

How can land administration in Ethiopia become transparent and economically productive for all?

A Transparency Plan offers a costed workplan for a more open, inclusive and sustainable approach to rural land administration that will benefit land right holders, investors and the Ethiopian economy as a whole.

Background

In Ethiopia, all land belongs to the state but is in principle also vested in its citizens. This has resulted in several directions for rural land administration that appear to be in contradiction with each other. There has been massive land redistribution in the past along with tenure certification for smallholders – the latest being the Land Investment for Transformation (LIFT) programme, under which close to 16 million land parcels covering over six million households have been demarcated through second level land certification (SLLC) in four states. Yet Ethiopia is a strong ‘developmental state’, which means that it retains the right to develop land and contract it out for investment as it sees fit. The lack of transparency regarding land policy and planning is compounded by very weak institutional capacity at all levels.

The Government of Ethiopia has adopted a series of Growth and Transformation Plans (GTPs) that highlight commercial agricultural production, and which rely on large-scale land investments (LSLIs). A more integrated agrarian policy would be preferable, wherein smallholders as well as pastoralists can engage with potential investors for mutual benefit that also accrues to the national economy. The current climate of legislative review (an overarching national land use policy is under development) is being fostered by a government that is committed to certifying smallholder tenure and that, increasingly, recognises the value of stakeholder consultation.

Objectives

A Plan for Improving Transparency in Land Governance (the ‘Transparency Plan’) was first presented in the report ‘Transparency and Related Land Governance Issues in Ethiopia and a Plan for Improving Transparency in Land Governance’. Subsequently, a detailed and costed version of the Transparency Plan was developed, the main components of which are presented below.

The Transparency Plan provides a framework for assessing how current land-related projects and programmes impact on transparency and land governance. Where transparency-related issues are not adequately addressed, it suggests new activities to fill the gap, with an estimate of the resources needed. The Plan aims to begin the process of improving transparency in land governance through technical and capacity building interventions on the one hand, and measures to promote discussion and participatory development on the other.



Six components for a successful and sustainable rural land administration

Securing tenure through SLLC is a crucial step, but land registration is about more than making up the numbers through certification on a massive scale. Registration is only the starting point in creating a rural land administration system (RLAS) that is used by land right holders over the long term and that contributes to national development. The information contained in the RLAS must be accessible and appropriate; it needs to be useful to land users in the short, medium and long term. The Transparency Plan identifies a mix of practical land administration activities, and others with more of a socio-economic development focus, which together can create the conditions for improvements in land governance.

Creating a land administration for development and change

This component addresses systemic issues in Ethiopian society and institutions. To secure the rights of women and vulnerable groups and ensure their participation, targeted methodologies and training/communications materials must be developed. It is critical to also engage (the usually male) community leaders and include measures aimed at both women and men. Tackling the weaknesses in institutions is equally important. Initiatives such as SLLC generate large quantities of data. This needs to be analysed and processed so it can be used for policy and planning, including to inform the decisions of other development actors, such as land investors.

Estimated cost: US\$200,000.

Developing capacity to administer urban and peri-urban land rights

Given rising social tensions and the lack of transparency surrounding land rights around towns and cities, it is important to address the urban-rural land interface: specifically, how rural land is acquired and integrated into urban expansion plans. New initiatives are needed to reconcile urban planning and housing needs with peri-urban and rural land rights, in effect co-planning and co-managing the urban and rural sectors to meet the challenge of securing new land for urban and industrial development. Clarity is needed on expropriation and compensation procedures, and new legislation and guidelines will be necessary to this end. A full-time

advisor will have to be recruited to oversee technical capacity and capacity building.

Estimated cost: US\$950,000

Bringing farmers and local government together for inclusive and participatory rural development

Securing tenure is one thing – knowing what to do with it is quite another. Smallholder farmers need to be shown how to make the best of their landholding rights by diversifying their livelihood strategies and accessing new markets, including how to negotiate with investors. This has the twin objective of averting potential conflict and bringing local land users and investors together to boost the local and national economy. Key to the success of this approach is training for local government staff at different levels responsible for development planning and implementation. The focus of this component is on the kebele (ward) level, where communities will be engaged through Land Administration Committees (see Box for training packages).

Estimated cost: US\$200,000

Training packages will include modules to make land rights holders aware of:

- The basis of their land rights as delineated in the Constitution.
- How the right to rent land and contract with investors is determined by existing land legislation.
- Relevant natural resources and planning frameworks.
- Legislation on expropriation.
- Land rights issues of vulnerable groups, including women.
- How landholding rights can be used to invest, including through microfinance institutions, within the framework of LIFT's Economic Empowerment Unit.
- How to use rights to contract with potential renters and external investors.



Engaging private investors for inclusive and participatory rural development

As part of the process of enabling more inclusive consultations on land development strategies, this component extends the approach described above to regions where communal and/or customary rights apply, where potentially problematic LSLs are being proposed or are underway. By bringing all stakeholders into open consultations as active partners, land governance should be improved and the risk of conflict minimised. By incorporating the social and economic development of communities within the LSLI framework, a ‘win-win’ situation is created for land right holders, investors and government.

Estimated cost: US\$50,000

Dialogue for policy and development

A formal, neutral mechanism for the regular and open discussion of land governance issues – a Land and Development Forum – would help fill a major gap in the framework of land governance in Ethiopia. Though there are several informal, ad hoc mechanisms for dialogue, a more formal mechanism could enable all stakeholders to find their voice, and build trust, particularly hitherto neglected civil society groups. This new mechanism (a new institution should not be necessary) should have

a regional and national dimension and would assist in programme assessment and management as well as policy revision and development. The details of such a Forum’s structure will need to be discussed, and the Ethiopian government and its partners have to decide on a ‘heavy’ (including 27 regional forums) or ‘light’ (excluding regional forums) version.

Estimated cost: US\$1,000,000

Budgets, revenues and human resources for sustainability

If smallholders, land investors and the Ethiopian government are to truly benefit from land tenure certification and an improved RLAS, the importance of financial and human resource sustainability cannot be overstated. In the longer term, as donor programme support phases out, the RLAS will have to generate its own revenues in the form of progressive cost recovery and a comprehensive land tax policy, and will have to attract adequate professional and technical human resources to carry out existing and proposed activities – an estimated 146,000 employees will be needed over the next two decades. Given the very low levels of revenue generation and capacity within land governance institutions at present, this is a major challenge. A successful long-term plan will look to provide a progressive career structure for staff at local, regional and national levels, which should in turn disincentivise the petty corruption that hobbles land administrations. Cross-subsidies through new information services that can generate revenues will play an important role in the sustainability of the improved RLAS.

Estimated cost: US\$45,000

Estimated total cost: US\$2,500,000 approx.

Guiding principles and strategy

The Transparency Plan is an integrated, strategic approach. It begins by addressing systemic issues in institutions and society (components 1 and 2), then moves onto transforming the existing system into one that carries out land administration for inclusive development (components 2, 3 and 4). In order to fit the Transparency Plan into the framework of Ethiopia’s Growth and Transformation Plan 3 (GTP3, 2020–2024), it creates a space for dialogue between all stakeholders (component 5). Finally, it comes full circle by planning for the finances and human resources needed to carry out the proposed activities into the future (component 6).

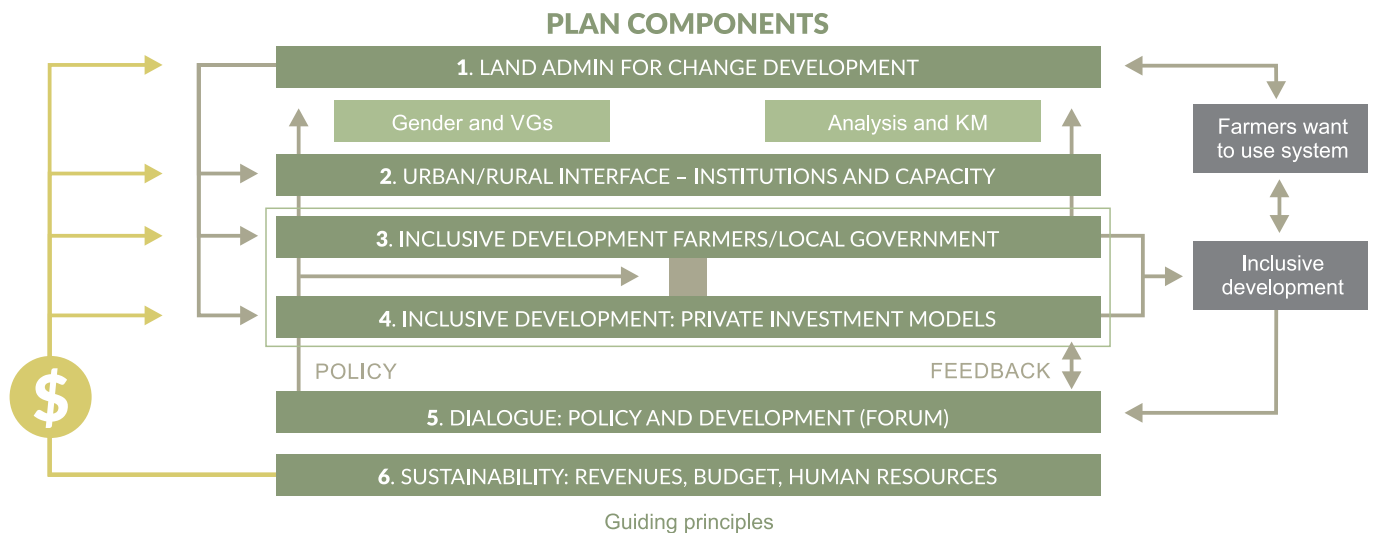


Figure 1. The Transparency Plan: Structure and Strategy

This virtuous circle is based on the following guiding principles:

- Provide better systems and access to information to reduce the scope for corruption.
- Build on achievements and use existing mechanisms and capacity where possible.
- Women and gender are not programme add-ons but central to achieving broader development goals.
- Dialogue will overcome mistrust and create space for more equitable and sustainable land policies and programmes.
- Legal empowerment is not a threat – it can contribute to the goals of the Ethiopian government.
- Inclusive models and ‘win-win’ results are achievable.

The Transparency Plan is not a panacea for Ethiopia's deeper political and structural issues, but it may help to redress some of the consequences of implementing an economic model without adequate consultation. Ultimately, it is meant to be used as a tool by the Government of Ethiopia and its partners to trigger a ‘transformational moment’ through which smallholders, investors and the state can be linked in an inclusive development scenario.



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About the Research Summary series

This series summarises key research by the UK Department for International Development (DFID)-funded Land Investment for Transformation (LIFT) programme. LIFT aims to improve the incomes of the rural poor in Ethiopia by securing the land rights of households through second level land certification (SLLC); improving rural land administration systems (RLAS); and increasing productivity by leveraging SLLC through a ‘making markets work for the poor’ (M4P) approach, in Oromia, Amhara, the Southern Nations, Nationalities, and Peoples’ Region (SNNPR) and Tigray regions.

This summary is based on the following report: Tanner, C. 2017. *Costed Workplan to Improve Land Transparency in Land Governance in Ethiopia*. Research was commissioned by LIFT but has been conducted by an independent consultant and does not necessarily reflect the views of LIFT or DFID.