

## Winners and losers in large-scale land transactions in Ghana - Opportunities for win-win outcomes

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### **Abstract**

Large land acquisition for agro-investment globally is stirring debate about their socio-political, cultural, economic, and ecological implications on smallholders and host communities. Though several works are on going in this area, empirical findings that seek to identify and compare winners and losers of large-scale land transactions in host communities remain limited. In this paper, case-based qualitative approaches were used to identify, and to study the dynamics of winners and losers under large-scale land acquisitions. The study found that inequalities in benefiting from land revenue in Ghana were customarily anchored; and existing land and agricultural policies offered limited remedies for vulnerable groups. Unequal power relations between land custodians and land users dictate who benefits more from land transactions. Chiefs and family heads entrusted with allodial titles were perceived to be gaining the most from emerging land market dynamics, while smallholders who cultivated land under insufficiently secure tenure such as sharecroppers, women and poor community commoners were the most adversely affected. Policy direction should target spreading land revenue to the entire community through social infrastructure and services. Under the current tenure regime, land custodians are not obliged to earmark land revenue for community development or compensate expropriated households except to allocate to them alternative farmland.

**Keywords:** Land markets; Land prices; Chieftaincy; Agro-investments; Ghana.

## **1. Introduction**

The agricultural sector has always received global research attention because of its critical role in sustaining rural livelihoods. In the last decade, many governments from developing countries have awakened in their interest to invest in agriculture. The recent food, fuel and financial shocks further put agricultural research in the limelight. Most noticeably, these global shocks have sparked increasing interest in large-scale land acquisition for agricultural investments in Africa by both foreign and local agro-investors. At the same time there are raging debates about the political, social, cultural, economic and ecological implications of large land acquisition in Africa. There are also debates as to whether ‘*land grabbing*’ should be regulated (FAO, 2012a and World Bank, 2010), discontinued (Nyari, 2008; Daniel and Mittal, 2009) or promoted even further, because of the uncertainties about the potential and actual outcomes from large land deals. These differing stakeholder positions are hinged on numerous documented and undocumented evidences of both positive and negative socio-economic, cultural, political and even environmental implications of large-scale land acquisitions for agro-investments in Africa.

Already, several research works have scrutinized the implications of the recent large-scale agro-investments in Africa, and in other parts of the world. Some existing studies have focused on exploring the risks of land investments on the rights and livelihoods of the rural poor in the Global South. A number of researchers have pointed out potential opportunities of large-scale agro-investments to boost food security, and drive rural development in an already long-neglected sector (Haralambous *et al.*, 2009; Cotula *et al.*, 2009; Odhiambo, 2011; Deininger and Byerlee, 2011; Deininger *et al.*, 2011; Dessy *et al.*, 2012). There are also a number of studies on large biofuel investments and the concerns that it may result in food insecurity in host communities (Cotula *et al.*, 2008; Daniel and Mittal, 2009; Boamah, 2011). Smaller and Man (2009) and Bues (2011), have delved into the implications of large-scale investments on water rights. In Bues (*ibid*), the study found potentials for ‘*water grabbing*’, and disturbances to local livelihoods in Ethiopia. Several other studies exist on how to attain responsible agricultural investment and devised voluntary win-win principles and strategies (von Braun and Meinzen-Dick, 2009; Cotula and Leonard, 2010; FAO, 2010).

There are also many case studies and reports of land investment deals and welfare implications in Africa (Deininger and Songwe, 2009; Daniel and Mittal, 2009; Cotula *et al.*, 2009; Dossou, 2011; Dessy *et al.*, 2012; King and

Bugri, 2013). Deininger and Songwe (2009) for instance, have highlighted the potentials of large agricultural investments to host countries but have cautioned that ensuing modernization from these investments may not necessarily improve the welfare of local people unless diligently harnessed. Daniel and Mittal (2009) question the viability of the win-win argument that has been promoted to stall the critique of large-scale agro-investments, by lamenting the relegation of food security concerns of the poor from the forefront of the international debate. Cotula *et al.* (2009) have also acknowledged the potentials of land investments, but warn these may not be handy if host governments fail to build the institutional capacities necessary to negotiate better terms of investments for their people. Dessy *et al.* (2012) have extended this literature by revealing the conditions that are sufficient for land investment deals to improve the experiences of local communities from which land is leased or purchased.

African agriculture is still smallholder dominated with many of them producing on subsistence basis. Drechsler (2011) has already pointed to some challenges of smallholders in sub-Saharan Africa to include the low level input use such as fertilizers, machinery, seeds, credits and irrigation; and also due to climate challenges. Sub-Saharan Africa already lags in her food production capacity as compared to other major development blocks. Schoneveld *et al.* (2010) identified that African agriculture remains chronically low productive due to low capital injection in the sector, deplorable infrastructure, institutional ineptitudes and limited access to credit and technology. Beyond these listed challenges and many more that plaque smallholder production efficiencies, smallholder producers remain relevant for policy attention because they dominate the employment sector, produce the majority of the food yet remain among the majority poor in developing countries.

The above contributions point to the level of vigorous research work on the global platform regarding large-scale land acquisitions. However, the level of impact of these large-scale land acquisitions on local land tenure regimes and how these have resulted in winners and losers in host countries in Sub-Saharan Africa are yet to be empirically studied. Ghana is used as a case study in sub-Saharan Africa because of its dual tenure regimes - customary and statutory systems. Ghana is also one of the favourable destinations for large-scale land acquisitions in the sub-region. Particularly, the government through the Ghana Commercial Agriculture Project (GCAP) has directly encouraged the release of land for the commercialisation agriculture as a means to sustaining national food security. Some other reasons that have spotlighted Ghana as a preferable destination for agro-investments include the prevailing enabling investment climate due to

sustained democratic credentials and political stability. In addition, the strategic geographical location of Ghana, availability of cheap agricultural labour, lands and water resources, are big motivations for investment. Also, growing local demand for maize, soybeans and rice have made Ghana favourable for agricultural investments (interview with MoFA, 2012). However, in promoting these land deals it should be realized that the livelihoods of host communities might be at risk. For example, Nyari (2008) already documented some evidences of communities' rejections of agro-investments in Ghana. Following the above state of the art, it is necessary to examine how changes in land transactions are benefiting or hampering the livelihoods of smallholders. This paper specifically identifies the winners and the losers in customary land transactions; and seeks to examine the nature and extent of losses and gains, as land markets change. The last objective explores available opportunities to ensure win-win outcomes for both the large agro-investors and subsisting smallholders.

This study is significant in Africa because it is generally believed that, agricultural modernisation that focuses on promoting elite, progressive and resourceful farmers who deploy various agricultural technologies would eventually trickle down to poor peasants (von Braun *et al.*, 1994; Dixon, *et al.*, 2001; Ubink and Amanor, 2008). Notwithstanding the numerous positive promises of agricultural commercialisation for local land users, there are also potential negative impacts on local land markets and smallholders. Ghana is an interesting case study because the recent agro-investors are acquiring large tracts of customary land for commercial agriculture, and these have raised tenure concerns due to the unique conception of customary landholding - as a factor of production and a cultural identity. Customary land tenure systems and land rights have come under serious stress following growing demand for land in Ghana for agricultural investments. Since customary land tenure in Ghana constitutes a greater proportion of land, any disruption in such a local market will have vicious impacts on rural peasants whose livelihoods are hinged on land. When smallholders are dispossessed of land, they may be compelled to invent new forms of livelihoods when farming in the vicinity is no more an option (Cotula, 2013:132). These concerns about the vulnerability of smallholders under emerging land markets further reinforce the essence of this study.

The second section of this paper reviews state of the art on the impacts of recent large-scale land acquisitions for agro-investments. The section three discusses the study methodology and profiles the two case agro-investments studied. Qualitative analyses of the perceptions of winners and losers, evidences

of actual gains and losses are documented under section four, while section five provides the conclusion to paper.

## **2. Impact of new large-scale land acquisition in Africa**

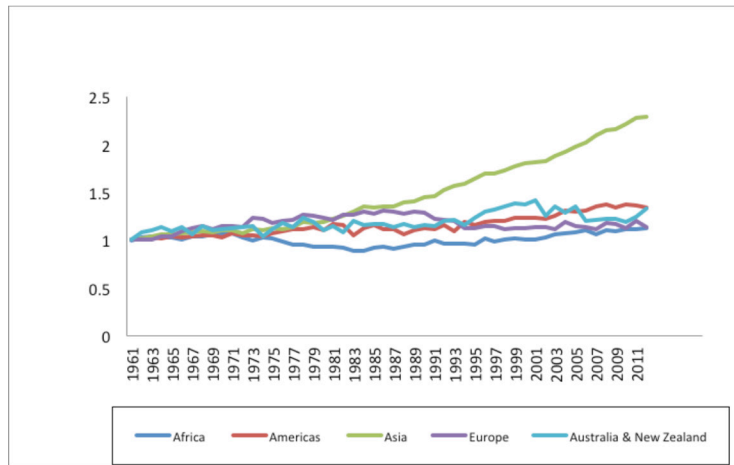
The agricultural sector in sub-Saharan Africa has historically been under-funded, leading to stagnation in agricultural growth (see Figure 1). Over the past three decades, public investment in agriculture in developing economies has either declined or has been stagnant (Fan and Rao, 2003; Fan and Saurkar, 2006) due to public sector liquidity constraints. It is argued that these new agro-investments have potential opportunities for enhancing food security, creating employment, improving technological transfer and promoting rural development in an already long-neglected sector (von Braun and Meinzen-Dick, 2009; Deininger and Byer-lee, 2011; Deininger *et al.*, 2011; Dessy *et al.*, 2012). Narula (2013) argues the recent agro-investments are a means of fighting hunger, generating economic growth and reducing poverty. This is because large-scale agricultural investments are attracting massive foreign capital to invest in ‘underutilised’ lands in Africa (see Badiane, 2011).

Agricultural investments have the potential to create the much-needed infrastructure and reduce poverty in host countries (Deininger *et al.*, 2011). Besides generating employment, large-scale agro-investments offer new opportunities for contract farming, promote equitable growth, improve local producers’ access to credit and markets, and increase public revenues from taxation (von Braun and Meinzen-Dick, 2009; Deininger *et al.*, 2011:131; FAO, 2012b; Narula, 2013). They can also increase the production of local food crops for local markets and other essential foods for international consumers (Cotula, 2013) through new technologies. The government of Ghana views renewed inflow of agricultural FDIs as a means of improving the fortunes of the agricultural sector and to serve as a key economic development strategy. It is therefore not surprising that the efforts of large-scale investors are promoted, and land banks are created under the Land Administration Project (LAP) to make land available to investors. Ghana has generally been liberal with agricultural FDIs because it is seen as an opportunity for poverty reduction and food security.

Unlike formalised agricultural land markets, agricultural land in Ghana is customary in nature, largely dominated by informal transactions and not completely commoditized. In the past, traditional authorities made grants to migrant farmers and other users under oral and non-monetary terms (Hill, 1963; Amanor, 2008). In recent times, cash-based leases have become common. However, informal land alienation in the form of *abunu* and *abusa* tenancies

continues to thrive especially in the Akyem and Ahafo communities (see Amanor, 2006). The increasing demand for productive land has potentials of worsening land tenure and livelihood insecurity following competition among various land uses and users. It is the view of the FoodSPAN (2012: 2) “*that the commoditization of land and the disposal of large tracts of land for investments pose increasing threats to customary land rights holders*”. Hence, there is the need to ensure that customary land management structures in Ghana prevent the two extremes of few winners and majority of losers.

FIGURE 1: TREND IN AGRICULTURAL PRODUCTION



Source: FAOSTAT (2014)

### 3. Methodology

The paper used a descriptive comparative case study approach. This paper relies on both qualitative and quantitative data collected from two purposively selected case studies in Ghana - the ScanFarm (Gh) Ltd and Integrated Tamale Fruit Company (Gh) Ltd. Data was collected from 175 agricultural households sampled from Dukusen and Afrisire in the vicinity of ScanFarm (Gh) Ltd, and also in Gushie and Tunayili around the Integrated Tamale Fruit Company (Gh) Ltd (ITFC) project. At the community level, qualitative data was collected using focus group discussions (subsequently used as FGDs) and stakeholder interviews. Stakeholder interviews were used to collect data on land ownership, land tenure, land contracting and company operations. The surveys were conducted between September 2012 and February 2013. Secondary data are based on in-depth analysis and discussion of secondary sources from literature reviews. Due to the largely qualitative nature of the data, descriptive narratives are used to discuss

qualitative data with extracts from interviews, FGDs and existing literature to enrich the discussions. Also, to be able to do an in-depth discussion of land market activities and how these have resulted in winners and losers in the study communities, qualitative descriptions of respondent perceptions on winners and losers were recorded and presented as part of the analysis of this data.

a. *ScanFarm (Gh) Ltd, Agogo – Ashanti region*

ScanFarm (Gh) Ltd formally ScanFuel (Gh)<sup>1</sup> Ltd came to Ghana in 2008 through the efforts of one Kyei Baffour, a Norway-based native of Agogo. The Norwegian investors were convinced they could obtain about 400,000ha<sup>2</sup> of ‘idle’ and ‘underutilised’ farmland from the Omanhene (Paramount chief of the Agogo Traditional Area) for the commercial production of *Jatropha curcas* in the Ashanti-Akim District (now Ashanti-Akim North District). However, after completing the negotiations, 19,058 hectares of land was granted them through a Memorandum of Understanding (MoU). At the commencement of registration of the lease agreement in 2010 at the Lands Commission, it was realised that 6,000 hectares in the same area was already leased out. Upon severing this portion, ScanFarm’s concession currently stands at 13,058 hectares. ScanFarm (Gh) Ltd entered Ghana to produce *Jatropha curcas*, but after 1yr into cultivation, the company diverted into maize production, soybeans, sorghum, and is currently nurturing plans to add upland rice production and teak in future. Various factors accounted for this; the oil find in Ghana dashed the hopes of *Jatropha curcas* as an alternative fuel source locally; the drop in global oil prices meant local oil importation was no more a huge constraint on the public purse; efficient commercial production of *Jatropha curcas* required extra land to be economically viable; and also it was realized that the global projection of *Jatropha curcas* as a magic plant and as the panacea to mankind’s fuel problems was exaggerated (interview with Michael Eshun, 2012).

Also, with a procured Ghana Free Zones Board (GFZB) certificate it meant that *Jatropha curcas* products had to be exported; however marketing was envisaged as a herculean task. The company’s lease under registration with the

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<sup>1</sup> The name of the company was changed from ScanFuel (Gh) Ltd to ScanFarm (Gh) Ltd in 2010 following a change of company focus from *Jatropha* in 2009 to food crops largely maize, soybeans, sorghum (with plans for rice production in the future).

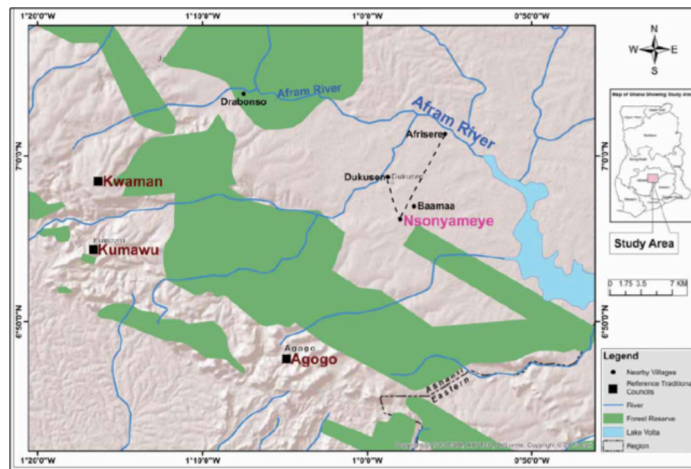
<sup>2</sup> This figure was hugely reported by the media and variously described as land grabbing by foreigners accompanied by displacements and evictions with no compensation. However, on the ground, this planned acquisition never materialised. Earlier upheavals against agro-investments were largely due to these sensationalized reporting by the media and spearheaded by some few but prominent groups. See <http://bit.ly/1a3Kpg2> and <http://bit.ly/9dZ09p>.



*Kuusaana: Large-scale land transactions in Ghana*

Lands Commission is for 50yrs<sup>3</sup> in two streams of 25 years each, and the second term subject to renegotiation and renewal. A lump sum of US\$ 23,000<sup>4</sup> was paid to the Agogo Traditional Council (ATC) for the land as ‘drink money’, subject to annual ground rent payment of US\$ 1 per acre per annum with an annual upward review by US\$ 0.50 to a maximum of US\$ 3 in 2014. Other issues included in the lease are unrestricted access to water for agricultural production. The Agogo Traditional Council (ATC) should be first to find resolution to land disputes. Also, the investors are obliged to promote development including employment in the communities around their concession. Though the Agogo State operates on a Stool land tenure system, several indigenous families of the Stool hold various customary law freeholds (usufructuary rights) (Field Data, 2013). The communities around ScanFarm (Gh) Ltd comprise about 70% settler farmers from the northern regions of Ghana. Settler farmers reportedly pay a pre-seasonal rent of Gh¢ 40 or 1-3bags of maize upon harvest to their landlords (interview with ATC registrar, 2013).

FIGURE 2: SCANFARM PROJECT SHOWING STUDIED COMMUNITIES IN THE ASHANTI-AKIM NORTH DISTRICT



Source: Boamah, 2014

<sup>3</sup> According to Article 266 (4) of the 1992 Republican Constitution of Ghana, no interest in, or right over, any land shall be created which vests in a person who is not a citizen of Ghana leasehold for a term of more than fifty years at anytime. It is also generally the rule that agricultural leases should not exceed 50years at anytime.

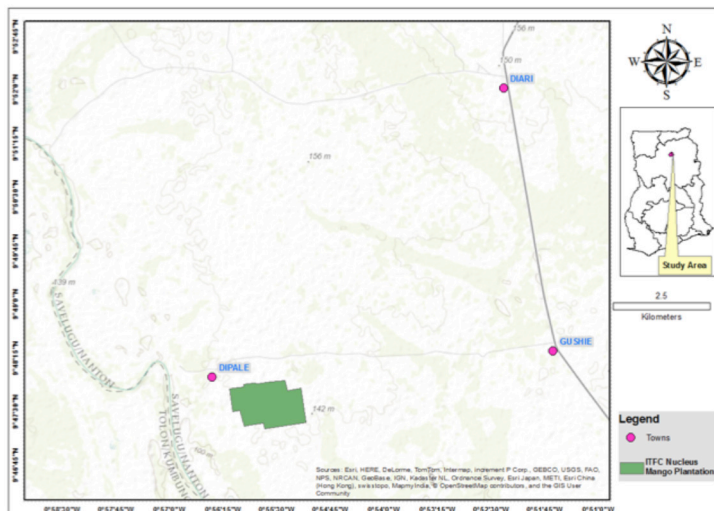
<sup>4</sup> Implying an average of US\$ 1.75 per ha based on the lump sum payment and the size of plot that was rented-out. This figure is not different from reported averages of US\$ 1 to US\$ 2 per ha of agricultural land rentals globally.



*b. Integrated Tamale Fruit Company (ITFC), Tamale - Northern Region*

ITFC Ltd is a Limited Liability Company Incorporated in 1999 under Ghana Company Act 1963 (Act 179). It commenced business in year 2000. It is owned by both Ghanaian and Dutch shareholders on 70/30 bases respectively i.e. Wienco (Gh) 50%, the Nanton-Naa, 10%, African Tiger Mutual Fund, 5%, Tamale Investments, 5% and 30% by Komma BV (Dutch). The company was established in the Savelugu-Nanton District to produce mango for the export and local markets. ITFC's nucleus farm located between Dipale and Tunayili is 1,363acres (568 hectares). ITFC Ltd also operates out-grower farms, and currently has 1,200 out-growers with 1,200 acres (500 hectares) of land. The company initially targeted 2000<sup>5</sup> out-growers but has suspended further expansion to concentrate on addressing the low yields. Contrary to the legally specified tenure of 50 years for agricultural leases, ITFC Ltd holds a 99 year lease.

FIGURE 3: ITFC PROJECT SHOWING FOCUS COMMUNITIES IN THE SAVELUGU-NANTON DISTRICT



Source: Author, 2013

Initial 'kola' amounted to GH ₵ 6,000 for the 1,363acres (Interview, 2012). The company also owns an additional 205acres (85ha) at Gushie. It cost GH₵10,000 for the land and an annual rent of GH₵100 per annum subject to periodic renewals. It was reported that a total of twenty-three (23) farmers were

<sup>5</sup> Each farmer in the out-grower scheme is limited to owning an acre of mango farm but in a continuum with 19 other farmers up to 20acres and there may be several or few of such holdings in a village depending on land availability and how many small farmers may have embraced the out-grower idea.

dispossessed of active fallow lands while four (4) active farmers had to be relocated. An amount of GH¢ 5,000 was paid as compensation to the dispossessed farmers through the chief of Gushie (Interview, 2013). ITFC Ltd uses a micro-irrigation system that places a sprinkler per plant to receive the required amount of water pumped directly from the White Volta. Upon harvest the cost of mango seedlings, water, field education, bushfire control among others are deducted seasonally and the profits paid to outgrower farmers. Other key issues that were in the lease agreement included the reservation of 70% of employment opportunities for the people of the four main operational communities (Gushie, Tunayili, Tigla and Dipale), provision of potable water, electricity, roads, school infrastructure and scholarships. While the ITFC Ltd views these provisions as fulfilment of corporate social responsibilities, the chiefs view it as entitlement for part payment of the land. Together with these, ITFC Ltd also operates a mango pack house and a processing plant. Besides organic mango, they also engage in maize, citrus and butternut squash farming.

#### **4. Qualitative data analysis and findings**

Based on the qualitative data collected from the study of two large agro-investment companies in Ghana and from four operational communities, this section of the paper discusses the perceptions of smallholders on winners and losers in large land transactions. It also documents actual gains and losses from large-scale land acquisition in host communities, and opportunities that exist for win-win outcomes.

##### *4.1. Perceptions about winners*

There are varied conceptualisations of the winners when land prices increase due to emerging trends in land markets in Ghana. From our case studies in Ghana, we identified winners from land transactions to include chiefs and family heads entrusted allodial lands; resourceful local elites, politicians and speculators; local government institutions; and central government from taxation. On the perception of sampled households on the winners and losers when land markets change, 94 of our respondents reported that land rents had changed considerably due to the activities of large land acquisition. As shown in Figure 4, 51 percent of the respondents believed that chiefs who were holding village land in trust for the people were the ones gaining from changes in land markets and large-scale land transactions. Two reasons influenced such a perception. Firstly, chiefs front all land transactions with limited involvement of communities. Secondly, chiefs are not obliged by any custom to account for stool land revenue. Revenue from stool land transactions or rent accruing from stool lands is to be used for the

‘maintenance of the stool in keeping with its status’ (see Article 267(6a) of the Republican Constitution of Ghana, 1992). In many instances, chiefs in Ghana have consistently implemented the constitutional provision of Article 267(6a), but blatantly disregard Article 36(8) that identifies chiefs as “... *fiduciaries charged with the obligation to discharge their functions for the benefit respectively of the people of Ghana, of the stool, skin, or family concerned and are accountable as fiduciaries in this regard*”. Payments for land or land related services through chiefs, has often been described as ‘*drink/kola*’. Since ‘*drink monies*’ are best seen as gifts to chiefs, one is not compelled to account for these gifts.

Following this constitutional empowerment, chiefs who hold allodial interest to land, as trustees, are major beneficiaries of land transactions in Ghana due to their privileged customary position. Chiefs also serve as negotiators of land prices, fixers of land rents, receivers of land revenues and decision makers on the utilisation of the revenue. According to Amanor (2008), the powers of chiefs in land transactions are anchored in local customs. Even though culture is dynamic to changing needs, the roles of chiefs in land transaction have remained resilient to change. Several initiatives by governments in the past to strengthen customary tenure tend to reinforce the position for land to be administered by chiefs as trustees. In line with this, chiefs are expected to be agents of land reforms and to make land available for investments that create employment and promote agro-industrialisation.

As was confirmed by the separate FGDs in Dukusen and Afrisire (2012), land transactions were negotiated and completed at the chief’s palace, and community chiefs (*Odikro*) were invited for few, short discussions. It was revealed that the payment of US\$ 23,000 as ‘*drink money*’ by ScanFarm (Gh) Ltd went to the Agogo Traditional Council (ATC) while the Gh¢6,000<sup>6</sup> ‘*kola money*’ from ITFC Ltd went to the Ya Na. Besides the ‘*kola money*’ paid to the chiefs, they are also entitled to a share of annual ground rent paid through the Office of the Administrator of Stool Lands (OASL)<sup>7</sup>. Communities around the ScanFarm project expressed disappointments during the FGDs (2012) about their limited involvement during the land negotiations. This is apparently contrary to the customary tenets on land ownership in Ghana that views land as a communal asset (see Ollennu, 1962; da Rocha and Lodoh, 1999; Kasanga

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<sup>6</sup> As of 15th May 2014, US\$ 1 is equivalent to Gh ¢2.90 and 1euro was equivalent to Gh¢ 3.97.

<sup>7</sup> The 1992 Republican Constitution of Ghana and the Office of the Administrator of Stool Lands Act, 1994, Act 841) both point to enforce the position of the Chief as trustee of communal or lineage land.

and Kotey, 2001), and as such its disposal must involve principal stakeholders (Sarbah, 1968:67). According to Odhiambo (2011:17), the lack of engagement of local communities in land negotiations is a missed opportunity towards the actualisation of promised benefits, to optimize public interest (see also Cotula *et al.*, 2014). Allodial titleholders (i.e. paramount stools) have by these actions, flouted the above basic customary principle regarding land alienation in Ghana. Following these revelations, customary land tenure in Ghana has been perceived as one that has disempowered smallholders, while promoting an egalitarian system, which is unrepresentative of the interests of the community (Amanor, 2008:78).

In the northern regions of Ghana where family landholdings tend to dominate, 21percent of respondents perceived that family heads holding family land, in trust were benefiting from emerging land transactions. Usufruct families, also benefit from land price changes through direct sale and annual ground rents from tenants. Besides chiefs, family heads also hold allodial interests in trusts for families. Around stool land areas, indigenes and sometimes migrants may also own usufruct rights through long-loyal service to the *Omanhene* (paramount chief) or their usufruct masters. Family heads are allowed the freedom to alienate family land and the proceeds used for the benefit of the entire family. From the FGDs in Gushie and Tunayili (2013), proceeds from land transactions in the Tamale area are used to acquire family properties or pay for urgent family expenses. While chiefs do not account for '*drink money*' under prevailing customs, family members can compel a family head to give detailed accounts of transactions and expenditures from family land revenue. Chiefs and families may, however, be compelled under Article 36(8) of the Republican Constitution of Ghana (1992) and Section 1(1-3) of the Head of Family (Accountability) Law, 1985 (PNDC Law 114), respectively, to account for land revenue. Unfortunately, these legislations are hardly applied. Where family land is severed or completely encumbered upon, a family head may receive incidental compensation on behalf of the entire family. In a majority of the cases however, families are entitled to a share of community land, and any reallocation by the allodial chief requires re-instatement on alternative (FGDs in Gushie, 2013).

However, where local customs do not legally recognise a people as owners of land, they are not entitled to compensation even when they are dispossessed. They may only be paid compensation if their crops are destroyed. Following this loophole, most allodial custodians undertake land transactions in the dry season when no crops are destroyed and hence deny migrant farmers any form

of compensation. Compensation to title-less farmers is paid for crops, not for the land (Cernea, 1988; Cotula, 2013:131). Around the ScanFarm (Gh) Ltd concession, affected usufructs were offered cash compensation at a rate of Gh¢ 33 per acre (Gh¢ 80 per hectare – equivalent to US\$ 42 as of 1st April, 2013), while migrant farmers were not compensated (Interview with ScanFarm Ltd, 2012). In the case of ITFC (Gh) Ltd, a lump sum of Gh¢ 5,000 (US\$ 2,602 as of 1st April, 2013) was paid to the chiefs onward transfer to affected usufruct farmers. During the data triangulation, it was not confirmed if this money was disbursed, and how much each received. From the household survey, 15 households from the ITFC project and 4 from the ScanFarm project were expropriated. Compensation was paid to 6 out of the 15 affected households in the ITFC project while no compensation was paid to the 4 affected farmers in the ScanFarm project. Nonetheless uncompensated farmers are not pursuing outstanding compensation for fear of victimisation.

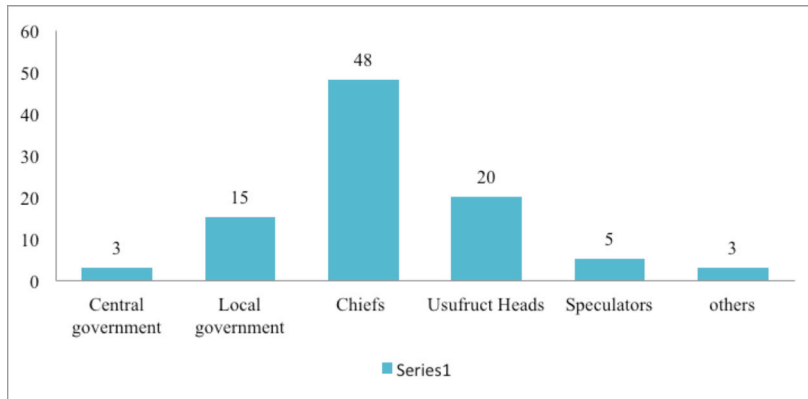
According to Fiadzigbey (2006:7), in Ghana,

“chiefs and heads of families collect huge sums of money which they term 'drink' (premium) money, for every parcel of land leased. Such monies are not accounted for to the community members. Furthermore, many Stools may not have proper records of what and how much money they receive from rents and royalty payment. Any records that may exist may not be accessible to the community members who might want verification of specific or general transactions undertaken by traditional authorities. They do not think it fit to inform their communities about receipt and disbursement of Stool land revenues. The lack of absence of accountability is a source of agitation by the youth in many communities.”

Schoneveld *et al.* (2011) and Wisborg (2012) believe that the strong customary system in Ghana enables large land acquisition through traditional authorities at the expense of the local citizenry. Chiefs have been very conspicuous in attracting, negotiating and alienating customary land to large-scale agro-investors. Boamah (2014) has attributed the domineering stance of chiefs to efforts aimed at re-establishing authority over customary lands and boundaries in Ghana. Some Chiefs are motivated by the fact that some customary lands over the years are occupied by ‘noncompliant migrants’ who fail to pay customary tributes (see Boamah, 2014). Ubink and Quan (2008), Tsikata and Yaro (2011) and King and Bugri (2013), have identified that the lowering interests of chiefs towards transparency and accountability to their subjects is compounded by the limited means or lack of will power from statutory institutions to compel chiefs to deliver on their mandates. According to Cotula (2013), revenue accruing

to chiefs from large land transactions presents an opportunity to consolidate their chieftaincy authority if such revenue is channelled into developmental projects. In another breadth if the grant by a paramount Chief is uncontested by neighbouring chiefs, community members or the state, it confirms his authority, boundaries and title (see Lund, 2011 and Boamah, 2014).

FIGURE 4: HOUSEHOLD PERCEPTIONS ON WINNERS IN LAND PRICE CHANGES



Source: Field survey, 2013

Sixteen percent of the respondents perceived local governments were also to be benefiting from new land transactions. According to Article 267 (6c) of the Republican Constitution of Ghana (1992) and the Office of the Administrator of Stool Lands Act, 1994 (Act 481), District Assemblies<sup>8</sup> receive 55% share of all revenues from customary lands in the form of rents, dues, royalties, revenues or other payments, whether in the form of income or capital. Fiadzigbey (2006:7), however, describes the local government authorities as “*worst culprits when it comes to accountability*”. In her view, income accruing to local governments, as its share of land revenue, is not always used for the development of the districts. Yet, there are no monitoring mechanisms for how these monies are expended, and the District Assemblies are not obliged to account to the community for the use of this revenue. As local level planning authorities, local government authorities particularly help in legitimising large-scale land acquisitions by endorsing their conformity to local level land use and development of plans. It is probably in line with these persisting loopholes with the local governments that 15 of the respondents formed their perceptions. As of November 2012 and

<sup>8</sup> District, Municipal or Metropolitan Assemblies are local government institutions established under the Local Government Act, 1993 (Act 462) to spearhead decentralised local-level administration and development.



January 2013 when studies were conducted on ScanFarm (Gh) Ltd and ITFC (Gh) Ltd respectively, the Asante-Akim North and Savelugu-Nanton Districts had both not received ground rents due them from the investors (Interview with OASL-Konongo, 2012 and Savelugu-Nanton District Assembly, 2013).

Central government according to 4 percent of the respondents also benefit from large-scale land transactions because it was believed that government had been paid some money. According to the 'land grabbing' literature, central governments of host countries stand to benefit from taxes especially in the form of corporate income tax and export duties (Cotula, 2013; FAO, 2012b). However, weak enforcement mechanisms from responsible tax agencies may leave these taxes uncollected. During the study, both ScanFarm Ltd and ITFC Ltd were operating under the licences of the Ghana Free Zones Board (GFZB)<sup>9</sup> and the Ghana Investment Promotion Council (GIPC)<sup>10</sup>. Under many of these certifications, taxes are usually not paid until the investors' operations become profitable. Government incentives, such as duty-free importations and special free zones for agricultural products also further decrease the government's sources of revenue. Possible benefits of large-scale land acquisition can also be subverted by speculative foreign investments, which may fail to materialize or perform as envisaged. In Ghana, an example of such a speculative investment is the Biofuel Africa project in Alipe in the Northern Region, which folded up in less than 3 years of operation.

Also, 5 percent of the respondents believed that, local elite and speculators (called 'businessmen') were benefiting from recent large land transactions in Ghana. Local elites and speculators, who acquired agricultural lands in the past, were reported to be cashing-in on increasing land rents to smallholders. Some of these acquisitions were made privately while anticipating secondary markets with foreign investors and new settler farmers. It is feared that these anticipated future demand for land will result in the dispossession of vulnerable rural populations and rent capture (Durand-Lasserve and Selod, 2012:11) by new medium to large landlords. According to Deininger *et al.* (2010), many investors acquire more land than they have the ability to develop and their speculative behaviour is detrimental to smallholders who may be evicted without alternative production lands. The village surveys in Dukusen and Afrisire (2012) revealed that some local investors from Agogo have also acquired and registered concessions for medium-sized tree plantations and are renting portions of this land to migrant

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<sup>9</sup> Set up under the Ghana Free Zone Board (GFZB) Act, 1995 (Act 504).

<sup>10</sup> Established under the Ghana Investment Promotion Centre Act, 1994 (Act 478).

farmers. Foresight about potential benefits from speculating in land may explain why ‘businessmen’ are acquiring moderate tracts of land in both Agogo and Tamale for teak and mango plantations respectively.

#### *4.2. Perception of losers*

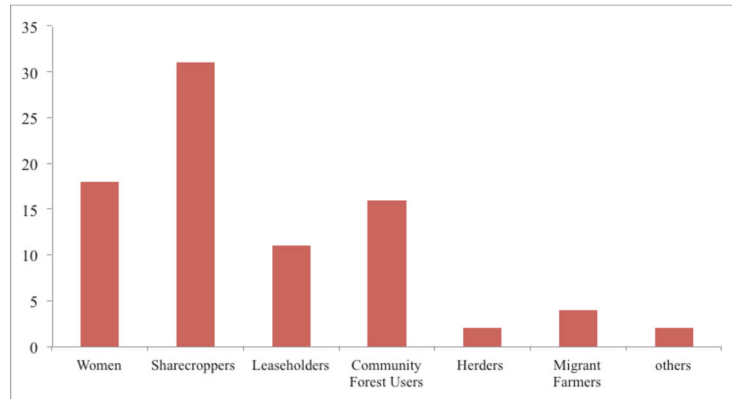
On the part of household perceptions on losers in land markets changes, it was revealed that sharecroppers were greatly impacted by 37 percent of the respondents as indicated in Figure 5. It was also found that women were affected by land market dynamics change as was indicated by 18 (representing 21 percent) of the respondents. This was followed by 19 percent of the respondents who believed that the poorer people in the villages were most affected. From the study, migrant farmers in the four (4)-study areas access land through express permission from the chief/family/clan heads or through share tenancy arrangements with local farmers or directly from the community chief. From the village surveys, both indigenes and migrant farmers have informal and unregistered interests to the lands cultivated. They could only show evidence of use, and consolidate these rights annually by paying appropriate customary rents to their landlords or rely on witnesses. Following the commoditisation of land and recent demand-driven rent adjustment as was reported, migrant farmers are losing farmlands or are frustrated to vacate. A study by Duncan (2000) documented that landlords arbitrarily changed the terms of share tenancies at will as land becomes scarce, but also due to the verbal nature of many of these arrangements.

Migrant farmers now have to cash-rent land, or pay more in crop-share for leased land around the ScanFarm (Gh) Ltd study communities (FGDs in Dukusen and Afrisire, 2012). Indeed the commoditization and monetization of land stands to favour greatly, those with purchasing power (Chimhowu and Woodhouse, 2006), and not those whose rights are customarily and legally insecure. Since sharecropping is generally seen as an opportunity for resource-poor farmers to access productive land and to minimize their risks (Lavigne *et al.*, 2002), increment in land rents or share of crops will be a major disincentive to engage in such land transactions. Two specific cases of migrant farmer dispossessions are captured in Boxes 1 and 2. From these Boxes, the assertion of land ownership and right to compensation is influenced significantly by the citizenship of a farmer. Indigenes have better opportunities to access compensation than migrants. In these two dispossession narratives, it can be deduced that the grievances of dispossessed settler farmers go beyond their wishes for cash-based compensation. They require more of prior notification in order to find alternative parcels before the next farming season in order not to be left stranded.

It was also found that women were affected by land market changes due to the widespread cultural discrimination in women's access to land especially in the patriarchal northern regions of Ghana. Behrman *et al.* (2011) indicated that the gender differentiated impacts of large-scale agriculture especially those targeting infertile lands (example to cultivate *Jatropha curcas* for biofuel) usually affect women the most due to already existing limitations in land ownership in sub-Saharan Africa (Gray and Kevane, 1992). Women also have restricted access to fertile plots. Quisumbing (1998) has stated emphatically that refocusing on large-scale commercial agriculture leads to changes in property rights - often to the detriment of women. The privatization and commercialisation of land in West Africa, results in the concentration of land in the hands of those who can assert their ownership, to the detriment of poor rural women or ethnic minorities (Lastarria-Cornhiel, 1997). From these literatures, it can be inferred that women are generally excluded from the highly monetized land market. Notwithstanding, it is likely that women in matriarchal communities may have other means of accessing agricultural land through inheritance, those of patriarchal societies are generally restricted. Though it is believed that large-scale commercial agriculture will improve agricultural technology to smallholders, it is uncertain how this will impact on women employment opportunities.

According to Quisumbing (1998), new technologies will only increase women employment opportunities if these technologies make simultaneous demand for women-specific labour and if women control valuable resources. Unnevehr and Stanford (1985) explained that labour-demanding technological changes will increase demand for labour, but labour-saving technological changes will reduce employment opportunities in the host country. In the studied communities around ScanFarm (Gh) Ltd, *Jatropha curcas* cultivation offered more jobs for women in the seed nursery and planting fields, than maize farming did. Mango plantations in Gushie and Tunayili offered more jobs to women than men in mango harvesting and in processing. For example, men were only responsible for field clearing and bushfire controls. Losses to women under large-scale commercial agriculture in our view can also be tied to tenure insecurity and not just employment discrimination, prices, yields and yield spreads.

FIGURE 5: HOUSEHOLD PERCEPTIONS ON LOSERS IN LAND PRICE CHANGES



Source: Field survey, 2013

It was generally observed that women’s access to customary land in Ghana for agriculture is not a problem, but ownership of such land is highly constrained. In all four (4) communities studied, women can access customary land to support their own production but cannot assert ownership. Most of these grants to women as was reported in our FGDs in Dukusen (2012) and Gushie (2013) were *akyede* (‘gifts’ in Akan). Since this area also falls within a matriarchal system, women have the opportunity to inherit land from their maternal uncles. According to the Magazia of Gushie (2013), women find it difficult to rent land due to limited resources and increasing rents. During the FGDs in Gushie (2013), it was reported that,

“For every piece of land we need for farming, we now have to acquire it from our husbands or from others who may need us to plant groundnuts, beans or other plants to keep their fields active and fertile” (FGDs in Gushie, 2013).

The common practice of accessing ‘gifted’ land for temporal use is also being impeded by large acquisitions while pushing communities to infertile lands, farther farms from the villages and from prime areas along major roads. Women who benefited a lot from economic trees such as *sheanuts* (*Vitellaria paradoxa*) and *dawadawa* (*Parkia biglobosa*) in the savannah belt of Ghana have been gravely affected. Such economic trees are either uprooted completely or are restricted from households.

BOX 1: DISPOSSESSION STORIES OF TWO MIGRANT FARMERS

**Case 1**

*Francis Sey, Male (32 years) migrated into Dukusen in 2003 after he dropped out of Junior High School to engage in yam production which is a very lucrative venture in the area. In 2008, after 5 years of production on various plots on rotation basis, ScanFarm Ltd cleared all the lowland areas for Jatropha production. He lost these farmlands without any prior information. He conceded that he did not acquire this land from the Agogomanhene or from any native usufruct, but he paid annual ground rent to the Odikro. However, he expected to be informed in advance so that he could seek alternative farmland for his yam seeds since land preparations are usually done in the short dry season, the same time ScanFarm Ltd, cleared the Jatropha fields. As a settler farmer, Francis Sey, did not expect to be compensated, he only wished he had been informed ahead of time. At the time of the study, he was compelled to sell his yam seeds and take to maize production the next season.*

**Case 2**

*Felicia Nobi, Female (50 years) and her late husband migrated from Nandom in the Upper West Region into Dukusen in 1993. They were in search of favourable farming conditions and an opportunity to start their new family together. They acquired 5 acres (2 hectares) from a native usufruct from Agogo on share-tenancy arrangement, to farm on his land while guarding the plot. In 2008, ScanFarm Ltd acquired the whole area including their parcel. Since her husband was sick at the time, there was nobody to stand up for her rights or communicate her grievances. She complained to the landlord who promised to seek redress. Subsequently, the landlord was singled out and compensated for loss of land as a usufruct but Felicia Nobi received no compensation for deprivation of use of land. As a settler farmer she received no compensation because she was non-native of Agogo and her land use rights are subject to that of her landlord. Since she had no farmland at the time of the survey, she offered farm labour to ScanFarm Ltd and sometimes worked for her neighbours in return for cash or food.*

Source: Field Survey, 2013

Another identified group of losers, as land market dynamics change in investment locations, are communities' land and food poor households who

depend on community forests for wild economic goods including shea nuts, *dawadawa*, game, mushrooms, snails and fruits among others; as a direct source of food, cosmetics and medicine. From these economic goods, rural poor obtain both household provision and income. For example, shea butter is very important produce for the local people as a source of food and is also reported to have both cosmetic and medicinal functions (Elias and Carney, 2007). According to Quaye (2008:7), the eating of wild fruits and vegetables is a major coping mechanism for food insecurity in Ghana. Similar studies in Nigeria by Idrisa *et al.* (2008) found that 10 percent of food insecure households often resort to eating wild fruits as a coping strategy. For most communities in Ghana, poor households depend on the wild forest for a large proportion of their food needs. It is the case that most rural poor depend on subsistence agriculture by eating what they produce, and producing what they eat (Odhiambo, 2011). Hence, any disruption of their productive space will spell doom for poverty reduction initiatives. However, due to the huge demand for land by foreign investors and other medium-scale holders, existing usufructs are warding off intruders from their parcels as a means of enforcing their ownership and to preserve resources from exploitation. In commercial agriculture, large amounts of flora and fauna are lost due to clearance of vegetation to give way for mechanized farming. In most of these host communities in Ghana, large-scale agriculture is completely new, and biodiversity loss will impact on women the most. Rossi and Lambrou (2008) explain that women have specialised knowledge in gathering plant species for food, fuel and medicine. Many women also fall within the poorer segment of most societies.

In the case of ScanFarm (Gh) Ltd, about 200 hectares were initially cleared in the patchy grassland close to Dukusen for *Jatropha curcas* in the first year. Subsequently, *Jatropha curcas* was abandoned and an additional 600 hectares was cleared in one stretch towards the forest near Baamaa and Nsonyameye for maize and soybeans (interview with Dukusen village secretary, 2012). This commercial farming approach raised a lot of concerns for smallholder farmers especially with regards to hunting and collection of snails and mushrooms (FGDs in Dukusen, 2012). Hunting and trap setting are ancestry activities to supplement household food and income. These are now also constricted to farther belts or to private farmlands. Also, charcoal producers reported restriction into parcels acquired by investors, to cut dead wood for charcoal (interview with Charcoal producer, Dukusen, 2012). Such restrictions, according to ScanFarm Ltd (interview, 2012) were imposed as part of requirements of tree felling licence from Forestry Commission.

In the Agogo area where some cash rentals were reported, lessees reported significant rent adjustments. From the FGDs (2012) in Afrisire, a male member



held the opinion that the increment in ground rent was an approach adopted by local chiefs to discourage them from using land in the area, in order for them to rent more land to foreign investors who pay higher rents. According to Boamah (2014:412), such approaches by *Odikros*, who collect ground rents, are in retaliation to several years of migrant farmers' evasion of mandated ground rents together with agricultural tributes. Similarly, Cotula (2013:134) in his study of biofuel projects in the Yendi and Pru Districts of Ghana found that monetary transactions had replaced hitherto gratuitous lands. Local chiefs have found it convenient and reliable to collect revenue from large-scale transactions *vis-à-vis* the numerous defaulting small tenancies. According to Boamah (2012), large land transactions present an opportunity for chiefs to receive higher revenues from investors than they would earn from smallholders, since the large investors are fewer, larger and more formalised to deal with. Herders at the village level were also impacted as confirmed by our respondents. Grazing lands in the open savannah are reportedly reduced due to the large tracts of land being used for maize farming.

Recent land commercialisation presents an opportunity for chiefs to sell 'idle' land that hitherto was granted to indigenes freely. According to Amanor (2008), attempts at land commercialisation have not only pushed chiefs to sell land, community members especially the youth have been reduced to suppliers of labour. This skewed land allocation favours resourced farmers especially foreign investors, to the neglect of community members. Considering that a majority of Ghanaian rural poor fall under the basic needs line (IFAD, 2006), land deprivation is debilitating. The situation is getting more complicated since new land transactions are formalized, and are significantly different from the largely oral customary grants to indigenes. New large-scale land allocations from chiefs are being made under conditions apparently more legally secure, with clearly defined rights, than those offered to indigenes. Though some portions of the new concessions in Agogo and Tamale were appropriated from usufructs, they were hardly contested, since customary authorities with powers to define and redefine land rights, authenticated these transactions. Even though Article 36 (8), of the Republican Constitution of Ghana (1992) obliges chiefs to protect and represent their communities' interests, the opportunities of government control<sup>11</sup> on local land transactions in Ghana, have been reduced to issuing consent and concurrences and not to scrutinise land transactions.

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<sup>11</sup> "The government has an implicit policy of non-interference with chiefs' affairs, therefore the relevant government bodies tend to merely rubber stamp land deals negotiated by chiefs, to provide their concurrence in accordance with the law rather than provide real checks and balances on the nature of these deals" (FAO, 2013:10).

#### *4.3. Beyond perceptions – actual gains and losses from LSLAs in Ghana*

Besides land rental changes that have directly affected farmers, the operations of both ScanFarm (Gh) Ltd and ITFC (Gh) Ltd have impacted positively on host communities especially in employment creation. For example, at the commencement of the ScanFarm (Gh) Ltd project, smallholders gained employment in field clearance and de-stumping. At the time of the study, female employees were preferred. This wage-based farm employment has potentials to increase the influences of women in the home in major decision-making and contribution to household income. Data from ScanFarm (Gh) Ltd (2012) revealed that the company employed 55 permanent workers and between 40 to 100 casual workers at peak operations. Following the Company's shift in operations from *Jatropha curcas* to maize and soybeans, they have become highly mechanised, hence fewer agricultural labourers are required. ScanFarm (Gh) Ltd is currently resorting to more seasonal and casual workers for de-stumping, stone picking, manual fertilizer application, cob picking and sometimes manual harvesting during heavy rainfalls when use of combined harvesters are impeded.

In Table 1, the shift from *Jatropha curcas* to maize resulted in a decline of permanent staff from 78 in 2011 to 55 in 2012 while increasing casual workers from 60 in 2011 to a maximum of 100 workers in 2012. According to Deininger *et al.* (2011:39), the distribution of employment opportunities has greater impact on the local population when local hiring policies are embedded in the land contract and when crops produced are labour intensive such as; sugar cane (700 per 1000ha), rubber (420 per 1000ha), oil palm (350 per 1000ha), and *Jatropha curcas* (420 per 1000ha) (see also Li, 2011:282). According to Rossi and Lambrou (2008), mixed labour and mechanised farming arrangements benefit women especially. Though ScanFarm (Gh) Ltd initially recruited labour from local communities as was required under the Memorandum of Understanding (MoU, page 3 paragraph 2), host communities considered wages incommensurate to the workload and time involved, and hence, many withdrew their services after short engagements. Around the ScanFarm (Gh) Ltd project area, some women are further benefiting from small businesses like selling *pito*<sup>12</sup> and food to farm workers.

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<sup>12</sup> *Pito* is a local traditionally brewed alcoholic beverage in some parts of West Africa including Ghana. It is produced mainly from the grains of guinea corn (*Sorghum vulgare* and *Sorghum bicolor*) [1] and/or millet' (Duodu. *et al.*, 2012: 1). See G. O. Duodu, E. O. Amartey, A. B. Asumadu-Sakyi, C. A. Adjei, F. K. Quashie, I. Nsiah-Akoto, G. Ayanu, Mineral Profile of Pito from Accra, Tamale, Bolgatanga and Wa in Ghana, Food and Public Health, Vol. 2 No. 1, 2012, pp. 1-5. <http://dx.doi.org/10.5923/j.fph.20120201.01>.

TABLE 1: EMPLOYMENT DATA AT SCANFARM LTD IN 2011 FARMING SEASON

ScanFarm (Gh) Ltd Employment data			2008	2012
	Male	Female	Total	Total
General workers	25	4	29	No detail
Farm supervisors	6	1	7	No detail
Technical staff	35	3	38	No detail
Management Staff	4	-	4	No detail
Total casual staff	35	25	60	40 - 100
Total permanent staff	70	8	78	55
Total work force	105	33	138	Max 155

*Source:* Field survey, 2013

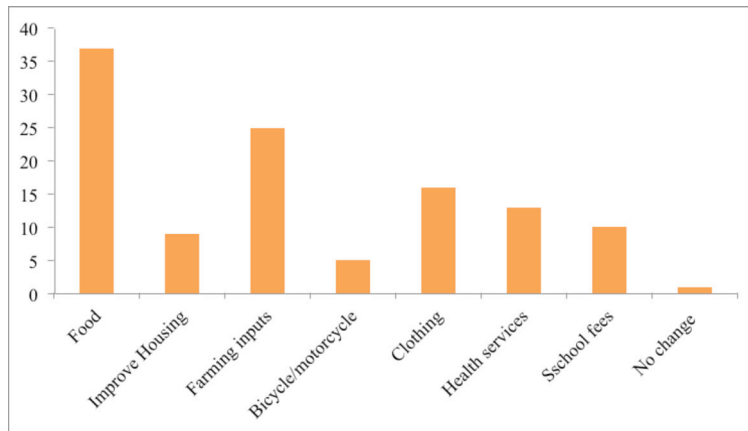
In the case of ITFC (Gh) Ltd, permanent and seasonal employees at the plantation, pack house, processing unit, nursery, offices, and the bee-keeping project collectively employed 458 workers, of which 195 are women and 273 are men as of 2012. At the peak of mango in April and May, the company employs about 2000 casual workers in the mango packaging and processing units, with majority of them being women. The out-grower scheme also employs 1200 small-scale farmers (interview, 2012). According to ITFC Ltd (interview, 2012), in years of good harvest, their labour demand usually overwhelms supply in the operational communities and they rely on extra labour supply from Diare, Nabogu, Pong-Tamale, Nanton, Savelugu and sometimes from Tamale and Nyankpala. The performance and marketing opportunities of the mango in the Savelugu-Nanton District have further stimulated private initiatives into establishing medium-sized mango plantations. Cotula (2013:160) describes this as ‘positive demonstration effect’.

From our household surveys, 66 percent of our respondents ever gained employment with large agro-investment companies over the last decade. For respondents who gained employment in these agro-companies, various expenses were reported for the streams of income that helped augment family budgetary constraints. Some 32 percent of our respondents reported expending wages on more food for household consumption. This could be explained by the seasonal food insecurity in the savannah region especially between April and July, when most households run out of food stocks. Hence, additional income from employment is useful in improving the food and basic dietary needs of rural households in this belt. Naturally, it is expected that additional

*Kuusaana: Large-scale land transactions in Ghana*

income inflow would be committed to improve agricultural productivity. From our data, 22 percent of our respondents reported committing their additional income to procuring various forms of agricultural inputs especially fertilizer, seeds and herbicides (popularly called ‘condemn’ by local farmers). Though this percentage may not be as high as one may expect, it is heart-warming that some households are transmitting their additional income into improving their productivity. Health and clothing were also major expenditures by 14 percent and 11 percent of our respondents respectively; while education, housing and transportation were reported by 9 percent, 8 percent and 4 percent respectively. These responses are displayed in Figure 6.

FIGURE 6: AGRICULTURAL HOUSEHOLD EXPENSES OF WAGE FROM EMPLOYMENT



Source: Field survey, 2013

After triangulating data from the interview with ScanFarm (Gh) Ltd (2012) and FDGs in Dukusen (2012), it was revealed that the company had assisted with building materials to renovate a school building in Nsonyameye. ScanFarm Ltd also constructed a main road from the Company’s farmhouse in Dukusen to their farm and through to Nsonyameye. At Dukusen, they assisted in creating a school park and provided some playing equipment for the pupils. ScanFarm (Gh) Ltd also reported carrying out sanitation campaigns in Dukusen by providing waste bins in the community. They further talked about plans to provide a community toilet facility, solar lighting and borehole if they were offered suitable sites. The maize drying centre located at Dukusen is also made available to farmers in surrounding communities. On the labour front, ScanFarm (Gh) Ltd reported offering additional working incentives such as wellington boots, raincoats, overall vests and health insurance for their employees. They also provide

working tools for all the labourers on their maize and soybean farms. Previous studies by Baron and Rello (2000) in Mexico, and Dolon and Sutherland (2002) in Kenya, however, revealed that these protective clothing may not be enough protection against risks when working with agro-chemicals. Hence, at the FGDs in Dukusen (2012), community members expressed preference for health and protective allowances instead of supplying these items on hire purchase.

From the interviews with ITFC (Gh) Ltd (2013) and FGDs in Gushie and Tunayili (2013), the paramount chief, in the land lease, compelled ITFC Ltd to undertake developmental assistance in operational communities especially for education, water, electricity, health and sanitation. As part of these commitments, the study can confirm that ITFC Ltd supported the construction of 6-unit primary school blocks in Gushie, Dipale and Tunayili. They also set up the Child-To-School Programme<sup>13</sup> to improve school enrolment and enhance quality education. Under this education programme, the stakeholders confirmed the provision of scholarship schemes to needy but brilliant students, teachers' bungalows, teachers' remuneration top-ups, and also teaching and learning materials. In order to sustain the programme, ITFC Ltd established a 2 ha mango plantation (200 mango trees) in Gushie, and the proceeds are used to support the programme. The Company also solely supports a school-feeding programme in the area. According to ITFC Ltd (interview, 2013), they also began a health-screening programme for their workers since 2008 as part of efforts to tackle HIV/AIDS and Hepatitis B.

ITFC Ltd also reported of a biodiversity programme that has converted part of their leased land into a forest and game reserve. Under the programme, they have also provided education on biodiversity conservation especially of economic and medicinal tree species; and also on bushfire prevention. Besides extending irrigation to out-grower farms, ITFC Ltd also reported of providing potable water in Gushie, Dipale and Tunayili through a complex filtering system, using water pumped directly from the White Volta. According to the *Magazia* of Gushie (2013), water supply to the community has significantly reduced the distance women walked to access water for household use. According to Tsikata and Yaro (2011), convenience is essential in the access to resources by the poor.

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<sup>13</sup> The 'Child-To-School Programme' was set up to improve deplorable educational conditions in the operational communities of ITFC. The programme is now a fully fledged educational NGO based in Tamale but has most of its activities in Gushie, Tunayili, Diare, Tigla and Tamaligo. They provide scholarships, educational materials – books, pens, pencils, chalk, playing kits; and cater for teacher remuneration by paying salaries of non-trained teachers and top-ups for posted trained teachers.

Women, who used to walk longer distances to access water, can now do that conveniently. Saved time can be committed on the farm, preparing produce for the market or taking care of the children and the home. During the interviews (2013), it was revealed that ITFC Ltd was also very instrumental in laying the foundation for the Organic Mango Out-growers Association (OMOA).

On the part of other losses, one area hardest hit was labour shifts and daily wage adjustment—popularly known to the local parlance as ‘by-day’. In Dukusen and Afrisire (2013), migrant farmers who mainly worked using the *nnoboa*<sup>14</sup> system, now have to pay more for seasonal migrant-labour or lose them to the investors. Wages of labour in both Dukusen and Afrisire are reported to have increased due to comparatively higher rates offered by ScanFarm Ltd. From the interviews with the village secretaries of Dukusen and Afrisire (2012), while average daily farm wage was Gh ₵5 in 2005, wages increased to Gh ₵10 since 2010. Though there was no direct evidence that this change in wages was due to the activities of ScanFarm (Gh) Ltd, the respondents were confident that higher wages offered by ScanFarm (Gh) Ltd subsequently compelled smallholders to adjust wages so as to attract labourers. In Tunayili (2013), the Gundaanaa (village chief) reported:

“labour has become expensive these days because nobody wants to work for us, they all want to work for ITFC especially in April when they are harvesting mango and we are also beginning to clear the fields” (Interview, 2013).

An increase in wages for agricultural labour is favourable to households who supply this labour. However, in the study environment where, smallholders rather depend on external labour sources, competitive wages may be detrimental. The Chief of Dukusen (interview, 2012) reported of an increasing trend of alcoholism and teenage pregnancies in the community. He blamed these vices on influences from farm workers, who have their camp in the community. Two girls were identified to be pregnant at the time of the study.

#### *4.4. Opportunities for win-win outcomes in LSLAs*

Notwithstanding the above mixed findings on the impacts of LSLAs in Ghana, several opportunities are present within existing national agricultural and land policy frameworks, to attain win-win outcomes for investors, smallholders and

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<sup>14</sup> *‘nnoboa’* is a farming system prevalent in most farming communities in Ghana where a farmer assists other farmers on their farms as a means to solicit their assistance on his farm as well. Farmers would form small groups to work on each member’s farm, as and when he was ready for their assistance. This arrangement does not usually involve cash payments, just the provision of food and drink, and sometimes transportation.



host communities. These, however, need to be appraised and diligently applied. During interviews with two (2) Senior Officers of the Lands Commission in Accra, the Customary Land Secretariats (CLSs) were proposed as the appropriate institution to manage all land transactions at the local level – both large and small, for easy monitoring. The CLSs are public entities at the community level; hence there is an opportunity for the public to access information about land transactions even if it is at a fee. Currently, the CLS in Agogo is largely into urban land management and sometimes assists in land dispute resolution from farming communities. In practice, if the CLSs were made the mandatory contact points for land transactions or were vigorously registering customary grants including seasonal licenses – in simplified forms, difficulties surrounding displacement from fallow lands and inability to access compensations for affected farmers would never have arisen.

Another opportunity exists in the recent Ghana Commercial Agriculture Project (GCAP – 2012 to 2017). Since the first component of the project seeks to facilitate access to secure agricultural land for investment, it opens a window to collaborate more with traditional leaders in land alienations. This presents an opportunity to spell out various obligations and rights between government, investors and host communities. Through the land banks intended under the project (interview with MoFA, 2012), government can play a crucial role in obtaining fair value for land and optimize benefits to local communities.

Following the international voluntary guidelines on responsible governance of land tenure (FAO, 2012a), Ghana in 2012 formulated tailored local guidelines to regulate large-scale land transactions. However, after interviews with the Agogo Traditional Council (2012) and Chiefs of Dukusen, Afrisire, Gushie and Tunayili (2012 and 2013), it was apparent they were never aware of the existence of any such guidelines for land tenure. It is necessary to disseminate such policies to the stakeholders involved in order to empower them on how to go about large land acquisitions for agro-investments. As part of Ghana's land tenure regulatory framework, it is acknowledged that traditional leaders (chiefs, family heads, clan heads, *Tendaamba* among others) may be inexperienced and lack the capacity to manage land transactions of grave magnitude; and that smallholders and subsidiary rights holders are discriminated against because they lack formal rights to land (Lands Commission, 2012). The regulatory framework seeks to provide protection, and safeguard the interests of all stakeholders, including the genuine priorities of investors. The land acquisition processes outlined in the guideline presents a huge opportunity for minimizing losses from large-scale land acquisition, if it is effectively disseminated and enforced at all levels.

Another huge potential towards win-win land transactions in Ghana is the regional and national Houses of Chiefs. The national House of Chiefs has the capacity to improve returns of LSLAs to host communities. It is possible to blend the experiences of chiefs to arrive at frameworks on regulating LSLAs for agricultural investments in Ghana. Besides chiefs assisting in negotiating fair deals, it is prudent to commit the proceeds to social projects that benefit the larger community. If chiefs ensure that broader community consultations are held as part of the processes towards incorporating community concerns, this will help to deepen accountability and transparency in customary land administration. The risks of local people to large land acquisitions are worsened when they are not consulted. It is a fact that these days almost all newly installed chiefs are elite (Ubink, 2008:16), and have medium to high-level formal education. Hence, Chiefs may perform some land administrative functions without broader community consultations (see Ray, 2001; Ray and Reddy, 2003; Ubink, 2008). In many cases, if the chiefs and traditional council do not have the capacity to handle complex land deals, they are allowed to engage local experts. In order to safeguard the interest of vulnerable groups in large-scale land transactions, a national investment tool kit will be relevant in setting minimum standards for an investment contract.

## **6. Conclusions**

In the study of winners and losers as land markets dynamics change due to large-scale agro-investments in Ghana, it was found that chiefs, local elites, speculators together with some government agencies were perceived to be benefiting in various forms from land transactions. It is concluded that existing local customs unduly empower allodial trustees such as chiefs and family heads to benefit from land transactions. On the other hand, title-less groups such as migrant farmers and women with insecure tenures are losing the most on emerging land transactions. It was also found that existing institutions - customs and traditions, largely define winners and losers in Ghana. Even though customs are dynamic, land tenure in Ghana do not permit the various stakeholders to demand accountability for land transactions. Rent increment approaches, are tactics adopted by local chiefs to dispossess smallholders, in order to rent land to larger investors because they pay better rents. The commoditisation of land favours those with purchasing power, and not the poor with insecure rights. Also, the citizenship status of a farmer influences his opportunities to access compensation. Smallholders have formed some of these perceptions because government has been less involved in customary land transactions. This allows

chiefs to define and redefine customary law to their advantage. When working conditions (wage, working period, and welfare) from LSLAs are similar to those of neighbouring farms, or if these conditions prevent smallholders from operating their own farms, then the employment effect on host communities may be marginal. With the observed dynamics on labour supply and wages, smallholders who are unable to offer wages at the new rates may lose out in labour access, especially where there is competition for labour. The risks of local people in LSLAs are heightened, if they are not consulted and are not entitled to any form of compensation.

Traditional councils should endeavour to document various social responsibilities and entitlements under the lease agreement and not just limit transactions to the land alone. The lack of accountability and transparency with large-scale land contracts, allows land trustees to exploit their fiduciary roles and land revenue. To maximize expected benefits from large-scale agro-investments in Ghana, it may also be proper to explore public-private partnership arrangements that allow for government to directly contribute to the investment package and protect the rights of its citizens, while securing the investors' investments and needs. For example, land ownership may remain with the local population while use rights are transferred to the investors. Alternatively, host communities should be directly involved as partners of these large investments and their equity contribution will be the land. The opportunities for a periodic cost-benefit analysis should be kept open to ensure that benefits are indeed optimised and the risks minimised. It is believed that this study will put to rest the persisting extremely polarised and non-empirical debate on impacts of large land deals on local level development, losses and gains. Central governments indeed have a role to play in designing locally grown interventions and empowering local institutions as watchdogs.

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### **Acknowledgments**

I acknowledge the Dr. Herman Eiselen Doctoral Programme, Fiat Panis Foundation, the Catholic Academic Exchange Services (KAAD) and the University for Development Studies (UDS) for sponsoring my PhD studies in Ghana. My appreciation goes to Prof. Dr. Joachim von Braun (PhD Supervisor) and Dr. Nicolas Gerber (Academic Advisor) for their critical guidance on my PhD research. I am grateful to Mr. James Nyaaba Amaligo of ITFC Ltd and Mr. Michael Eshun of ScanFarm Ltd for their assistance. The assistance of the focal persons from the four study communities is also duly acknowledged. I extend my gratitude to the anonymous reviewers who provided comments for the restructuring of this paper.

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