



Land tenure security and development in Uganda

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Land tenure is under transition in Uganda. Policy interventions, population growth, oil discoveries and land acquisitions from national and international investors contribute to this transition. While the perception of tenure security is currently widespread among land holders, this may change. If development cooperation wishes to contribute to maintaining, deepening and widening the widespread perception of tenure security, partial and unsustainable interventions should be avoided as they are prone to elite capture and tend to induce, rather than reduce, tenure insecurity.

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Does formalisation of land rights lead to increased tenure security and economic activity?

Formalisation and registration of land and property rights are widely considered to stimulate and sustain economic activity of individuals and businesses through one or more of the following mechanisms:

- by providing tenure security to the land rights holder and thereby encouraging him or her – with or without accessing formal credit – to make long-term investments in land improvements
- by bringing land onto the market so that market forces will work towards gradually allocating land to the most efficient users (seen from an economic point of view)
- by enabling land to be used as collateral for obtaining formal credit and thereby enabling investments, both land and non land related investments.

This DIIS Policy Brief summarises the conclusions and recommendations from a study commissioned to critically examine the extent to which these mechanisms apply equally to different types of economic actors in different parts of Uganda. The study is based upon empirical research under-

POLICY RECOMMENDATIONS

- adopt an area-based approach when implementing land administration interventions
- abstain from engaging in tenure-related interventions in a partial manner and in ways that are not sustained over time
- support locally accessible land administration and dispute resolution institutions
- facilitate the vertical integration among land administration institutions at multiple levels
- facilitate access to land tenure documentation for all
- explore ways of making land rental agreements more attractive to both landholder and tenant

For an elaboration of these recommendations, please see inside this brief.

taken in three different areas of Uganda – Amuru area in Northern Uganda, Masaka area in Central Uganda and Pallisa area in Eastern Uganda – including a questionnaire survey involving 1,200 respondents.

markets are found to favour the economically resourceful, not only in terms of land access but also of perceived tenure security.

Lack of access to credit in its present forms does not limit productive investments

There is only limited evidence that agricultural and non-agricultural productive investments are hampered due to low levels of tenure security, absence of formally registered tenure documentation and lack of access to credit in its present forms. The absence of the often assumed relationship between perceived tenure security and investments suggests that the reverse relationship also exists, namely that investments are undertaken as part of a strategy towards strengthening land claims and thus tenure security. Productive investments are widespread and the vast majority of these investments have been financed through own labour and savings, rather than through credit.

Credit is used to finance non-productive rather than productive investments

Yet, credit is solicited. Rather than being used to finance productive investments, credit is used to finance non-productive investments like education for children, health expenditures, etc. While by no means being exclusively taken by non-poor respondents, respondents belonging to non-poor households are more likely to take loans than respondents belonging to poorer households.

Land is neither the preferred collateral, nor is it required as collateral

Land was only used as collateral for around one-third of the loans taken with formal credit institutions, including saving and credit cooperatives and in only one-fifth of these, was land tenure supported by a formal land title. Credit institutions appear to accommodate a certain degree of flexibility with respect to land tenure documentation to the extent that local institutions – statutory as well as customary – are approached to provide their endorsement of the tenure rights of the loan applicant and their consent to the loan agreement. Rather than restrictions imposed by credit institutions, the limited use of land as collateral appears to reflect a widespread hesitation in the population in this regard. Beyond the low level of trust in credit institutions and in the legal system as such, this may be due to the widespread notion of not wanting to put at risk something which is regarded as belonging not only to the individual but to the family, the clan or the community. Instead of land, other more individual assets are used as collateral such as salary accounts which tends to favour the access to credit of non-poor individuals.



RECOMMENDATIONS

Adopt an area-based approach when implementing land administration interventions

Despite the existence of a common national framework, land tenure, the way it is administered, and who are privileged and unprivileged in terms of secure land tenure vary considerably across Uganda. In order to address area-specific discriminatory practices, whether these are based on gender, ethnicity or socio-economic status, an area-based, i.e. territorial approach should be adopted when implementing interventions to strengthen land administration.

Abstain from engaging in tenure-related interventions in a partial manner and in ways that are not sustained over time

In areas characterised by the co-existence of tenure forms, these tenure forms and the perceived level of tenure security they contribute to inducing, are best conceived as series of mutually communicating vessels: if only institutions backing e.g. individual land claims are supported or if the institutions supported are accessible only to a small segment of the population, such support will contribute to generating insecurity among those who wish to maintain their collective land rights or those who are unable to access the institutions receiving support. Partial interventions may therefore contribute to generating rather than reducing tenure insecurity.

To maintain, deepen and widen tenure security, care should be taken not to intervene in a partial or piecemeal manner by providing capacity that only suffices for responding to the demands from a minority of land holders while leaving the remainder unattended, as this may contribute to increasing the overall level of tenure insecurity prevailing among the population of an area. Examples of such partial interventions could be the provision of support for updating cadastral maps only for individuals already holding registered land titles, while leaving individuals not holding registered land titles unattended. As part of the area-based approach to maintaining, deepening and widening the perception of tenure security, efforts should be



made to strengthen the institutions backing all tenure forms, while at the same time aiming to eliminate discriminatory practices that may be associated with such institutions.

Support locally accessible land administration and dispute resolution institutions

In line with the national efforts to strengthen land administration in Uganda and in recognition of infrastructural conditions and associated traveling times, the sub-county level appears to be a feasible entry point for interventions that aim to support land administration and dispute resolution. With population sizes – at least in the three study areas – rarely exceeding 10,000 inhabitants, with the key role assigned to the sub-county land committees, and by already possessing at least some administrative and legal capacity, the sub-county level holds promise of being reachable from ‘below’ as well as being able to reach out to higher-level institutions such as district and national level institutions. Useful insights may be gained from the considerable – and to a certain extent successful – support for land administration and dispute resolution provided by national and international organisations in northern Uganda.

Facilitate vertical interaction among land administration institutions at multiple levels

While serving as entry points, sub-county level institutions should not be the end target of such efforts. Rather, efforts should be directed at strengthening the vertical integration of sub-county level institutions with, on the one hand, more local institutions such as customary institutions and the community and parish level institutions which de facto play an important role in land administration and dispute settlement, despite so far only having received limited formal recognition, and on the other hand, more remote institutions such as district and national institutions. Also the ability to interact with credit institutions and mediate between credit institutions and e.g. clan or community-level institutions in exploring new ways of facilitating access to credit should be emphasized.

FURTHER READING

Helle Munk Ravnborg, Bernard Bashaasha, Rasmus Hundsbæk Pedersen, Rachel Spichiger and Alice Turinawe: “Land Tenure under Transition – Tenure Security, Land Institutions and Economic Activity in Uganda”, *DIIS Working Paper* 2013:03.
Rasmus Hundsbæk Pedersen, Rachel Spichiger, Sarah Aloba and Michael Kidoido, with the collaboration of Bernard Bashaasha and Helle Munk Ravnborg: “Land Tenure and Economic Activities in Uganda: a Literature Review”, *DIIS Working Paper* 2012:13

The opinions expressed in this policy brief are those of the authors alone and do not necessarily reflect the official opinion of the Danish Institute for International Studies.

Facilitate access to land tenure documentation for all

Among the obstacles preventing individuals as well as groups from initiating the process of documenting their land tenure are the costs of having land surveyed and the suspicions and disputes – and thus eventually the tenure insecurity – it raises among neighbours. Yet, irrespective of tenure form, cadastral maps are increasingly becoming a powerful instrument to effectively state and defend land claims. Additionally, they are a prerequisite to formally registering land, whether collectively or individually. In line with the national land policy, ways should be explored for making land surveys and the production and registration of cadastral maps accessible not only to individuals but also – and perhaps particularly – to groups of residents and land access holders, while taking care to involve local institutions and making sure that surveys take place in the public sphere. Part of such efforts would consist in making this service more affordable by expanding supply (training, encouraging the establishing of qualified surveyors in rural areas), taking advantage of new technologies which may bring down costs without compromising quality, and perhaps by subsidising demand e.g. through establishing survey funds at sub-county level.

Explore ways of making land rental agreements more attractive to both landholder and tenant

To maintain, deepen and – in this case – widen tenure security ways should be explored of strengthening the level of security associated with private land rental agreements not only for those renting the land, who currently experience high levels of tenure insecurity, but also for those giving out land for rent. Land rentals hold the potential to open the doors to land access for people who may be discriminated against when attempting to access land through other tenure forms. Making land rentals more attractive could include efforts to develop standards for land rental agreements and efforts to strengthen the institutional capacity of third party institutions to mediate upon entering, ending or renewing rental agreements and in cases of disagreements between the parties.