



Responsible Agricultural Investment

September 2015



Introduction

Ghana Commercial Agriculture Project (GCAP)

GCAP is a Government of Ghana project, funded by the World Bank and the USAID. The project is being implemented under the auspices of the Ministry of Food and Agriculture.

The project seeks to help develop the agric. sector in Ghana by promoting inclusive commercialisation along selected value chains under outgrower schemes and contract farming arrangements

Total Project Cost

US\$145.0m

World Bank

US\$ 100,00m

USAID Grant

US\$ 45.0m

Project Location

SADA

Accra Plains

Focal Crops

Rice, Maize and Soya

Rice, Maize and fruits and vegetables



Project Background

Why Commercial Agriculture Investment in Ghana?

- Investor interest in lands appears to be growing
- Demand is being fueled by host country governments, food needs for growing populations, commodity price fluctuations, biofuel mandates, promise of economic growth

Any Benefits from Increased Commercial Agricultural Investment?

- Local jobs and economic growth, increased income, export earnings, additional food crops for local consumption

Risks and Challenges?

- Displacement of local populations from agricultural lands necessary for staple crops and livelihoods
- Inadequate consultation and/or consent
- Inadequate compensation and/or distribution of benefits
- Environmental and social impacts



What does Responsible Agric. Investment mean to GCAP

1. Recognizing and respecting the rights of existing land users to the land;
2. Investments not jeopardizing food security;
3. Transparent processes for acquiring land and investments;
4. Consultation with all Project Affected Persons and recording same;
5. Investors respecting the rule of law, industry best practices, economic viability, etc.;
6. Investments generating desirable social and distributional impact; and
7. Quantifying environmental impact and taking steps to mitigating same



HOW IS GCAP ACHIEVING RESPONSIBLE AGRIC. INVESTMENT?

Developing and facilitating the use of a
Model Lease Agreement



Model Lease Agreement

Key Elements

- Contains innovative provisions that distinguish it from a traditional lease
- Incorporates international principles and guidelines such as the VGGTs, IFC Standards, and WB Safeguards
- Reflects variants of land ownership and tenure systems across Ghana
- Offers a range of alternative terms and provisions depending on needs/situation

Critical Limitations

- Not a substitute for fair and equitable negotiation
- Should not be used verbatim
- Effective use requires inclusive and ongoing community engagement
- MLA is just one step in the process of creating socially responsible agricultural investments



Community/Investor Guidelines Structure

Guidelines are organized around five phases of investment process.



For each phase recommendations are provided for each stakeholder group: communities, investors, government.

Text boxes provide additional information on key issues.

Special focus is paid to actions that can bring women into the investment process.



KEY ACCOMPLISHMENTS OF GCAP

- Developing a tracking system for the GIPC
- Developing Land Banks
- Model Lease Agreement
- Land diagnostic assessment on 400,000Ha in the Nasia-Nabogo Valley to inform the subsequent development of an aggregate of 20,000 ha
- Grievance Redress Committees formed in the SADA and Accra Plains zones.
- GCAP first call for proposal for matching grants has resulted in over 9,000Ha of land developed and cultivated.
- Established linkages between nucleus and out-grower farmers.
- 10-double envirodomes (greenhouses) provided
- 7 state of the art central-pivot irrigation systems provided to irrigate about 500Ha of land



EXPECTED MAJOR INTERVENTIONS

- Modernization/Rehabilitation of four(4) major irrigation dams:
 - ✓ Kpong Irrigation Scheme (KIS)
 - ✓ Kpong Left Bank Irrig. Scheme (KLBIS)
 - ✓ Tono
 - ✓ Vea
- Development of rain harvesting irrigation structures at Nasia Nabogo Inland Valley
- Land development of about 4000Ha for rice cultivation



Thank You

OUR CONTACT INFORMATION

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