestry projects are more likely to commence promptly (93 and 98 per cent of concluded deals respectively), than projects involving the production of food crops (86 per cent) and agrofuels (77 per cent). This might be explained by the dependency of agricultural production on a variety of volatile factors, such as weather, prices, and disease.

Figure 3: Main drivers of international land acquisitions

Number of deals



Data as of February 14, 2015



Table 5 suggests that implementation rates are lower for contracts exceeding an area of 200,000 hectares (standing at 71 per cent of concluded deals) than for contracts covering smaller areas (ranging between 86-89 per cent).

Table 5: Implementation patterns of international land acquisitions according to deal size

	All concluded deals	Concluded deals with known implementation status	Active projects (in startup and production phases)	
	Number of Deals	Number of Deals	Number of Deals	Percentage
200 to 2.000	191	144	124	86%
2.001 to 5.000	142	115	100	87%
5.001 to 10.000	249	174	153	88%
10.001 to 20.000	143	103	89	86%
20.000 to 50.000	139	111	96	86%
50.000 to 200.000	104	84	75	89%
more than 200.000	33	21	15	71%
no information	40	20	15	75%
Total	1041	772	667	86%

Data as of February 14, 2015

Table 6 demonstrates that deals tend to be more successful if former owners are private individuals, particularly large-scale farmers, or the state (between 88-93 per cent of such deals are currently under implementation). More problematic are projects that involve land owned by communities (74 per cent currently under implementation), particularly if contract areas are large (only 51 per cent of the latter appears to be utilized). Moreover, projects on land formerly used for commercial agriculture or forestry are more likely to be under implementation (91 per cent and 93 per cent of concluded deals respectively). Implementation is predictably more challenging for projects that involve marginal land, especially if such projects are large (only 61 per cent of contract area is currently being utilized).



Table 6: Former land owner, land use, land cover

Former land owner	Concluded deals		Concluded deals with known implementation status		Active projects (in startup and production phases)			
	Number of deals	In 1000 ha	Number of deals	In 1000 ha	Number of deals	Percentage	In 1000 ha	Percentage
State	121	4 250	101	1817	89	88%	1687	93%
Private (smallholders)	58	680	41	496	37	90%	471	95%
Private (large-scale farm)	89	5 545	83	5135	77	93%	4503	88%
Community	62	3 006	53	2234	39	74%	1144	51%
No information	711	24 756	494	15500	425	86%	12900	23%
Total (deals or hectares)	1 041	38 237	772	25182	667	86%	20705	82%

Former land use	Concluded deals		Concluded deals with known implementation status		Active projects (in startup and production phases)			
	Number of deals	In 1000 ha	Number of deals	In 1000 ha	Number of deals	Percentage	In 1000 ha	Percentage
Commercial (large-scale) agriculture	97	3991	93	3933	85	91%	3531	90%
Smallholder agriculture	134	2182	104	1843	91	88%	1317	71%
Pastoralists	8	481	6	398	5	83%	381	96%
Forestry	34	2360	30	2030	28	93%	2013	99%
Conservation	18	292	10	256	8	80%	221	86%
No information	750	28931	529	16700	450	85%	13300	80%
Total (deals or hectares)	1041	38237	772	25159	667	86%	20763	83%

Former land cover	Concluded deals		Concluded deals with known implementation status		Active projects (in startup and production phases)			
	Number of deals	In 1000 ha	Number of deals	In 1000 ha	Number of deals	Percentage	In 1000 ha	Percentage
Cropland	156	3816	139	3560	126	91%	2985	84%
Forest Land	73	4832	67	4479	61	91%	4419	99%
Shrub land / grassland	13	2563	11	280	8	73%	257	92%
Marginal land	32	535	28	481	22	79%	292	61%
No information	767	26492	527	1640	450	85%	12800	78%
Total (deals or hectares)	1 041	38 237	772	25201	667	86%	20755	82%



In summary, the analysis of data from top target countries shows different patterns of implementation. While in some top target countries successful deals tend to be numerous and small (e.g. Indonesia), in others they are few but large (e.g. the DR Congo). Private companies and stock exchange-listed companies conclude most of the land acquisition deals, but some target countries also welcome investment funds and semi-state owned companies. Analysis shows little variance in terms of acquisition drivers, size, former ownership, land use and cover. However, deals that involve crop-based agriculture appear to be particularly risky, while large deals (involving more than 200,000 hectares) are most likely to stall.

To better understand these dynamics, LMI aims to improve the quality of year-based data, which is still too fragmented for systematic analysis. Improved information regarding timespans between project initiation and production start dates will further enhance understanding of implementation patterns. Enhanced data collection strategy will address this issue more systematically in the coming months.

ANNOUNCEMENTS OF UPCOMING EVENTS

Participatory Mapping Workshop in Chaco Communities (Argentina, Bolivia, Paraguay), May 5-6, Oran, Salta, Argentina. The Latin America Focal Point will share the experience of the Land Matrix with workshop participants, including community leaders, members of the Programa Integrado Trinacional supported by the Servicio Mundial de Iglesias (FUNDAPAZ, Cerdet, JUM and Cipae), the mapping and GIS team of FUNDAPAZ, and other mapping specialists. Workshop themes will include: analysis and interpretation of maps built during 2014; use of mapping information for advocacy and capacity building; database protocols; planning for 2015.

Central Asian Co-management on Pasture Land Workshop, June 2015, Ulaanbaatar, Mongolia. The Land Matrix will be presented to workshop participants from Mongolia, Kazakhstan and Kyrgyzstan in an effort to expand its network in Central Asia.

LANDac International Conference on Land Governance for Equitable and Sustainable Development, 9-10 July 2015, Utrecht, the Netherlands. The African Regional Focal Point will host a workshop during the conference.

Global Land Forum, 12-16 May, Dakar, Senegal. The Land Matrix will be presented during a breakout session at the ILC-organized forum.

In March 2015, the Land Matrix was presented at the Annual World Bank Conference on Land and Poverty during the following two sessions:

Dynamics and implementation patterns of large-scale land acquisitions – Evidence from the Land Matrix Global Observatory (March 24)

LPI session – Presentation on the LANDobs, the African portal of LSLA (March 25)

Get Involved

Visit the website

Visual summaries that provide insight about the phenomenon, and direct access to the dataset for in-depth exploration and analysis.

www.landmatrix.org

Help us grow

The Land Matrix data depends on the contributions of all. To enhance the data, visit

www.landmatrix.org/get-involved

or write to data@landmatrix.org

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