

**The Impacts of Second-Level Land Certification (SLLC) in Ethiopia:
Empirical Evidence Using Panel Data**

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Introduction

Ethiopia has implemented one of the largest, fastest and cheapest land registration and certification reforms in Africa. While there have been evidences of the positive impacts of this land reform in terms of increased investment, land productivity and land rental market activities, the government together with development partners is now piloting another round of land registration and certification that is financially and technically demanding - involving GPS measurement and computer registration. This 'second stage land registration' is expected to replace the registration from the first round that used general boundary (field markings) in combination with memory of the neighbors to identify plot borders.

The perceived added value of these Second stage certificates is considered to be dependent on the length of time since the first stage land certification has been implemented as nature of general boundaries (such as natural structures like river basin, trees, etc) and the living witnesses of parcel borders are expected to deteriorate through the passage of time. Moreover, agricultural potential, population pressure, relative degree of urbanization may contribute to a greater demand for a more secure property rights which is targeted to be achieved via the second-stage land certification. The fact that the first-level land certification program in the country was a one-shot, large-scale project, without any major follow-up projects to update any changes in the holding status (due to inheritance or any administrative redistribution), households that experienced any demographic changes within the household are also expected to have higher demand for the second-level land certification. Land Investment for Transformation (LIFT) is a program funded by DFID is the largest land registration/documentation program in the country which was launched in 2013.

The Land Investment for Transformation (LIFT) Program in Ethiopia

The LIFT program aims to improve incomes of the rural poor and to enhance economic growth through second-stage land certification and improved rural land administration. The programme works in collaboration with the Government of Ethiopia (GoE) to enhance land tenure security of farmers to boost productivity and investment in agriculture (LIFT report 2014). The program was initiated in 2013 with total program budget of £72,704,391 and expected to last in 2020. The LIFT program operates in four regions, Tigray, Amhara, Oromia and Southern Nations, Nationalities and Peoples (SNNP).

The core components of the program focus on second-stage rural land certification, improve land administration, cross cutting policy support, and rural land sector development (LIFT report 2014). Rural land sector development component of the programme works on four major intervention areas: improving the functioning of the rural land rental markets, increasing access

to credit, enhancing agricultural practices to improve access to input and output markets, and addressing key land policy and institutional issues¹. The program is expected to support second stage land certification with issuance of land certificates to 14 million parcels of 6.1 million households, and the implementation of rural land administration system in 140 woredas. In addition, the programme targets to increase land rental agreements by 13 percent, to reduce the percentage of household involved in land disputes from 21.1 percent to 15 percent, and to increase income of 1.36 million farmers at least by 20.5 percent (LIFT report 2014). With respect to policy support, the program set approval of 40 regulations, strategies, procedures and plans at various levels of administrative units, and assure that the land governance systems are aligned with international good practices and human rights obligations (LIFT report 2014).

According to recent information from DAI², 4 million land certificates have been issued that includes demarcation of 7 million parcels of land. The programme also provided training for more than 200 land rental service providers who have facilitated registration of 6000 land rental transactions. In association with Micro Finance Institutions (MFIs), 4000 loans linked to land certificates are provided for farmers, worth £3 million, by more than 60 MFI branches in the four regions. The programme also contributed to government policy by getting approved Second Level Land Certification (SLLC) and Rural Land Administration System (RLAS) manuals by the Government which become standards for all regions of Ethiopia. In addition, SLLC certificates are acknowledged as collateral for loans to farmers in the draft rural land proclamation³.

Objective of the study:

Thus, this study aims to evaluate the impacts of the LIFT Second-Level Land Certification (SLLC) program on:

- Gender-disaggregated perceived tenure security of households (**tenure security**)
- Functioning of land rental markets, particularly investigating on the implications on female land rental market participants and incidences of land consolidation through land rental markets (**transferability**)
- Access to credit by working with renowned micro finance institutions to allow land holders to receive credit better than the current group lending scheme using their 2nd level land certification as guarantee (**credit access**)
- Incidences of land disputes and dispute resolutions (**land dispute**)

¹ <https://www.nathaninc.com/land-investment-for-transformation-ethiopia-lift/>

² <https://www.dai.com/uploads/Fast%20Facts%20Ethiopia%20LIFT%20Final%20040618.pdf>

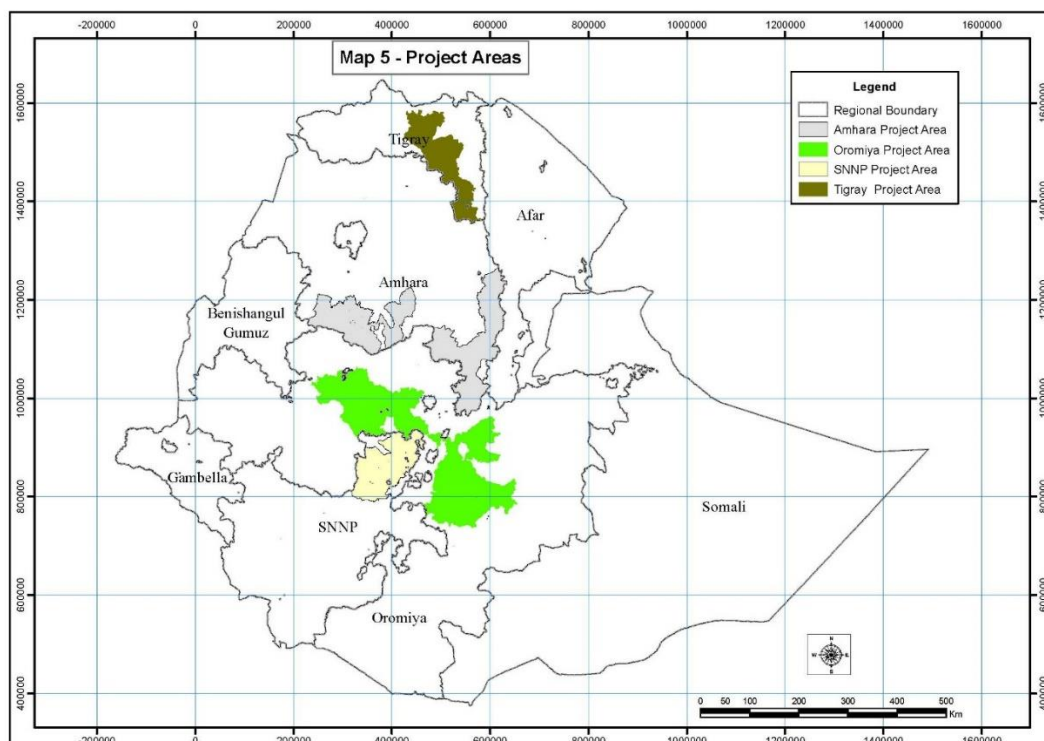
³ LIFT Annual Review (2017)

Project area

It is envisaged that the LIFT programme will be implemented in 140 purposively selected woredas from the four major regions in the country (Tigray, Amhara, Oromia and SNNP) using selection criteria including:

- Equity between Regions
- Availability of aerial photography
- Economy and effectiveness in implementation
- Meeting GoE Priorities, such as:
 - Access to markets (access to cities of 50,000 population or over in less than 5hours);
 - Natural resource endowments;
 - Suitable rainfall and soil for crop and fodder production;
 - Potential for development of small-scale irrigation facilities;
 - Willingness and commitment to participate.

Figure 1: Project intervention area



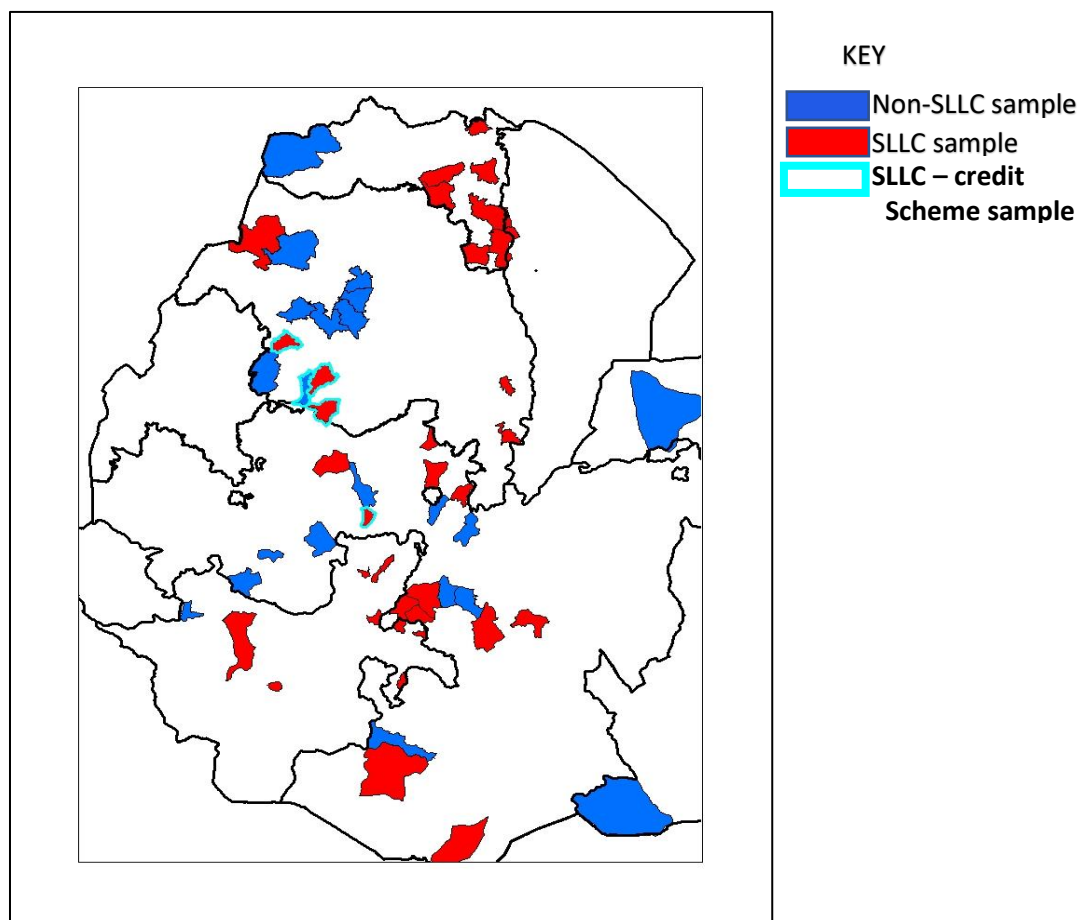
As a result, purposive woreda selection and the respective exclusion criteria mean that an evaluation design based on randomizing access to the LIFT at the woreda level is not feasible. It

also implies that an RDD design at the woreda or even the kebele or enumeration area (EA) level is not feasible given that there is not a single, strict metric that determines eligibility.

Data Source

This study is based on datasets using 3-wave panel dataset in Ethiopia, collected by International Food Policy Research Institute (IFPRI) in collaboration with Central Statistics Agency (CSA). The surveys were conducted in 2013, 2015 and 2018 and represent households from the four regions of Ethiopia (Tigray, Amhara, Oromia, SNNP). The baseline survey covers 6600 households from 61 woredas in rural Ethiopia, out of which 34 are from LIFT-SLLC program Zone of Influence (ZOI) woredas, and 27 are from non-intervention woredas. In addition, the survey collected individual and parcel level information from sample households. Further, the data is disaggregated by location (regions to smallest administrative units (Kebeles)), gender, age group, economic activities, etc. The distribution of households by regions in the baseline survey is indicated in table 1. The fact that the first-round survey in 2013 is just before the LIFT-sponsored mega SLLC program in the country provides a unique opportunity to evaluate the impacts of the SLLC program with the data before-and-after the program was launched.

Figure 2: Study area



The surveys employed a household, community (kebele) and woreda questionnaires. The household questionnaire contains modules which provide a detail information on access to agricultural land, land certification, land tenure security, agricultural investment, access to credit, etc together with various aspects of household livelihoods.

Table 1. Distribution of households by Region

Regions	Number of Households
Tigray	672
Amhara	1837
Oromia	2414
SNNP	1677
Total	6600

Source: Baseline IFPRI Survey Report (2013).

The fact that our dataset has comprised of the four major regions (Tigray - the first in the country to launch the 1st stage land certification program in 1998/99 which is five years ahead of the program implementation in the Amhara region and 7-8 years ahead of the Oromia & SNNP), it is expected that results from this study will feed into the national agenda of how to improve land governance in the country and inform the ongoing debate on the relevance, timeliness and sustainability of the (financially and technically demanding) pilot second stage land certification in the region and beyond. This is mainly so as comparative analysis will be conducted to test any sign of diminishing returns from the 1st stage land certification or greater demand for the 2nd stage land certification which should be more visible in some of the study areas (where 20 years has elapsed since the 1st stage land certification was implemented).