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SYNOPSIS OF [ESSP WORKING PAPER 83](#)

## Synopsis: Household perception and demand for better protection of land rights in Ethiopia

Hosaena Ghebru, Bethelhem Koru and Alemayehu Seyoum Taffesse

This study assesses factors that explain households' perceived land tenure insecurity and the demand for new formalization of land rights in Ethiopia. We use data from the 2013 Agricultural Growth Program survey of 7,500 households from high agricultural potential areas of Ethiopia. The results from a descriptive analysis and a logistic estimation reveal that demand for further land demarcation is positively associated with higher perception by households of tenure insecurity. Moreover, disaggregated results indicate that ownership and boundary-related disputes characterize peri-urban locations and economically vibrant communities, whereas perceived risk of government expropriation of land is mainly manifested in rural communities and areas where administrative land redistribution is a recent practice.

Hence, the rollout strategy for Ethiopia's Second-Level Land Certification program should avoid a blanket approach, as it can only be considered a best fit for those vibrant and peri-urban locations where demand for further formalization is higher and boundary and ownership-related disputes are more common. In contrast, focusing such interventions in predominantly agrarian communities and communities with recent administrative land distributions may not be advisable, since expropriation risk dictates the perceived tenure insecurity of households in such locations. Rather, regulatory reforms in the form of strengthening the depth of rights over land, such as formalization of rural land lease markets and abolishing conditional restrictions on inter-generational land transfers via inheritance or gifting, could be considered as alternative and cost-effective intervention packages in this latter context.

### INTRODUCTION AND BACKGROUND

The land reforms implemented by Ethiopia from the early 1990's, were one of the largest, fastest, and cheapest land registration and certification reforms in Africa. While arduous in nature, there is growing evidence that land certification and registration programs in Ethiopia have led to an increase in investment, improved land productivity and land rental market activity, and consequentially positive welfare effects.

Formalization of land rights is a dynamic process that requires continual revision to fulfill economic and societal needs. While evidence has emerged on the positive impacts of the initial land reform effort in Ethiopia, the government has embarked on a new second-level effort to upgrade and computerize the registration of land parcels throughout the country. The relevance of the second-level certification relies both on increasing demand for formalization and on decreasing demand for the first-level land certification.

#### First-level Certification

The first-level land certification exercise registered landholdings of farmers in the four main agricultural regions of the country. Though generally a pro-poor and participatory process, the first level land certificates provided only a rough estimate of the area of the plots using general boundaries references (such as trees, roads, or water courses) to describe parcel borders, which may alter with time. Sketches of the plots were completely absent, and their area was determined mainly by using crude measurement methods or by relying on estimates from local elders during the implementation process. These shortcomings of the first level certification program provided the rationale for launching a second-level land certification program.

#### Second-level Certification

Started in 2008, the second-level land certification process was designed to strengthen tenure security, to improve systems pertaining to land dispute resolution, and to improve the effectiveness of

land registration and administration by standardizing rural land registration and cadastral surveying methodologies. Multiple donors and development partners have contributed to supporting the government of Ethiopia's efforts to implement this certification program, such as United States Agency for International Development, the World Bank, and the Department for International Development of the United Kingdom (UK). For example, through the UK-funded LIFT (Land Investment for Transformation) program, plan are in place to register and demarcate 14 million parcels for approximately 6.1 million households in about 140 *woredas*.

### DATA AND SAMPLING

To assess the drivers of tenure insecurity and factors associated with demand for the second-level land certification program, we analyze data from a sample of 7,500 farm households collected in the 2013 second-round survey of the Agricultural Growth Program (AGP) by IFPRI and the Central Statistical Agency of the government of Ethiopia. Launched in 2011, the AGP is a five-year program "to increase agricultural productivity and market access for key crop and livestock products in targeted *woredas*, with increased participation of women and youth". The AGP focuses on 93 targeted *woredas* in Amhara, Oromia, SNNP, and Tigray regions.

### DESCRIPTIVE ANALYSIS

Using descriptive evidence, our analysis examined the importance of tenure security, how tenure insecurity relates to household and parcel level characteristics, and how changes in these arrangement could have important implications for demand for further land demarcation and certification. In order to assess the drivers of tenure insecurity of farm households, we used three main indicators: 1) perceived risk of private land dispute 2) perceived risk of land expropriation, and 3) likelihood of a border dispute.

In our study area, there are four types of land tenure arrangements – inherited, purchased, mortgaged, and government allo-

cated – each with a different bundle of rights governing access, use, and transfer. There are striking contrasts between the regions with regard to these tenure arrangements (Table 1).

**Table 1: Mode of acquisition and purpose of land use by region**

Variables	Tigray	Amhara	Oromia	SNNP
Mode of land acquisition, % of plots				
Community allocated	79.0	60.2	51.1	13.1
Purchased	1.9	1.6	2.6	8.4
Inherited/Parental gift	19.0	38.1	46.1	78.5
Mortgaged	0.1	0.1	0.1	0.0
Total plots	4,757	6,803	5,781	3,508
Purpose of land use, % of plots				
Owner operated	52.5	71.3	71.0	64.9
Rented out	1.9	1.5	1.5	0.4
Sharecropped out	5.7	10.1	4.7	1.0
Permanent	4.4	7.0	13.8	58.1
Fallowed	1.4	0.9	2.4	6.1
Average parcel size, ha				
Households with plots with natural boundaries, %	62	58	46	21
Households with plots with clear boundary demarcation, %	82	89	92	94

Source: Authors' calculation from AGP dataset

Having noted tenure arrangements, we further examined the role social, economic, and land use dynamics play in the perceived tenure insecurity of households and the incidence or likelihood of land disputes, using household and community-level factors.

**1. Household and parcel analysis** – We explored associations with household and parcel characteristics and other factors, including the owner's marital status, occupation, educational attainment, and gender; engagement by household members in non-farm activities; whether the household possessed first-level land certificates; overall farm size; the number and characteristics of parcels, and how and when they were acquired; and local land abundance.

**2. Population pressure and land scarcity** – We examined households' perceived insecurity in land rights in less populated communities, the impact of past policy interventions on their perceptions, average farm size per capita, the effect of leaving land fallow, and the perceived risk to household land rights from action both by private parties and by government (expropriation).

**3. Land use change and urbanization** – We identified the role experience with administrative land redistribution and other forms of land transfers play in explaining household perceived tenure security risk and the perceived differences in perceived tenure security associated with urbanization or local economic vibrancy.

## REGRESSION RESULTS

Consistent with our results from the descriptive analysis, households that experienced border disputes before the first-level land registration was implemented were found more likely to be interested in a second-level certificate. Moreover, households with higher perceived risk of private land disputes are also more likely

to be interested in the second-level land certificates. None of the household demographic variables considered were found to be significantly associated with demand for second-level land certification. However, other household level variables, such as modes of land acquisition, investment in building, and the time since acquiring a land parcel, are strongly associated with demand for second-level land certification.

Several factors cause tenure insecurity among households. Among these are the government's past record locally of redistribution of allocated land, market access and proximity to urban settlements, population density, farm size and soil quality, land use change, the gender of the household head, and local economic vibrancy. Notably we found higher tenure insecurity associated with expropriation risks in remote rural areas, while boundary related tenure risks are more common in urban or peri-urban locations.

Overall, both the descriptive and the econometric analyses provide insights into household land rights and what influences their perceptions of land tenure security. Both experience and anticipation of border disputes by households influence their revealed demand for second-level land certification.

## CONCLUSION

Any policy actions taken to address this issue of land tenure insecurity need to be tailored to households' perceptions of the nature and possible sources of tenure insecurity. Our analysis reveals both positive and negative correlations of perceived tenure insecurity and demand for further formalization of land rights with several household and parcel characteristics.

Border dispute experience is positively associated with demand for second-level land certification. This suggests that this certification needs to be implemented gradually, while giving priority to areas where land parcel border disputes are commonplace. Similarly, consideration should be paid to the fact that modes of land acquisition, incidences of investment in buildings on the land, and the length of time since the parcel was acquired are all strongly associated with desiring a second-level land certificate. Hence, the results suggest the importance of effective targeting and prioritization, using these parameters in the implementation of the second-level land certification process.

Conversely, variation observed in the demand for second-level land registration, based on households' perceptions of the added value such registration can bring, suggests the need for knowledge dissemination campaigns to maximize the impact of the new land certification intervention.

Finally, as there is regional variation in demand for second-level land registration, the rollout strategy should not be a blanket solution for the entire nation. A cautious, pragmatic approach is what is required, taking into account the drivers of perceived tenure insecurity and the economic viability of the program across regions.

## REFERENCES

Refer to [ESSP Working Paper 83](#) for a full list of references.

### INTERNATIONAL FOOD POLICY RESEARCH INSTITUTE

2033 K Street, NW | Washington, DC 20006-1002 USA

T: +1.202.862.5600 | F: +1.202.457.4439

Skype: ifprihomeoffice | [ifpri@cgiar.org](mailto:ifpri@cgiar.org) | [www.ifpri.org](http://www.ifpri.org)

### IFPRI-ESSP ADDIS ABABA

P.O. Box 5689, Addis Ababa, Ethiopia

T: +251.11.617.2000 | F: +251.11.646.2318

[mahlet.mekuria@cgiar.org](mailto:mahlet.mekuria@cgiar.org) | <http://essp.ifpri.info>

### ETHIOPIAN DEVELOPMENT RESEARCH INSTITUTE

P.O. Box 2479, Addis Ababa, Ethiopia

T: +251.11.550.6066; +251.11.553.8633 | F: +251.11.550.5588

[info@edri-eth.org](mailto:info@edri-eth.org) | [www.edri-eth.org](http://www.edri-eth.org)

