

Implementing Low-Cost Rural Land Certification: The Case of Ethiopia

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While many African countries have recently adopted highly innovative and pro-poor land laws, lack of implementation thwarts their potentially far-reaching impact on productivity, poverty reduction, and governance. By contrast, and despite a policy environment that is lacking in many respects, Ethiopia has, over a short time period, distributed certificates to more than 20 million plots in a very decentralized process. We use a nationally representative survey of more than 2,000 households to describe the process, explore participation by women and the poor, assess its impact, and quantify the costs. Results suggest that first-time registration has been very cost-effective and not biased against the poor while at the same time providing important lessons to enhance its sustainability and impact.

BACKGROUND

There is now a growing consensus that, even in rural African contexts where individual titling of land may not be desirable or feasible and use of land as a collateral for credit is at best a distant possibility, providing poor land owners or users with options to have their rights documented can yield significant benefits. These benefits, which arise largely from the ability to invoke formal mechanisms to protect property rights, include incentives for land-related investment, enhanced gender equality and bargaining power by women, improved governance, reduced conflict potential, and lower transaction costs for productivity-enhancing land transfers through either rental or sale. A desire to reap these benefits provides the intellectual foundation for a recent wave of land law reforms that aim to give legal recognition to customary rights, strengthen women's property rights, and establish processes for creation

and maintenance of documentary evidence that are less demanding and costly than titles while at the same time offering transparent and non-discriminatory options for upgrading as need arises.

However, despite the attractiveness of such provisions in theory, progress in implementing them has lagged behind expectations. In fact, hardly any of the countries that introduced legal reforms with much fanfare succeeded in developing, let alone rolling out, a low-cost system for land administration at a scale that is sufficiently large to provide an option for the majority of the poor. This impedes realization of many of the expected benefits from such legislation and implies that the poor often remain excluded from formal systems and vulnerable to land loss. More generally, it has raised doubts regarding the technical, institutional, and political feasibility of such reform. To assess whether such doubts are justified and whether a decentralized and less demanding model of property rights reform can have impact on the ground, we draw on the experience of Ethiopia which, over a period of 2-3 years, registered the majority of rural lands in a rapid process at rather low cost.

ETHIOPIA'S LAND POLICY AND MODALITIES OF PROGRAM IMPLEMENTATION

Prior to 1975, Ethiopia's land tenure system was complex and semi-feudal. Tenure was highly insecure, arbitrary evictions were common, and many lands underutilized. High inequality of land ownership reduced productivity and investment, leading to political grievances and eventually the overthrow of the imperial regime in 1975. The Marxist government that took power transferred ownership of all rural land to the state, leading to declines in productivity





and soil degradation. Following the overthrow of the Marxist regime in the early 1990s, intentions to move towards private land ownership did not materialize. The 1995 constitution vests land ownership in the state and upholds the right of every Ethiopian who wants to engage in agriculture to receive inheritable use rights to a piece of land for free, a principle that can be enforced through administrative reallocation of land but that will likely conflict with the goal of ensuring land users' tenure security. A 1997 federal proclamation (law) devolved responsibility for land policy to the regions. Although this has led to considerable inter-regional diversity, a number of common issues emerge, namely (i) administrative land redistribution is not an empty threat; (ii) while land rental is now allowed, the fact that in most regions the amount that can be rented is limited and that land rights are contingent on physical residence in the village could undercut efforts at non-agricultural development and migration from rural areas; and (iii) mortgaging and sale of land are universally prohibited.

Table 1 summarizes differences across regions in key program provisions as well as the level to which the land certification program had been implemented in different regions. Under the program, each village elects a land administration committee (LAC) that takes responsibility for public registration of plots in a field-based process with presence of neighbors to increase transparency and reduces scope for manipulation or error. Once results have been discussed publicly, households receive a preliminary registration certificate identifying their holdings, to be followed by an official certificate with holders' pictures (including a separate picture of the spouse in Amhara and Oromia) and space for maps. The program has registered about 20 million plots by some 5.5 million households in a very short time. Household data provide evidence on (i) the extent to which the prescribed process have been adhered to in the field; (ii) the impact of first time registration; and (iii) the cost of the process.

EVIDENCE OF PROGRAM EFFECTS

Implementation: Community-level data from our survey suggest that the process was largely implemented as planned, in particular that (i) in most locations public meetings were held before and during the certification process; (ii) LACs were popularly elected and represented most of the sub-kebeles; and (iii) adjudication made use of traditional village authorities (elders) to resolve disputes and demarcation was carried out in the field in the presence of neighbors. Shortcomings include that (i) with only 20% of LACs including a female member, women's representation was limited; (ii) access to written information on the law and the process and purpose of certification was far from universal; (iii) the process was focused on mapping of agricultural holdings to the detri-

ment of common property resources and house plots; and (iv) although many boundaries were mapped in the field, measured by rope, and corner marks emplaced, certificates identify owners of neighboring parcels but contain neither a map nor a sketch of the parcel.

Household- or parcel-level data also allow us to explore gender dimensions of land certification and allow a preliminary assessment of the extent to which certification has been pro-poor. We find that (i) there is little evidence of wealth bias in access to the program or the information surrounding it; (ii) female participation in the early stages of registration was limited and there is considerable variation even within regions in the share of documents issued jointly or in the name of a female; and (iii) there is considerable interest in, and willingness to pay for, a map to complement the current verbal description of the land.

Economic impact: Regressions point towards positive and highly significant investment effects of land certification. In villages where plots had been certified, a plot was 5% more likely to receive new investment and the amount of new investment was 4.4% higher than where this was not the case.

Cost: Standard parameters obtained through field visits indicate a cost of first-time registration (including the certificate) of about US\$ 1 per plot. Use of GPS to add a spatial reference would cost about US \$ 1.5 per plot, 50% above the current process based on traditional technology. Although similarly low costs have been achieved with systematic processes using modern technology in other contexts, this is at least an order of magnitude below what is reported in other literature. This provides an important benchmark for other African countries and suggests that technical factors can not explain the lack of progress with implementing innovative new land laws.

FUTURE CHALLENGES

Comprehensiveness: Although the program expends considerable effort to register individual holdings, it includes neither house plots nor common property resources (CPRs) on a consistent basis. This makes it difficult to use the data generated as a basis for an integrated land administration system and contradicts users' desire as well as international best practice. Demand for inclusion of house plots is already high and consistent mapping of CPRs, possibly in combination with land use planning and assignment of group rights, could help confront serious resource degradation and soil erosion at low additional cost.

Keeping registries up to date: While evidence on first-time registration is encouraging, the data generated will quickly become obsolete unless self-contained processes to keep records up to date are in place. Evidence suggests that failure to register changes in land rights due to inheritance, divorce, long-term lease, and land taking

for public use already lead to gaps between records and reality. Priority steps to address this include (i) redesigning registry books to achieve consistency across regions and ensuring that no new certificates be given out without cancelling old ones; (ii) clarifying institutional responsibilities to update information quickly in response to changes and eliminate gaps and time lags which are a potent source of possible inconsistency; and (iii) spelling out protocols to ensure public access to information at local and higher levels. Rough calculations suggest that current demand would not warrant computerization of records for villages or even at county (*woreda*) level even if electricity were available. However, computerizing the 30% of woredas with the highest transaction frequency and integration of all records into a national database

would, with cost recovery levels in line with users' stated willingness to pay, yield a self-sustaining system. To avoid obsolescence of the investment in first-time registration, steps to advance with this are urgent.

Legal awareness: Households will fully exploit the opportunities afforded by certificates only if they are aware of their legal rights and confident to be able to enforce them. We find lack of knowledge or gaps between perceptions and the law regarding tenure security (migrants' ability to retain land rights), transferability of land, and women's rights in case of inheritance or divorce. Remedying these while at the same time enhancing land rights will be important.

Table 1: Key features of the land registration process Ethiopia's four main regions

	Tigray	Amhara	Oromia	SNNPR
Basic information				
Year started	1998	2003 (pilots 2002)	2003	2005 (pilots 2004)
No of kebeles	630	2895	6000	4431
Households registered ^a	632,000 (88%)	2.4 million (79%)	2.4 million	700,126 (40 %)
No. of certificates issued	n.a. (delays)	1.3 million	n.a. (delays)	Only in pilot areas
Fee for certificate	3 birr ^c	Free of charge	5 birr	2 birr
Women's rights	Certificate in name of head; no photo.	Certificate joint: 2 photos	One certificate per family; 1 photo	Joint cert. W. 2 names & photos ^b
Divorce	Wife gets half the land but no certificate	Wife gets half the land, but no certificate	Wife gets share of land	Wife gets half the land
CPRs demarcated	No (only pilots)	Yes	No	Kebele discretion
Procedures				
Initial training by	Kebele; woreda staff	Woreda officials	Woreda	Kebele; training centers
Written materials used	Few copies of Proclamation	Posters (delayed)	Yes; proclamation & book	No due to language problems
Supervision of data collection	Students backed up by technicians	Woreda survey team (3) & Land Adm. team (1 + 2)	Expert advice from woreda on demand	Rural development agent
Data collection in field	Not always	Yes; not always done	Yes	Yes
Presentation of results	Discussed in kebele council	Meeting with woreda official present	Yes, details at discretion of LAC	Yes, details at discretion of LAC
Registers & certificates				
Plot map/sketch	No	No, except in pilot kebeles	No, pilot proposal	No
Certificates written by	Kebele, signed by kebele chairman.	Woreda LA team	Kebele; signed by woreda chairman	Woreda LA expert
Registry book written by	Kebele	Woreda LA team	Woreda LA expert	Woreda LA expert
Book kept at kebele?	Yes	Yes	No, only copies of data collection forms	Yes
Book kept at woreda	Yes	Yes	Yes, very condensed (only few plots/hh)	Yes, data at household level (clumsy size)
Updating procedures				
General format	Discretion of kebele	Interplay between kebele & woreda ^a	Woreda book with columns for transfers	Woreda book still being developed
Procedure for inheritance	Transfer of certificate or return & new issue	New certificate; old cert. not closed; no cross-reference	New certificate; no clear procedure yet.	Not clear
Recording of leases	Unclear	Not in book	Not in book	Not in book

Source: Field visits to regional Environmental Protection, Land Administration and Use Authority (EPLAUA) offices and 24 kebeles in all four regions; Sept. 2005.

^a Numbers as of August 2005, the latest date for which information was available.

^b Additional wives receive a joint certificate with their name first and their photo included.

^c US\$1 = 9.09 Ethiopian birr as of 20 November 2007.

CONCLUSION AND POLICY IMPLICATIONS

The evidence presented here leads to a number of conclusions. First, the rapid speed, participatory nature, and low cost of Ethiopia's land certification, together with the positive results from this process and the absence of bias in favor of the wealthy demonstrate that, contrary to what one might conclude from experience in other countries, large-scale and rapid delivery of land certificates in a participatory way is possible. Users' positive assessment of the process, readiness to pay to replace lost certificates, high demand—and willingness to pay modest sums—for a spatial reference, and their positive assessment of likely impacts suggest that the modalities of implementation responded to local needs. The fact that most disputes could be resolved in the field and outcomes were not biased in favor of the wealthy or against women, reinforced by initial evidence of positive investment- and transfer-effects, all support this view.

At the same time, realizing the full potential of the country's first time registration in a sustainable manner is likely to require action in four areas. First, lack of updating could quickly undermine the reliability of the system, especially in areas with higher transaction frequencies, thus undermining its reliability and trustworthiness. Second, failure to register house plots and CPRs is inconsistent with users' demands and will greatly reduce the ability of the system to help address key land use problems in the Ethiopian context. Third, although registration demarcates boundaries in the field, it does not create a graphical record and may thus fall behind expectations in terms of reducing boundary disputes. As technology to meet demands for a low-cost map in a way consistent with the decentralized process is available, ways to include it should be explored. Finally, experience illustrates that certificates will be kept up to date only if land users perceive that they add value by increasing their tenure security. Key aspects of this include (i) well defined compensation in case of expropriation; (ii) protection of contracts and security against arbitrary redistribution; and (iii) transferability of land use rights for longer time periods. Policy action on these areas will be critical to make certificates sustainable. Ethiopian policy makers recognize the importance of these issues and have started to address them on a pilot basis. While our analysis points to a large potential and a very successful start, the long-term success and sustainability of certification will depend on the extent to which the lessons from such pilots are learned and implemented on a larger scale.

Beyond Ethiopia, and the need for follow-up in this country notwithstanding, the massive scale and positive impact of first-time land certification highlights that technical obstacles or resource constraints can not explain the near-universal failure by African countries to put the innovative aspects of recent legal reforms into practice. Instead, the main obstacle to doing so and documenting land rights of current occupants on a massive scale seems to be political. While some factors, such as a top-down administrative structure and the absence of chiefs may have been propitious to the implementation of such a program, none of them are unique to Ethiopia and other factors (land scarcity in particular), make implementation of such a program much harder. To the contrary, our results suggest that, if there is political commitment to doing so, documenting land rights at a massive scale—and at a cost that is affordable under African circumstances—is feasible and can have significant benefits even in the short term. In view of the critical role of land-based activities for poverty reduction in virtually all of sub-Saharan Africa, greater attention to securing land rights in relevant policy documents may thus be warranted. Documenting the size, evolution, and incidence of such benefits, and ways in which they can, in a given situation, be enhanced by specific policies and institutional arrangements will be an important topic for future research.

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