

Centre for
Development
Innovation



Good Governance of land and natural resources

Balancing local and global interests

Dieuwke Klaver
Nina de Roo

Seminar Report



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This seminar was part of the international course on Local Governance & Rural Decentralization, organized on a yearly basis by the Royal Tropical Institute (KIT) and Wageningen UR Centre for Development Innovation (CDI). The course participants were practitioners from different countries and continents.

The seminar was organized in cooperation with the Wageningen UR Centre for Governance, which has created a network of PhD candidates working in the field of governance. It enabled scientist and practitioners to meet and exchange experiences.



Royal Tropical Institute

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This report presents the results of a seminar on 'good governance of land and natural resources; balancing local and global interests'. Three case studies were presented on large-scale land acquisitions, biofuels – fuelling development in Brazil and governance of the mineral sector in Eastern DRC. Participants identified 6 important challenges for improving land and natural resource governance and concluded that: more research and information sharing is needed; collaborative voluntary and legally binding initiatives are needed at international level to balance local and global interests; accountability arrangements need to be set up that enable stakeholders to hold each other accountable; capacity building of all actors is needed and that each actor has its own contributions to make to good governance.

Photos

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Preface

Governance of land and natural resources is becoming critically important in a globalized world where changes in the ownership and user rights of these resources can have huge implications for local livelihoods and sustainability. Local authorities are not always equipped with the right capacities to balance the competing claims on fertile land, minerals, watersheds, forests and forest-related products. When not managed well, conflicts of interests may occur between domestic and/or international investors and the local communities living in and from these resources.

Each year the Royal Tropical Institute and Wageningen UR Centre for Development Innovation organize an international course on Local Governance & Rural Decentralization. Course participants are practitioners from different countries and continents. During the 2011 course a mini-seminar was held that focused on good governance of land and natural resources: *Balancing local and global interests*. This seminar, which was organized in cooperation with the Wageningen UR Centre for Governance, enabled scientist and practitioners to meet and exchange experiences. The seminar was attended by 42 participants. This report presents the findings.



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1 Introduction

The world population is growing rapidly and is expected to rise to 9 billion in 2050 (Economist, 2011). This and a combination of other factors - a dietary shift away from cereals towards meat and vegetables, the increasing allocation of land for the production of biofuels, and developments outside the agriculture, such as the fall of the dollar - have brought a recent increase in food prices, which reminds many import-dependent countries of their vulnerability to food insecurity (Economist, 2011). These countries, investors and companies started seeking opportunities to secure food supplies overseas (World Bank, 2010). Besides land for food consumption, two other trends are leading to an increasing demand for land and natural resources worldwide. Firstly, high-income countries and growing economies like India and China need land and natural resources to produce goods for their population such as timber and minerals. These are also extracted in resource-rich but poorly managed states such as the Democratic Republic of Congo (DRC) and therefore generate revenues but not to the benefit of their populations. A World Bank study on large-scale land acquisition revealed that countries with relatively weak governance were more "targeted". Secondly, there is a growing concern in high-income countries about 'petro-dependence'. Geo-political and environmental reasons make these countries look for new ways to produce energy. Biofuels are usually made of maize, sugar, or (oil)seeds and to produce these crops one needs land. For example: 8% of the USA's fuel is made of biofuels, but in order to realise this almost 40% of its maize crop is reserved for biofuel production. (Economist, 2011, p.6). The USA are importing ethanol products from a number of countries, of which Brazil is the most important. Hence the quest for fertile land abroad.

The consequences of these trends for local populations in developing countries seem rather clear. They have less access to natural resources and land to ensure their own living. In some cases changing entitlements may lead to food insecurity at local level, decreasing employment and income opportunities (World Bank, 2010). Some causes often mentioned are the absence of effective international systems to monitor and control large-scale investments in land or resources; weak (or lacking) transparency and accountability mechanisms; governments lacking the political will and/or capacity to take decisions that balance local, national and international interests; and strong international investors that deal with relatively less powerful governments.

Aims

In this light, good governance at all levels of land and natural resources is of utmost importance. Therefore, the Royal Tropical Institute, Wageningen UR Centre for Development Innovation and Wageningen UR Centre for Governance organised a seminar on this topic. Its aim was to explore governance challenges and opportunities with respect to particularly international investments in resource rich developing countries that ensure food security, decrease petro dependence and respond to consumer demands in high-income countries. Three short presentations illustrated leverage mechanisms that facilitate sustainable management of land and natural resources. Particular attention was paid to the roles and capacities of local governments to deal with those global challenges.

Key questions

The following key questions were discussed:

- What are the main challenges for improving governance of land and natural resources?
- What are suitable entry points for promoting equitable governance of land and natural resources? And how to initiate change in the current governance system?

2 Contributions

2.1 What role for governance in improving the development outcomes of large-scale land acquisitions?

By Thea Hilhorst, Royal Tropical Institute

Thea Hilhorst presented a comprehensive overview of the current debate on large scale land acquisitions. Following an introduction to the drivers of these acquisitions, various governance related initiatives were presented, such as initiatives at the international and national level, the business sector, social and farmers movements and local governments.

The issue of 'land grabbing' came into the spotlight since 2008, when The Financial Times published that a large company (Daewoo) had acquired 1,5 million ha of land in Madagascar. Since then many articles and other news items on large scale land acquisitions appeared in The economist and other international newspapers.

Land acquisitions occur because high-income countries are looking for new land for farming opportunities (including biofuels, rubber, etc.). Furthermore, land is also acquired for livestock ranches, conservation areas (parks,), forestry and/or tourism activities, mineral extraction, special economic zones (industries, airports, etc.) or for more speculative reasons such as carbon credits/REDD or rising land value. This all seems quite paradoxical: natural resource poor but high-income countries acquire land and concessions in resource rich but poor countries, which may be food insecure and even depend on food aid.

Meanwhile with the on-going decentralisation processes in most developing countries, the influence of local authorities increased, including the governance of natural resources and land. There is now a growing space in law, rules and regulations for local governments to either regulate such land acquisitions or to engage in commercial activities with (international) private actors. Investors are increasingly dealing directly with local governments.

Large-scale land acquisitions have major consequences for rural livelihoods. Although the total land area acquired is relatively small compared to all arable land available in developing countries, usually high quality land is acquired. Some of these acquisitions are very large (over 100.000 ha) and include entire villages. In consequence people may be displaced, or deprived from the natural resources needed to secure their own livelihoods or even left with land that is less suitable for making a living. Both official and traditional rights of local and indigenous populations, and their own culture, norms and values are often "denied". They are often not informed, not consulted and not asked to participate economically when private investors have shown interest in 'their' land. Central governments sometimes undermine local rights as well. An overview of known cases of land acquisitions do not seem to have very positive effects on local populations and registers losses of employment opportunities, decreased natural resource based productivity and loss of household revenues (World Bank, 2010).

It becomes clear that good governance mechanisms are of major importance to balance the interests of local populations, those of governments and private international and domestic investors that either deal with central government for large deals or with local governments for medium sized acquisitions. Balancing those interests is however extremely difficult for large-scale acquisitions which generally are associated with a lack of accountability mechanisms and transparency. Currently, the information available about land deals is limited: who is involved, what kind of contract is used, what are the revenues (for whom), how are deals controlled? Only recently more information is becoming available through research.

Some countries have a legal framework in place with clear regulations for monitoring and control of land acquisition that collect information about displacements, compensations or environmental protection measures, but these are not always applied. Whereas international investment law strengthens the position of investors, local populations lack this kind of protection; there are only some entry points for indigenous people to hold governments or companies accountable.

Both the private sector, civil society and local/central governments have their role and responsibilities in land governance. The position of the private sector is strong but particularly national governments can balance the private sector interests with those of local populations, however this requires political will, capacities and alertness of such governments. Often they do not assess the companies' business plans and their sector ministries and local communities are not consulted in the negotiation processes. The quality of contracts is often poor and unknown to the wider public. When contract information is available, questions rise on how the land was valued, the amount of fees and compensations to local populations, and the conditions and control mechanisms (World Bank, 2010; Cotula, 2011).

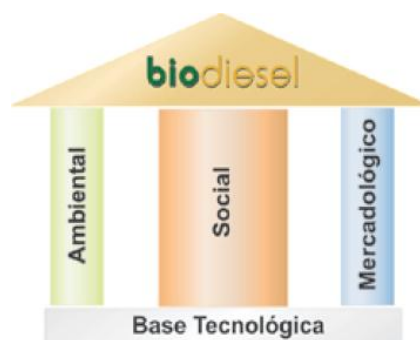
The discussions after Thea Hilhorst's presentation revealed that civil society can play a crucial role in improving the balance of interests between different parties. These organisations can publish information about large-scale land acquisitions and raise the awareness of a wider audience. However, civil society organisations positioning themselves in the role of watchdog may face severe threats in some countries because the stakes can be very high. They can also play a role in capacity building of local populations and empower them to claim their rights. Lastly, civil society organisations can play a role in creating the accountability and transparency mechanisms necessary for good governance of natural resources.

It was also observed that people have little trust in both national and local governments when it comes to land. Government officials are often directly involved and benefit from these land deals whilst undermining environmental and forestry legislation. Local chiefs (as official right holders) may sell land that they held in trust for their family or clan, without being accountability to their constituencies). Well-functioning and accountable governments are of crucial importance and should protect their citizens and provide support to local communities in their achieving development efforts.

2.2 Biofuels, fuelling (local) development?

By Sarah Stattman, Environment and Policy Group, Wageningen UR

The global demand for biofuels has been rising for the past years because high-income countries want to diversify their fuel base from oil to other sources as well. These countries are also increasingly concerned about environmental effects of using only non-renewable resources. These two concerns led to a rise in demand for crops used for the production of biofuels, such as sugar cane, ethanol, palm, corn, soy. Europe currently represents 80% of the global biodiesel consumption and production, the USA is increasing its consumption and production at a faster rate than Europe¹.



Brazil has large scale experience in biofuels since the 1970s. It is the second largest producer in the world and a main exporter of ethanol. 44 % of all energy sources in Brazil were renewable in 2006,

¹ BIODIESEL 2020: Multi-Client Study Volume 2, 2007-2008.

whereas worldwide only 13% came from renewable sources in 2004. Brazil started with its National Biodiesel Program in 2004 and initially aimed at producing for the domestic market, but is now aiming for world leadership. Brazil is likely to surpass the USA's and European biodiesel production by the year 2015, but has not yet entered the export market for biodiesel². The National Biodiesel Program is an ambitious policy to promote sustainable development in the poorer regions of Brazil. Central to this policy were social and economic incentives to create opportunities to improve the livelihood of small scale farmers in the poorest regions.

Strategies

Brazil's national government has three main strategies for implementation of the Biodiesel Programme. The first strategy focuses on the compulsory blending of conventional fuels with biodiesel, from 2 % in 2006 to 5 % in 2010. The second comprises a taxation mechanism which promotes sourcing biofuels from small scale farmers. Companies purchasing biofuels from small family farms receive up to 100% tax reduction. The third strategy is the use of government auctions to ensure sustained biodiesel production. The enforcement of the second strategy is ensured by the introduction of a Social Fuel Stamp. Companies that want to benefit from tax reductions up to 100 % for the purchase of biofuels can source these from family-owned farms. They must also sign contracts with those family farms and provide technical assistance for the production of biofuels. The Social Fuel Stamp also represents a certificate that differentiates this pro-poor biodiesel brand from conventional brands. It means that the producer meets the principles of social responsibility in bio diesel production.

Implications for local population

In spite of the ambitious objectives, the national government has not been able to improve the inclusion of small scale farmers into the biodiesel chain. In fact, not more than 100,000 small farmers have been contracted, which is a small fraction of the millions of small farmers in Brazil³. Recently private/semi-governmental parties are trying to reorganise the program in order to reach the objective of social inclusion. The main challenge for the government is the inclusion of local communities and farmers in the decision making on biofuel production. Biofuel decision making is always part of national policies with insufficient involvement of the local level (local governments, farmer cooperatives, women's groups). National revenues do not sufficiently trickle down to the communities.

But positive impact is observed as well. During the discussion after the presentation it became clear that the largest oil company in Brazil initially was against biofuel production but changed its opinion. It is now involved in biofuel production, is creating its technical capacity for agricultural production, and uses part of its profits for social projects.

Biodiesel is only one of the biofuels in Brazil which is most known for the export of ethanol. Both biofuels raise environmental and social questions like the extent to which they really contribute to Green House Gas Emissions, and the competition between land for food crops vs. fuel crops. Brazil still has about 90 million hectares unused farmland and not covered with forests. In addition some 200 million hectares are dedicated to cattle raising with small average production rates. This would suggest there is no major restriction for expanding vegetal oil growing for biodiesel, but participants in the seminar mentioned the need for sustainable land use policies that include coherent local government land use plans for biofuel and food production and for natural resource management.

The biofuel experience in Brazil learns us that even if national policies and good instruments are in place to enforce those policies, it still remains difficult to ensure the inclusion of smallholders in national biofuel

² Lancellotti A., Mammana A. & Lopez I. (11 February, 2011).

³ Otto Hospes & Katrien De Smet (31 May, 2010), Can biofuel programs contribute to small farmer development? Drawing lessons from the National Biodiesel Program of Brazil, Wageningen University, Wageningen International.

supply chains. Depending on the future evolution of the global biofuel market, social inclusion and environmental concerns need to be taken into account in decision-making at both local, national and global level.

2.3 How to bring about change in natural resource governance in the mineral sector in eastern DRC?

By Dieuwke Klaver, Wageningen UR Centre for Development Innovation

Since the beginning of the nineties, Eastern DRC has suffered from a war that today is still lingering on with on-going insecurity and human rights abuses being a rule rather than exception. The agriculture based economy has been destroyed and replaced by an economy based upon artisanal mining. Nowadays mining is the most important livelihood strategy for some 2.000.0000 people.

Armed groups and the Congolese army fight over land and natural resources including mining sites and they are involved in mineral trade through neighbouring countries to smelters and processing industries in Europe, Asia and America. Those minerals (gold, tin, tantalum, tungsten, wolframite, coltan) are used for the fabrication of consumer electronics, industrial machinery and jewellery. Mineral extraction, extortion of artisanal miners and of those involved in the supply chain is the most important source of income for the armed groups (15-75%) and the Congolese army (95%) in 2008⁴. The government faces difficulties in enforcing rules and regulations that help to raise tax revenues and to formalise the sector. An important volume of minerals leaves the country undeclared. Officially the DRC has started a process of decentralisation in which provincial and local governments would get increased responsibilities, but in practice no responsibilities have yet been devolved to lower levels. Most important mineral related taxes, including land and concessions titles are paid at the national level. Although provinces and local governments are entitled to receive 40 % of all centrally collected taxes hardly no transfers are being made. Tax collection and expenditure is seriously hampered by a lack of transparency and accountability of the DRD government and wide spread corruption. In consequence there is hardly any budget to develop local economies and to improve basic service delivery to local and indigenous populations.

If we want to bring about change, there are basically three different strategies.

The first strategy is to ban all mining activities until the governance problems in the mineral sector are more or less solved. Officially the national government has declared a ban on export of minerals as from September 2010. This implies that the economy in Eastern DRC is collapsing and the livelihoods of some 2.000.000 people are at stake. It is expected that armed groups, including the national army, will focus on other sectors (agriculture, forestry) to secure their own survival and finance their conflicts. Mineral trade is expected to continue in the shadow economy.

The second strategy is to urge international companies to exercise due diligence in order to ensure that they source 'conflict free' minerals. In 2010, the USA Congress adopted the USA Financial Reform Act, including a special chapter on DRC that stipulates that USA based companies have to exercise due diligence and ensure that mineral imports from DRC and neighbouring countries are conflict-free. This act has impacted upon the tin sector, where companies joined efforts to put in place a trace-ability system from mining site to consumer. This initiative is appreciated by the government of DRC and all actors in the supply chain who also invest in legalization of the sector and the harmonization of statistics on tax revenues and production, but lack a mechanism that ensures that no minerals come from mining sites occupied by armed groups or the Congolese army.

⁴ Garret N., Mitchell H., (April 2009).

The third strategy is to solve the on-going conflict which requires collaboration with Uganda and Rwanda. The government of DRC made an effort to tackle insecurity and succeeded to replace one very atrocious brigade of the Congolese army away from a mining site, and organised military operations to isolate armed groups. However, recently integrated armed groups still have their parallel command structures and refuse redeployment to areas without mines. The Congolese army is not paid regularly and security sector reform is an on-going but very slow progress and does not yet contribute to peace in the region.

Other entry points for change identified during the group discussion highlight the necessity to develop the capacities of the public sector in DRC. A majority of civil servants does not know its responsibilities and duties, which enables corruption to thrive. Also civil society organisations need to increase their voice and establish accountability relations. However, as mentioned in the first discussion group, they face serious threats when discussing these issues openly. Their involvement in budget and expenditure monitoring could help to ensure that nationally collected taxes are transferred to local communities and that traditional leaders use tax money for development purposes rather than filling their own pockets. Tripartite partnerships between government, private sector and civil society organisations or NGOs could also be an entry point for change. The Extractive Industries Transparencies Initiative and the establishment of traceability and certification schemes with both public and private sector and NGOs as independent observers are concrete examples of such mechanisms.

3 Concluding remarks

3.1 What are the main challenges for improving governance of land and natural resources?

Six challenges were identified during the seminar. The first is the absence or non-adequately functioning of internationally and legally binding frameworks that enable people, companies, organisations and governments to judge the behaviour (transactions) of international companies against a wide range of criteria for sustainability. Do-no-harm principles should be leading in such frameworks. Initiatives like the Round Table on Sustainable Palm Oil, initiatives of the G8 and donor communities on land acquisition as well as those of the OECD and UNSC initiatives to formulate due diligence guidelines for international companies operating in conflict areas, are promising initiatives for self-regulation but are not binding.

A second challenge is the lack of transparency and accountability around land deals and exploitation titles between international companies and the governments from developing countries: there is not much known about who is involved, what kind of contracts are used, what revenues are generated (by who), etc. According to the World Bank (2010) the largest land acquisition deals are concluded in countries with relatively weak governance structures where parliaments are bypassed, local rights are denied and where the judicial sector is weak. This would imply that international companies prefer to invest in those countries where they and powerful elites have more opportunities to interpret existing rules and regulations in a creative way and in line with their own interests.

Not much is known about the quality of the contracts in land or resource deals, but recent studies show that environmental or forestry legislation is regularly undermined, that control mechanisms are weak and that information about valuation of land is vague (World Bank, 2010). This lack of transparency and the lack of opportunities to claim accountability makes that local populations generally do not trust their governments which they suspect to be fully involved in land and natural resource grabbing. In comparison to the weak governments, private companies also are very powerful in these processes.

A third challenge is that countries under whose jurisdiction international companies fall, are uncomfortable and fear “reputational risk”. On the one hand they provide development aid to increase food security and reduce poverty in developing countries, whereas on the other hand their private sector organisations are seeking to acquire access and control over the same natural resources needed to overcome poverty.

A fourth challenge is related to global and national issues: If we want to feed 9 billion people in 2050 and to ensure that future generations live in a healthy environment, how should we allocate and use today's land and resources? Competing claims between land use for biofuels and food crops, and between agribusiness vs. small scale farming, between mining and agriculture, including the competition for high quality land and resources amongst different stakeholders were highlighted during the seminar.

The fifth challenge is that local communities hardly benefit from international investments. Central governments or traditional leaders sell land to companies without taking into account the consequences of this transaction for their constituencies that depend upon those natural resources: Tax revenues (if raised at all for the exploitation of natural resources) are not allocated for development and poverty reduction; International companies do not always exercise the corporate social responsibility demanded, though not always binding.

The sixth challenge in improving governance of land and natural resources is the observation that those groups most affected by changes in land or resource allocation and use, are usually not involved in

decision making. In Brazil for example, biofuel decision making is always part of national policies with insufficient involvement of the local level (local governments, farmer cooperatives, women's groups). Thea Hilhorst explained in her presentation that local rights are often "denied", including rights of indigenous people. There is a general lack of information at local levels; and on top of that local populations are not consulted and hence to not participate in the decision making process. Central government undermine local rights.

3.2 What are suitable entry points for promoting equitable governance of land and natural resources? And how to start?

In the section below, we combine the answers to the last two questions of this seminar and suggest how some of the change processes can be initiated and what roles can be played by private sector organisations, governments and civil society actors.

More research, reflection and information sharing

First of all, more research is needed to map the scale, form and consequences of large scale land acquisitions and natural resource exploitation by international companies. This is needed because currently nobody actually knows what is happening locally, not to mention the impact of these deals at local and global level. There are several information gaps: the impact of deals on local populations and their livelihoods; their impact on national and global food security, and environmental consequences. In general, the links between different scales, trends and actions at local, national and global are interlinked and these relations need to be taken into account in future research.

When more information is gathered, it is important to share this widely within communities at all different levels. It helps appropriate reflection to take place on strategies to deal with large scale international land and resource acquisitions and how to ensure environmentally sustainable, equitable and conflict-free use of these resources.

Collaborative voluntary initiatives

Currently, an international framework on land and natural resource governance is missing and moreover local populations have little trust in their government's dealing with the issue as these are themselves involved in these deals. Policies at different levels that ensure sustainable use of resources and respect the rights of local populations are needed.

Increasingly and globally, stakeholders become aware that they can only contribute to good governance of land and natural resources by collaborative efforts. Private sector organisations, public sector institutions and civil society organisations need to collaborate to hold each other accountable and to solve highly complex governance issues. Examples of such collaborative efforts are the Round Table on Sustainable Palmoil. Other examples are the voluntary OECD Guidelines for multinational enterprises that also comprise complaint facility: NGOs or Labour Unions can file complaints against international companies that according to them are breaching those guidelines. It is critical that such global collaborative efforts are founded on local concerns and find approval from local constituencies. This is not yet the case with "The Principles for Responsible Agricultural Investment (RAI) that Respect Rights, Livelihoods and Resources". These were developed by the World Bank, FAO, UNCTAD and IFAD, upon the request of some governments, civil society organisations and the private sector. These aimed at formulating an appropriate answer to land acquisitions in developing countries by international companies. However, these are highly contested by La Via Campesina, FoodFirst Information and Action Network international (FIAN), the Land Research and Action Network, GRAIN and others.

Legally binding initiatives

Next to voluntary principles, also legally binding frameworks are necessary. Not only should existing rules and regulations be applied and enforced at local and national level, also internationally legally binding rules and regulations are needed and organisations that breach those rules should be sanctioned. The July 2010 Dodd-Frank Wall Street Reform and Consumer Protection Act in the USA is such a binding principle that requires companies in the USA and whose products contain cassiterite, coltan, wolframite or gold, to disclose information whether these minerals originate from the Democratic Republic of Congo or adjoining countries and to ensure that those minerals are 'conflict-free' minerals. This Bill is already introducing change in the mineral sector in DRC and lobbying activities have started in the European Union for similar regulations. How such legally binding frameworks would work in the case of land acquisition or natural resource exploitation for food or biofuels in non-conflict areas is not known.

Mechanisms of accountability

Binding international frameworks and national and regional policies need to be complemented by mechanisms that enable local populations and civil society organisations to hold governments accountable for their (promised) actions and related consequences. Strong and performing national parliaments and civil society organisations, are needed to improve the quality and transparency of decisions made regarding international deals. More efforts are needed to ensure rule of law and decrease corruption. Strong mechanisms of accountability that were mentioned during the workshop are:

- The Extractive Industries Transparencies Initiative (EITI) that demands the regular publication of all material oil, gas and mining payments by companies to governments (“payments”) and all material revenues received by governments from oil, gas and mining companies (“revenues”) to a wide audience in a publicly accessible, comprehensive and comprehensible manner is one example of such tripartite mechanisms and helps to fight corruption. This tool could also be adjusted for other sectors, such as the forest sector and agribusiness.
- Another example proposed for international companies sourcing their inputs from conflict areas is that of setting up traceability and certification schemes with both public and private sector and NGOs as independent observers to ensure that natural resources that are exported do not finance on-going conflicts such as is the case in eastern DRC.
- A third tool is that of independent tax collection and expenditure tracking to ensure that taxes collected for the exploitation of natural resources are used to the benefit of local communities in terms of improved public service delivery, a conducive environment for local economic development and poverty reduction. This tool can be used to track expenditure at local government level, but also to monitor the transfer of centrally collected taxes to local governments.
- A fourth example which might be a start to use in local situations, is budget monitoring. This tool can be used to monitor the budgeting and spending of (local) governments. CSOs and/or NGOs could train local communities and their organisations to perform this and work together with local authorities to jointly improve service delivery and accountability.
- Another mechanism, that could be explored is that of contract monitoring, where information concerning the contract acquisition phase and its exploitation phase is disclosed and enables third parties to monitor if contract clauses are being respected.

Capacity building of all actors involved,

Governments (national, regional, local), local populations, CSOs do not have the knowledge, the legitimate power and capacities to ensure sustainable, equitable and conflict-free exploitation of resources. A clear division of labour and duties between civil servants operating at local, provincial and national level, as well as effective and legitimate parliaments and local governments councils and a strong civil society are needed to enforce existing rules and regulations to the benefit of local populations.

The role of media is crucial in capacity building, especially in informing all actors about contracts and deals and enhancing transparency.

Each actor's contribution is needed

The participants also discussed the importance of all actors to contribute each separately to good governance of natural resources. Important responsibilities for the private sector are to develop corporate social responsibility policies, and voluntary codes of conduct and apply these. National governments are encouraged to carry out land governance assessments that enable them to improve their legal framework, policies and practices regarding land and land use. They are also encouraged to develop the capacities needed by civil servants to improve land governance and to conclude contracts with private companies that are beneficial for their country. Local governments are encouraged to stay informed about land deals potentially made in their area, to assess the costs and the benefits of these land deals for their own community and, with the help of NGOs, to ensure that they have the countervailing power to renegotiate such deals with their national governments or to engage in dialogue with international companies already operational on their land. Civil society organisations and NGOs play an important role in gathering information on land deals and their impact on local populations, in monitoring those deals, in linking different actors and networks, in awareness raising, advocacy and lobbying and in promoting mutual accountability relations between actors. They could make use of experiences obtained in different 'sectors' of natural resource governance, be they the mining sector, the biofuel sector and the land acquisition sector.

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Appendix 1 – Coordinating team

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Governance of land and natural resources is becoming critically important in a globalized world where changes in the ownership and user rights of these resources can have huge implications for local livelihoods and sustainability. Local authorities are not always equipped with the right capacities to balance the competing claims on fertile land, minerals, watersheds, forests and forest-related products. When not managed well, conflicts of interests may occur between domestic and/or international investors and the local communities living in and from these resources.

Each year the Royal Tropical Institute and Wageningen UR Centre for Development Innovation organize an international course on Local Governance & Rural Decentralization. Course participants are practitioners from different countries and continents. During the 2011 course a mini-seminar was held that focused on good governance of land and natural resources: *Balancing local and global interests*. This seminar, which was organized in cooperation with the Wageningen UR Centre for Governance, enabled scientist and practitioners to meet and exchange experiences. The seminar was attended by 42 participants. This report presents the findings.

More information: www.cdi.wur.nl

