

**REPORT ON EUROPEAN FORUM ON RURAL DEVELOPMENT COOPERATION.
POLICIES AND APPROACHES FOR RURAL POVERTY REDUCTION:
WHAT WORKS IN PRACTICE?
Agropolis, Montpellier, France, 4-6 September 2002**

11. How can land tenure reform contribute to poverty reduction?

Chair: Frits van der Wal (Ministry of Foreign Affairs, The Netherlands)

Panellists: Robin Palmer (OXFAM), Julian Quan (DFID), Christian Graefen (GTZ), Annelies Zoomers (CEDLA), Philippe Lavigne-Delville (GRET)

Working groups:

- 1) Comparative case studies: Madagascar and Mali
(Philippe Lavigne-Delville, GRET)
- 2) Land reform and poverty reduction: Lessons from Latin America
(Annelies Zoomers, CEDLA)

Summary of the panel discussion

A common theme running through all the presentations was that approaches to land tenure reform must reflect the diversity of local situations and complexity of land tenure systems. There was general agreement that land titling, the dominant donor approach, is only effective in certain situations. In many cases it has proven to be very costly, and has achieved limited coverage with a minimal impact on credit supply and investment. Examples were cited of how land titling and the liberalisation of land markets have sometimes acted to harm the poor by undermining established access rights. Speakers called for more diverse approaches tailored to local conditions based on thorough analysis and genuine participatory processes.

Christian Graefen provided a typology of four different situations that each require different land policies:

- 1) *Least Developed Countries with a large (mainly subsistence) agricultural sector.* Policy priorities: (i) ensuring more secure access to land, natural resources and common property, (ii) protecting secondary land use rights (e.g. gathering and herding), and (iii) resolving land use conflicts.
- 2) *Transformation economies with an increasingly commercialised agricultural sector.* Policy priorities: (i) land consolidation, (ii) privatisation of land tenure, (iii) ensuring a better allocation of land through the development of land markets, especially the rental market.
- 3) *Countries with a dualistic distribution of land ownership.* Policy priorities: (i) land redistribution, and (ii) land taxation.
- 4) *Peri-urban areas.* Policy priorities: (i) tenure security for informal settlers/squatting, (ii) strengthened land use planning, (iii) measures to tackle land speculation and corruption, and (iv) stronger enforcement of land laws.

Julian Quan pointed out that the importance of land issues is well recognised in theory, but in practice the issue has not been adequately addressed in PRSPs. Existing donor instruments (e.g. budget support and SWAPs) are ill-suited to tackling land reform, which by its nature is a complex, political and long term process involving a wide range of sectors and stakeholders. The speaker argued that land tenure reform by itself does not necessarily reduce poverty, but must be linked to wider rural development policies to support production, services and market access. It is generally agreed that land tenure issues are too complex for any one donor to address. Donors therefore need to put greater emphasis on lesson learning and experience sharing using networks such as the EU Land Task Force. Donors should combine small-scale piloting and learning-by-doing activities with a longer term framework for support to land reform. It was recommended that EC and Member States coordination efforts should be focused in a number of pilot countries.

Philippe Lavigne-Delville argued that to fight rural poverty support to family farming is the most effective way to increase production and revenues. This is not only a question of land, but also of markets and prices. The impact of land reform on poverty reduction will therefore depend on reforms in other areas. In West Africa the main issue relating to land are to secure farmers' and herders' access rights to land rather than privatisation or land redistribution. The speaker called for more decentralised and participatory processes in land tenure and management. A number of approaches to decentralised land management have been experimented with in different countries, (i) the mapping of existing land rights, (ii) codification of local practices in national law, (iii) the transfer of land and natural resource management responsibilities to local communities, and (iv) formalisation of transactions over land. Although these approaches have not yet been fully developed, they provide a good basis for improving of security of tenure.

Robin Palmer focussed his presentation of the need for land redistribution in Southern Africa, which he contended would be good for growth, efficiency and poverty reduction. He argued that in several respects "Mugabe is right", in particular by drawing attention to colonial injustice and land expropriation, and the failed promises of former colonial powers to support land redistribution. While not seeking to defend the actions of Robert Mugabe, the speaker suggested that the Zimbabwe situation has at least let the genie of redistribution out of the bottle, and has concentrated people's minds in a way that nothing else could have done. Land redistribution is an issue that unites people across Southern Africa and requires a more imaginative response from donors.

Annelies Zoomers also highlighted the political nature of the land tenure debate, which has often made it a taboo subject amongst donors. She suggested that donors need to become more involved in the political arguments as well as the technical debates. On the basis of experience in Latin America the speaker drew attention to several issues:

- Individual land titling is only useful in specific regions (usually high potential areas) where there is intense conflict over land and the costs of land surveys are not prohibitive.
- Market assisted land redistribution (based on the provision of grants for land purchase) has been tried successfully in Colombia and Brazil.
- Well functioning land rental markets are often critical to ensure efficient land allocation and poverty reduction.
- Peri-urban areas are subject to intense land pressures and require effective land use planning.
- The lack of good statistics on land tenure makes it difficult to design policies and implement programmes.

Additional issues raised by speakers and the audience include the vulnerability of women's land rights, and the effects of HIV/AIDS on land access.

Summary of Working Groups

Comparative case studies: Madagascar and Mali

Two examples of countries that have pursued different approaches to the decentralisation of land management were presented by **Philippe Lavigne-Delville**. Madagascar has witnessed an ambitious process of decentralisation driven by the concerns of the international community about the protection of the country's unique wildlife. Responsibilities for land and natural resource management are in the process of being devolved to local communities, who are signatories to a management contract with the government and local elected bodies. At the same time maps of local land rights are being created offering greater land tenure security at the village level.

In Mali decentralisation was driven by political events including the fall of the regime of Moussa Traore and the farmers revolt in 1991. The process has been less complete than in Madagascar. Although new land laws have provided communal councils with a much stronger role in land management, much control remains in the hands of sectoral ministries and the process of land registration that is required to gain legal title has not yet been adapted to reflect the decentralisation process.

It was concluded that the impact on poverty in both countries has been limited because there has been no change in holdings of land assets. However, greater security of tenure helps rural people to avoid dispossession by outsiders. There may also be significant impacts in terms of giving local people greater control over natural resource management (e.g. profits from forestry).

Land reform and poverty reduction: Lessons from Latin America

This working group led by **Annelies Zoomers** focused on the disappointing experiences with land registration in the Southern Andes of Bolivia (a cadastre project near Sucre), and the problems that have occurred due to the high transaction costs and the specific characteristics of the population and local economy. It was shown that in such low-potential areas, land registration will not contribute to poverty alleviation, nor will it stimulate sustainable land use or economic growth. This experience was compared with the situation in the lowland area of Santa Cruz – Bolivia's agricultural core area – in order to assess the benefits of 'free' land markets. Attention was given to such questions as: Who are the main land dealers, and how do they behave? What are the main patterns of selling or purchase, and what factors determine the dynamics of land transfers? Because of the multifunctionality of land, which varies from place to place, from group to group, and from time to time, it is not realistic to expect the free functioning of land markets to lead to optimum results, in the sense of poverty alleviation, further agricultural development and/or environmental benefits. It was also found that the redistributive effects of land markets are relatively small.

Action Points

- 1) Individual land titling and the liberalisation of land markets is only effective in certain situations. There is sometimes a contradiction between liberalisation and poverty reduction, especially where there is a duality between the subsistence and commercial sectors.
- 2) Donors need to consider a broad range of options for land tenure reform (e.g. communal tenure, community management of common property resources, development of land rental markets, market-assisted land redistribution) and tailor their strategies to local conditions.
- 3) Donors need to engage more in the political aspects of land reform, including land redistribution.
- 4) Donors and governments should take more account of traditional land institutions and customary rights. Greater emphasis should be placed on decentralised and participatory approaches to land management.
- 5) There is a need to move from supply-driven to demand-led approaches to land reform. Before taking action it is necessary to clearly identify problems and carry out stakeholder analysis. It is important that power structures, influences and different interests are understood. Civil society participation in the design of solutions is essential.
- 6) It is essential to develop appropriate national fora and mechanisms for debate and negotiation on land issues including local communities, all levels of government and donors. Donors and governments need to communicate their policies more effectively to local populations.
- 7) Land tenure issues are too complex for any one donor to address. More collaborative multi-donor approaches are needed. Donors need to put greater emphasis on lesson learning and experience sharing using networks such as the EU Land Task Force. The EC and Member States should begin by coordinating their activities in a limited number of pilot countries.
- 8) Donors need to think long term about land reform and adopt flexible procedures. In addition, there is a need for small-scale piloting and learning-by-doing activities.
- 9) Land tenure reform by itself does not necessarily reduce poverty, but must be linked to wider rural development policies to support production, services, market access and sustainable natural resources management.

- 10) It is important to develop the capacity of land administration to carry out land reform. In particular, information and statistics on land tenure need to be improved.
- 11) New approaches for land use planning are required for peri-urban areas where the pressures on land are intense.