NEW NAME, SAME GAME
WORLD BANK’S ENABLING THE BUSINESS OF AGRICULTURE

OUR LAND
OUR BUSINESS

The Oakland Institute
Acknowledgements

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Cover photo: Young girl in the fields, Burkina Faso. © Juliette Martin-Prével.

Back photo: Young boy carrying a daba (farming tool), Burkina Faso. © Juliette Martin-Prével.

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Introduction

In March 2014, the multicontinental campaign Our Land Our Business was launched to demand the end of the World Bank’s Doing Business project and Benchmarking the Business of Agriculture (BBA) initiative, recently renamed Enabling the Business of Agriculture (EBA). Bringing together over 260 NGOs, farmers groups, grassroots organizations, and trade unions, Our Land Our Business condemns the World Bank business indicators, which rank countries on their investment climate for pushing a one-size-fits-all model and facilitating large-scale land grabs in developing countries.¹

The Doing Business project began in 2002, the same year that the World Bank officially terminated its infamous Structural Adjustments Programs (SAPs). Since the end of the SAPs, the Doing Business project has become the new instrument at the World Bank to drive liberalization policies in the developing world. The annual ranking of countries is closely followed by investors and used by the World Bank and bilateral donors to guide their funding. As a result, it drives the race to deregulate where governments compete with each other to ‘reform’ and be ranked among the Doing Business’ best performers. According to the World Bank, the Doing Business rankings have inspired over a quarter of the 2,100 reforms registered since its creation.²

Building on this flagship project, the new EBA initiative was started in 2013 at the demand of the G8.³ It focuses on evaluating countries’ regulations in the agricultural sector. Our Land Our Business denounces the EBA as an initiative that promotes the interests of Western countries and big agribusinesses, and that aggravates land grabbing and the dispossession of smallholders in the developing world. By interfering in countries’ democratic processes and forcing reform agenda onto decision-makers, the EBA will hinder peoples’ voice and participation in setting national agricultural policies. The EBA’s first progress report, which was released in November 2014, confirmed the Bank’s top-down approach, exposing further promotion of unsustainable agriculture practices and a decisive lack of support to smallholder farming.

What is wrong with the EBA?

- The EBA is part of the G8’s New Alliance for Food Security and Nutrition, and is embedded in a global push to help Western agribusinesses expand in developing countries.
- The EBA project has been rebranded several times. Originally called “Doing Business in Agriculture” (DBA), the project then came to be known as “Benchmarking the Business of Agriculture” (BBA), before adopting the new name, “Enabling the Business of Agriculture” (EBA) in November 2014. Changing names hasn’t modified the project’s approach, nor addressed the critique of over 260 organizations involved in the Our Land Our Business campaign.
- The EBA project impedes democratic debate. It is designed to influence countries’ agricultural policies and regulations.
- The EBA promotes reforms and measures that undermine farmers’ access to land and their ability to resist climate change, and will augment their dependence on highly vertical food value chains, monopolized by a few agribusiness corporations.

Genesis of a Deceitful Project

The EBA is financed through a multi-donor trust-fund supported by the Bill & Melinda Gates Foundation, the United States Agency for International Development (USAID), the UK Department for International Development (DFID), the Danish International Development Agency (DANIDA), and the Netherlands Government.⁴ By early 2013, donors had committed $11 million to finance the initiative for three consecutive years.⁵

The G8 announced the creation of a Doing Business in Agriculture index (renamed EBA in 2014) at the Camp David Summit in 2012,⁶ and included it in the “Enabling Actions” supporting the New Alliance for Food Security and Nutrition.⁷ The New Alliance has been heavily criticized for pushing governments to adopt laws and measures that favor big agribusinesses.⁸ So far, ten governments have signed on to the New Alliance’s initiative. With the EBA,
Western donors and the World Bank are scaling up the global push for adoption of agribusiness-friendly regulations. In addition to the New Alliance, the EBA has been reclaimed as a part of the 2012 White House’s “Doing Business in Africa” campaign, which intends to increase US exports and investments in African economies.\(^9\) USAID’s involvement in the EBA is not about promoting development. Easing agribusinesses’ activities in Africa has allegedly become a big stake to expand seed and fertilizer sales of US corporations, as other markets adopt biosafety laws to hinder the export of genetically modified seeds.\(^10\)

To complete its first progress report, the World Bank team leading the EBA surveyed some of the largest producers of agricultural inputs (seeds, fertilizers and pesticides) of the planet (see Box 1). The team reported their constraints to market their produce to farmers, such as “limited understanding among farmers on how to best use fertilizers, combined with a general lack of agribusiness skill.”\(^11\) Through the EBA, the Bank is intensifying its lobby for cross-country harmonization of seed and fertilizers laws,\(^12\) stressing that market availability of such inputs is reduced by the “lack of regional harmonization standards or participation to international agreements.”\(^13\)

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**The EBA Pitfalls: ‘Solutions’ for Smallholder Farming Destruction**

The Bank has tried to mitigate the EBA’s lack of relevance and legitimacy by framing it as a producer-oriented initiative, which would place emphasis on “policy and regulatory opportunities and constraints that are binding for smaller producers.”\(^19\) A closer look shows that the EBA solutions to problems such as access to land,
climate change, and access to market will actually increase existing pressures on small-scale farming. Regarding land, the EBA considers that the registration of private property rights is crucial to allow land sales for "farmers wishing to grow into the commercial sector, but also for those wanting to exit agriculture."20 Thus, while the report argues that formal systems will bring security of tenure to farmers, it depicts a scenario where they will eventually give up their title deeds in favor of "commercial" exploitations. Ukraine, one of the countries chosen for the EBA’s pilot study, is a great example of the global pressure exerted by the World Bank to allow land transfers to large agribusinesses. While dealing with a deep national crisis, the Ukrainian government is being heavily pushed by the World Bank and the IMF to end a moratorium on the sale of land.21 Early 2015, a Bank official stated publically: "It’s time to think about privatization. They [Ukraine] need[s] to prepare everything to allow for farm land sales (to foreign and domestic investors) in three to four years."22 Far from guaranteeing tenure security, private titling schemes promoted by the Bank commoditize land and are likely to lead to its concentration in the hands of those with sufficient capital to buy large parcels.23

Climate change is also addressed by the EBA report, which stresses that its impacts are likely to be worse "where adapted varieties are unavailable" and "where nitrogen fertilizer use is low."24 To lessen negative impacts of climate change on farmers, the Bank advises that developing countries increase use of nitrogen fertilizers and commercial seed (to provide "adapted varieties"). While it is true that developing countries’ producers are particularly affected by climate change, the EBA puts forward solutions that are actually part of the problem. Greenhouse gas (GHG) emissions from agriculture and related activities almost doubled over the past 50 years, and could increase by an additional 30 percent by 2050.25 Synthetic fertilizers use is the fastest growing source of agriculture GHG emissions, having increased 37 percent since 2001.26 Contrarily to the World Bank’s approach, the Intergovernmental Panel on Climate Change recommends reducing use of synthetic fertilizers to mitigate climate change.27 Additionally, these industrial inputs have long-term damaging effects on soils.28 FAO estimates that 33 percent of arable land is moderately to highly degraded, notably due to chemical pollution of soils, which compromises farmers’ activity and food security.29 Finally, the specialization of certain crops and the standardization of seeds resulting from the growing control of a few large seed producers undermine biodiversity and agricultural diversification, both critical to mitigate the effects of climate change.10 Promoting the use of expensive, polluting commercial inputs will lead to greater climate degradation while increase negative impacts for the smallholders in the developing countries.

For the Bank, the necessary shift “from subsistence to commercially viable farms,” also requires increased use of seeds and fertilizers. This is to augment smallholders’ production, which the Bank says is urgently needed "to feed nine billion people by 2050.”31 Yet, this claim must be questioned given that the world already produces enough food to

The EBA solutions to problems such as access to land, climate change, and access to market will actually increase existing pressures on small-scale farming.
nourish 14 billion people. The World Bank's approach will increase farmers' dependence on expensive inputs, largely produced by a few multinational corporations. Agroecological and farmer-led solutions are much cheaper, and in many cases more effective, in maintaining soil fertility (with mulch, compost, intercropping techniques, etc.) and increase access to seeds (through community seed banks, the production of adapted open-pollinated varieties seed, local seed fairs, etc.). The EBA blatantly overlooks these schemes, whose effectiveness has been widely evidenced, because they do not fit the Bank's goal to "integrate smallholders in global value chains."  

The EBA buys into the myth that corporate food production is better suited to feed the planet. But the current corporatization of agriculture pushes millions of farmers out of business, and ignores that for centuries family farmers have produced adequate food for their populations. Today, smallholders still supply vibrant local markets feeding some 70 percent of the world’s population.  

The Coming Expansion of the EBA  

During its first two years (2013-2014), the EBA project was largely developed outside of the spotlight. Although discussions were initiated with four governments in pilot study countries on the ability of the EBA to drive agricultural reform (see Box 2), civil society groups, and even Bank officials, were found largely unaware of the project. According to the 2014 DfID annual review, this did not reflect the Bank’s desire to operate in “secrecy,” but merely reflected a delay in communication about the project.  

This, however, is one of the core critiques to the project. The EBA takes a fundamentally top-down approach, developed at the demand of Northern donors, without assessing farmers’ demands and needs for a tool to benchmark agriculture policy-making. The World Bank has tried to mitigate this critique by changing the project’s name from “Benchmarking the Business of Agriculture” (BBA) to “Enabling the Business of Agriculture” (EBA). The term benchmarking, explained the Bank, has led to “ambiguity” over the project’s intent. Benchmarking is a “tool” while the EBA claims to only “look” at regulations and policies to enable agriculture and agribusinesses thriving. 

The Bank’s belief in the benchmarking system is however reflected through the EBA report, which claims “benchmarking is a tool that has proved effective in guiding policy makers.” Far from being a purely descriptive project, the EBA does actively seek to influence countries’ agricultural policies. According to DfID, the project goals are to enact 15 regulatory reforms using the EBA in three years (see Box 2). In its project analysis, DfID rates to a low-medium probability the risk that “programme activities do not lead to regulatory changes.” In addition, DfID notes that the EBA budget allocated to communication activities—only five percent in 2014—should increase as the project tries to ensure governments and civil society buy-in in 2015. 

The rebranding of the EBA cannot hide a fundamentally top-down approach and a flawed process. After data collection in ten pilot countries and the release of the indicator’s first progress report, the Bank announced plans to expand the project to 30 additional countries in 2015.

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Smallholder farming supplies dynamic local markets, Burkina Faso. © Juliette Martin-Prével
This is being pursued while those who will be affected by the reforms, farmers and consumers, are left out of the process. Although the Bank indicated a desire to wait for data before engaging with civil society, to date, the report findings have only lead to the organization of a single meeting in London for which groups were given seven business days notice. The EBA’s website and documents have disclosed no other plans to consult civil society in pilot countries or in the next 30 countries to be studied in 2015.

The Bank’s lack of attempt to go through broad, grassroots, and public channels is not surprising, given it has failed to justify its endeavor to influence policy-making around the world. Similar to the SAPs, the EBA will hijack democratic processes and usurp the voices of farmers, pastoralists, fisherfolks groups, labor unions, and rural communities.

Box 2: Rolling out the 2015 communication strategy: the EBA needs governments’ buy-in!

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<tbody>
<tr>
<td>➔ Conversations with four governments (Rwanda, Spain, Guatemala and Uganda) on the ability of the indicators to drive reform.</td>
<td>➔ Continue active engagement with governments.</td>
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<tr>
<td>➔ Organized two events, one seminar at the FAO and a conference with the SEEP network (invitation only).</td>
<td>➔ Develop a stakeholder outreach strategy to involve both civil society and private sector players.</td>
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<tr>
<td>➔ Organized a “consultation” meeting in London over the first progress report, giving participants only seven business days notice.</td>
<td>➔ Consider a partnership with an African institution (unnamed) to help improve awareness, use, and application of the EBA indicators.</td>
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<th>Expected Project Outcomes and Impacts (adapted from DfID, 2013)</th>
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<tr>
<td>➔ 10+ countries actively using the EBA to inform policy improvements during the three year period.</td>
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<tr>
<td>➔ Increased use of the EBA, measured by media citations per year and website visitors.</td>
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<tr>
<td>➔ Decision makers understand the issues that affect the development of agriculture and agribusiness and improve their ability to meet the challenges of the future</td>
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<tr>
<td>➔ Through benchmarks, policymakers are incentivised to enact 15 regulatory reforms using the EBA indicators during the three year period</td>
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Conclusion

The EBA is at a crucial point of its development. In 2015, the World Bank will have to persuade governments around the world to enact the policies recommended by the EBA, and convince donors to renew funding for the initiative. Agriculture and agricultural policies have rarely attracted as much attention as today. A fundamental divide appears between farmer groups worldwide, who promote agroecology and food sovereignty, and institutions like the World Bank, who promote unsustainable food systems and the growing control of corporations over agriculture. The EBA should be firmly rejected, as the first step to clear space for the new vision on the future of agriculture, food, and the planet, to take root.
Endnotes


15. 2 contributors to the Ethiopia survey are not included in this table because names of their organizations were not given.


17. 2 contributors to the Mozambique survey are not included in this table because names of their organizations were not given.

18. 3 contributors to the Ukraine survey are not included in this table because names of their organizations were not given.


20. Ibid.


23. In Ukraine, about 20 percent of the most fertile lands are already controlled by large agribusiness firms through long-term leases. See Arsenault, Chris. Op. Cit.


26. Ibid.


41. Ibid.


