

Land Grabbing in Gambella - Western Ethiopia: Is there Land and Water Available for All?

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Farmland acquisitions by foreign investors are increasingly taking place in Sub-Saharan Africa. The main investors, both from governmental and non-governmental sectors, come from emerging economies such as China, India, and Gulf countries. The main target countries are developing economies, whose political economy had been based on subsistence agriculture but that are well-endowed with fertile land and water resources. Land acquisitions are not a new phenomena, but the 2007-2008 food price crisis contributed to a substantial boost in ‘Foreign Director Investment’ (FDI).

Both investors and target countries highlight the great opportunities of FDI, both in terms of food production, commercial agriculture, and economic development. Risks however still need to be assessed, namely the impacts that the new business will have on land management, environmental sustainability, local livelihoods and local food production, but as well the impacts on water availability and allocation.

Land is the ‘factor of production’ being allocated to foreign investors through acquisition or leasing mechanisms, but indirectly the package also includes water resources. The water ‘factor’ is often forgotten in the analysis of opportunities and risks, but needs to be addressed. How much water is being utilised by the new large-scale agriculture schemes, and at what price? What are the expected impacts of the increasing utilisation of water resources by these foreign investors in terms of water allocation – within the target countries and in the river basin, in case of a transboundary watercourse? This papers aims at understanding the opportunities and impacts of foreign large-scale land acquisitions in the particular case of Gambella, the most western region of Ethiopia, where several hectares of land are being leased to foreign companies for massive production of cotton and sugarcane, among other cash-crops. The paper aims at looking not at the land acquisitions issue, but through the lenses of water demands and utilisation, a topic that had been often excluded from the debate. Gambella is a particular interesting case in the sense that the water resources being used for the land expansion are Nile waters. The paper aims to look at the impacts for the national and regional hydropolitics, namely in the relations between Ethiopia and its downstream neighbours – Egypt and Sudan.