

2013-2020

# Ethiopia: Land Investment for Transformation (LIFT) Programme

Towards Sustainable Development Goals:

**1** NO POVERTY



**2** ZERO HUNGER

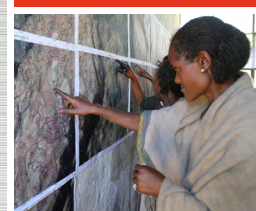
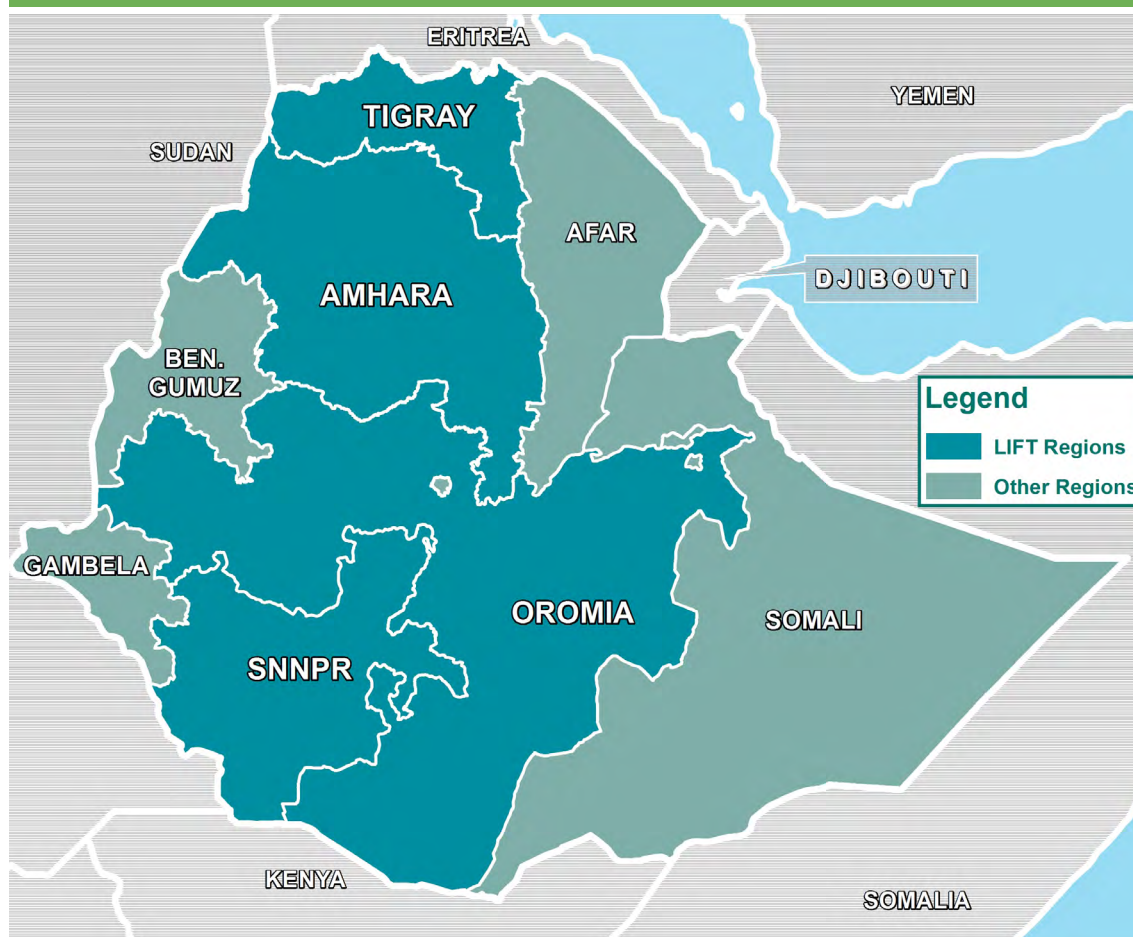


**5** GENDER EQUALITY



## Legend

- LIFT Regions
- Other Regions



Equal access to land is an important focus of Sustainable Development Goal 2, 'End hunger, achieve food security and improved nutrition and promote sustainable agriculture.' Sustainable Development Goals 1 and 5 include specific indicators on security of tenure and equal access to land. Our work in Ethiopia demonstrates how we contributing directly to these goals.

## Context

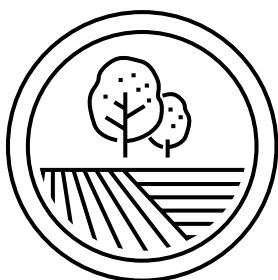
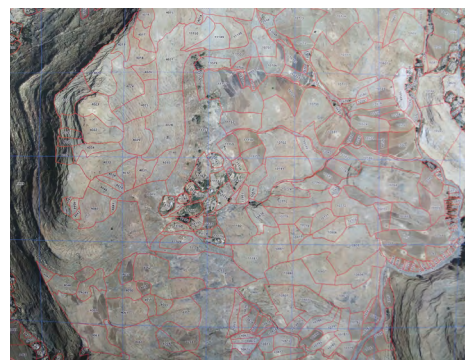
**Large-scale land registration programmes such as the UKaid-funded Rwanda Land Tenure Regularisation Programme that was managed by DAI between 2005-2013 have demonstrated that it is possible to roll out land registration programmes quickly and cheaply, on a national scale.**

A similar, but even more ambitious, UKaid initiative in Ethiopia—the Land Investment for Transformation (LIFT) Programme, managed by DAI—is also transforming land tenure regularisation. Capitalising on the lessons learned in Rwanda, LIFT is working to build momentum in the land sector, accelerating the development benefits of increased security tenure. The programme was awarded an A+ during its recent mid-term review.

LIFT is supporting the Government of Ethiopia's efforts for rural land certification to drive investment and increase productive land use. It champions a market systems approach which, is a first for a land reform programme on this scale. This innovative approach specifically addressess constraints that prevent farmers from increasing the productivity of their land. The confidence that comes with security of tenure, coupled with market systems innovation, opens up new opportunities. For example, LIFT is working with micro-finance institutions to promote an individual loan product linked to farmers' land certificates, enabling farmer households to access finance that would otherwise have been out of reach.

Central to any land registration programme is long-term vision and planning. Land information quickly goes out of date if not maintained in a modern land administration system. LIFT works with the Government of Ethiopia to develop options for financial and operational longevity and durability of its land administration so that it can continue to manage land reform long after the LIFT programme has closed.

DAI has been implementing LIFT since 2013 and by 2020 will have issued land certificates for 14 million parcels of land in Ethiopia's Amhara, Oromia, Southern Nations Nationalities and Peoples, and Tigray regions, demarcating an area of land roughly equivalent to England and Wales combined.



**25%**

of rural families in Ethiopia are engaged in land rental market transactions, the majority informal.

**55%**

of land holders rent out their land or sharecrop because of a shortage of capable labour.

# What we do

**LIFT combines a systematic high-volume approach to the registering of land parcels, with a Making Markets Work for the Poor (M4P) approach. This combination will accelerate and magnify the impacts of improved security of tenure.**

- 1** We are supporting the registration and issuance of **14 million land certificates**, recognising the rights of all rightful land holders including men and women in married and unmarried households.
- 2** We are supporting the implementation and operationalisation of a rural land administration system in **140 woredas (districts)**.
- 3** Through our **Economic Empowerment Unit (EEU)**, we are undertaking interventions that focus on access to finance, rural land rental and conservation agriculture. The EEU aims to accelerate the impact of certification on poor farmers by improving rural land market systems.
- 4** We are supporting the Government of Ethiopia to improve policies and institutions for the rural land market.

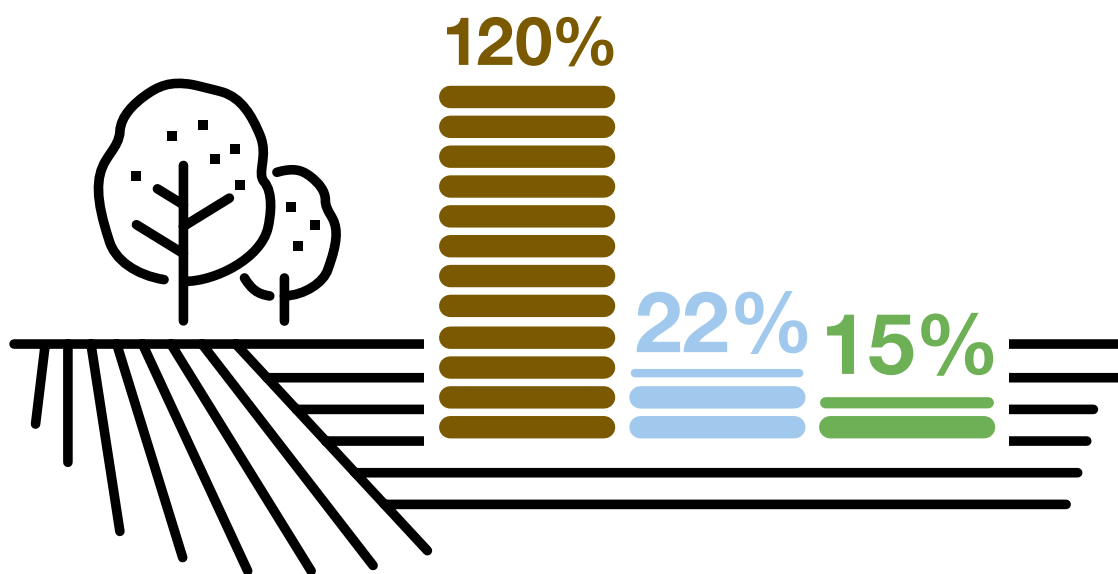
# Our results

- So far the programme has demarcated over **7 million parcels of land**, with nearly **4 million certificates issued** and in the hands of farmers.
- Land transactions have been registered using a purpose-built, open source digital land administration information system.
- We have **trained more than 200 Land Rental Service Providers who have facilitated and formalised more than 6,000 land rental transactions** using the standard land rental contract template introduced by LIFT. This has the dual benefit of improving the allocative efficiency of land and providing an income to households who may be unable to fully utilise all of their land holdings.
- We have worked with Ethiopian Micro-Finance Institutions to develop an individual loan based around land certificates, leading to more than **4,000 loans, worth UK £3 million, being lent to farmers by more than 60 MFI branches across the programme regions**. Landholders use these loans to invest in improved agricultural inputs and diverse on-farm and off-farm business opportunities.



# Access to finance

- **60 per cent** of clients of one MFI who took individual loans linked to land certificates issued by LIFT repaid their loans ahead of the due date and applied for a repeat loan.
- Annual interest rates for **MFI loans linked to land certificates issued by LIFT are around 15-18 per cent**, compared to up to **21 per cent for group loans from MFIs** and up to **120 per cent for loans from informal money lenders**.



## The key findings of the Economic Empowerment Unit early impact survey were:

- **51 per cent of male and 31 per cent of female Access to Finance (A2F) beneficiaries indicated that the prospect of accessing loans linked to certificates incentivised them to collect their land documents.** Only 23 per cent of male and per cent of female A2F beneficiaries had applied for credit from a formal institution during the previous year.
- Around 75 per cent of renters and rentees had never previously registered a written land rental contract.
- **64 per cent of respondents** indicated that the standard land rental contract developed by LIFT and the possibility of formally registering contracts at the woreda land office meant that they **would be more likely to engage in rental agreements**.
- A2F beneficiaries are overwhelmingly satisfied with the loans linked to certificates.



Access to Credit Linked to Second Level Land Certification—Dispersement of Loans, Hetossa Woreda, Oromia



## Our results for women

**Evidence shows that agricultural production and food security increase when women are granted tenure security, and that increases in the relative resources controlled by women generally translate into a larger share of household resources going to family welfare.**

The land registration processes deployed by LIFT are designed to be inclusive so that women do not lose out when formalising land rights.

Women are increasingly formalising rental agreements using the standard rental contract developed by LIFT and via Land Rental Service Providers trained by the programme, giving single women and widows greater scope to diversify their household income, and increasing the rental price that they are able to obtain.

Women's strengthened access to the land rental market allows them to make more economically productive use of their land assets. This is particularly important in the Ethiopian context where traditional beliefs and perceptions discourage women from using oxen to plough their own fields. By renting out their lands, female land holders have a safety net to focus on new income generating opportunities while ensuring that the land is in productive use.

The wider societal benefits of land formalisation are particularly worthy of consideration. While gender equality may be promoted through the national constitution and in law and policy, the benefits of equality, both economically and socially, will only really be felt when they are experienced in action at a more fundamental level. Time will tell what influence the principle of land rights equality in Ethiopia will have on the emergence of genuine equality and social harmony in wider society.



**> 80%**

**of women in programme woredas have security of tenure either independently or jointly with their husbands.**



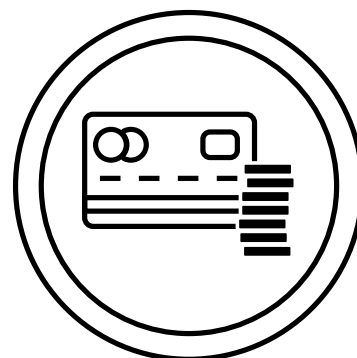
**30%**

**of loans linked to land certificates have been issued to female beneficiaries.**

## Value for money

LIFT works with DFID and the Government of Ethiopia to closely monitor expenditure and ensure value for money.

- **The average cost per certificate issued to date is UK£ 5.12**, but this figure will continue to fall as the programme progresses and achieves greater economies of scale. **This compares to typical average costs of USD\$ 7.56 in Rwanda and USD\$ 33 in Mozambique.**
- To date, LIFT's Economic Empowerment Unit interventions have **leveraged UK£ 3 million in credit** from Micro-Finance Institutions in three regions.



## Voices from the ground



"In the last dry season, I rented out half of my land for six months with rental price of ETB 2,000. After six months of the contract period, I got back my land and rented out again for another six months for the same person with ETB 2,000 for the rainy season. That means I got ETB 4,000 from the same land for which I only got ETB 500 before. Previously, the renters would not return the land when the rental period ended. Since there was no formal agreement, they usually said that the contract time was not yet finished and continued to use my land. This time I used the Standard Land Rental Contract form: we made four copies and one was kept with me.... I now rent to a person who pays me a better price whether I know him or not because the contract is formally registered and binding. I have full confidence that I will get it back when the contract period is over".

**Mabeze is a 35-year-old woman from Silite woreda in Southern Nations Nationalities and Peoples Region (SNNPR). She is married with five children. Her husband works overseas but is not able to send home enough money to support the family. Mabeze engaged with a LIFT-trained Land Rental Service Provider to formalise the renting out of half of her land holding.**



Wubalem, a 44-year-old widow and head of household from Mota woreda in Amhara, has four children. She holds two hectares of land and took out a three-year loan of ETB 30,000 against the future output of one of her land parcels. She is using the loan for animal fattening and has also hired labour to help manage her growing business. She plans to settle the loan ahead of term and apply for another, larger loan.

"My plan is big. If [the MFI] continues to help us, I want to expand and have a water pump for irrigation purposes".



"I think if people once properly get informed of Second Level Land Certification they do eagerly come and collect their certificates. We have seen that they do badly need it".

**A kebele land administrator from Tigray during a key informant interview survey about the uptake of land certificates distributed by LIFT**

## Further reading



**Challenges of Decentralised Approach to Rural Land Certification and Administration - [Click to read](#)**



**Promoting financial inclusion: Developing an innovative SLLC-linked loan product - [Click to read](#)**



**Women's land rights and the problem of polygamy: A proposal in Ethiopia - [Click to read](#)**

## Our plans



### Strengthening Rural Land Administrations

LIFT is now focusing on long-term impact. Central to this is demonstrating how participation in the land administration system benefits land holders. The functions of the rural land administration will be strengthened and embedded into everyday public life across the regions, so that the public buy in to the system. To understand the perceived barriers to participation, we will be conducting a range of surveys addressing any concerns through awareness campaigns.



### Building Capacity for the Long Term

Operationally, we are investing in training and equipping local land administration offices not only to handle land transactions but to provide knowledgeable, sensitive, and helpful customer service. Ultimately, the land administration system should be financially sustainable, so LIFT will examine how new revenue streams may be derived from the use of digital land data for planning purposes, for example, or through collaboration with the private sector on crop insurance products.

## Get in touch with us



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