

THE NATURE OF LAND TENURE AND LAND MARKET IN A PERI-
URBAN AREA

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**THE NATURE OF LAND TENURE AND LAND MARKET IN A PERI-URBAN
AREA OF ADDIS ABABA**

Abstract

Conceptually, this study relates to the terms and conditions on which land is held and used and, the mechanisms by which rights to land are transferred in rural and urban interface area. The specific objective is to explore the major kinds and features of the land tenure and land markets operating in the peri-urban areas of Addis, the processes by which land held by indigenous peasant communities is transferred to urban groups, major characteristics of parties transacting and factors governing the performance of the land tenure and land markets. The study also seeks to fill gap of understanding of the contradictions and frictions that exist at the interface of rural and urban.

Broadly speaking two different forms of tenure prevailed in the study areas. These are peasant holder land tenure and the modern lease tenure. The lands of the study areas are rented to fellow peasants or sold to urban moneybags by the peasants and leased to modern private business/industrial men by government. With regard to the rental tenure the 'landlords' (i.e renters) are the poor while the 'tenants' (i.e rentees) are the better-offs among the peasant farmers themselves. Parallel to this, modern urban industrial/commercial investors are acquiring peri-urban lands by lease. This indicates that the system of land tenure in the peri-urban areas shows distinction between urban rich and rural inhabitants on the one hand, and between the rich and poor within the rural groups. Peri-urban area peasant

holders have been victims of frequent land redistribution, forced cooperativisation, villagization, etc of the Derg time. Now they are victims of lease tenure. While the urban elites enjoy security of tenure for the number of years specified in the lease contracts the indigenous peasant appear temporary holders.

With regard to the land markets, the peri-urban areas are characterized by intense urban and agricultural land transactions. The lands of the study areas are rented to fellow peasants or sold to urban moneybags by the peasants or leased to modern private businessmen by the government. Neither the peasant holders are capable to withstand the pressures of land markets, whether for their own poverty and/or manipulation of land speculators or the urban elite, neither the PA or above level leadership found withstanding their manipulation (bribery). While those in rural Ethiopia have, at least, the opportunity for being agricultural labour force or tenants to individuals who have purchased their plots or daily labourers on agricultural investment projects formally acquired their holdings, the impacted peri-urban communities haven't. They have neither the skill nor the training/education or experience required in modern non-agricultural developments emerging in their localities. The markets are segmented into urban and rural, rich and poor, male and female and, formal and informal markets. Unless the circumstance faced by the peri-urban area peasant communities is responsibly treated and the problems resolved not only their condition deteriorates but also mass eviction will be likely in the near future.

1 INTRODUCTION

1.1 Changing Land Policies

The type of land tenure systems that prevailed in Ethiopia were numerous and complex and were controlled and governed by official and non-official (or unwritten) customary laws which had great variations from region to region. Nevertheless, in spite of regional variations, changes towards private ownership of land had been experienced during the pre-Revolutionary Ethiopia (Solomon, 1994: 279-283; Horvath, 1966: 121-123).

The system was, however, accompanied by at least one serious problem- concentration of extensive land in the hands of a few landlords and denial of access of the largest majority population in need of the lands (Solomon, 1994: 279-283). Peasants of Southern Ethiopian provinces, in particular, experienced severe tenure insecurity. They had been victims of the land grabbing, tenancy, and eviction widely prevailed in their areas. Thus, the indigenous smallholders and tenants were put in a state of insecurity and uncertainty about their holdings and their future (Hussien, 2001:53).

In an attempt to reverse the long-standing social differentiation found under the Imperial period, the Derg government nationalized all lands, and distributed usufruct rights to peasants. Nevertheless, in practice, the policy provided neither tenure security nor incentives for better performance. Besides, peasants needed protection from the state, Dessalegn argues, than from the capitalist or urban moneybags (Dessalegn, 1994: 11). The same is true for the then urban land policy. The urban land policy of the Derg administration is a classical example of how policy and reality go in parallel lines. It is

also an example of how a policy that does not take societal reality into account is bound to further complicate and worsen the situation it set out to address (Solomon, 1994:287).

Urban Land Lease Holding Proclamation No. 80 of 1993 was issued in December 1993. The major objectives of the policy are: to provide the utilization of urban land to satisfy the needs of the various sections of the population; to arrest the prevailing expansion of urban centers without plan and the allocation of urban land; to build financial capacity of urban centers, thereby facilitating the provision of social services and building of infrastructure and low-cost houses in accordance with the principles of free market economic policy, creating condition whereby the right to use urban land can have market value; to minimize/control opportunities for corruption which results in appropriation of unfair windfall gains by few, realized during urban land rights transaction whose value has appreciated; to lay down a framework within which Ethiopian investors can participate in the economic development of urban centers in accordance with the Economic Policy of the TGE.

Urban land lease holding is granted if the request is in conformity with the land use pattern of the urban center and after carrying out a competitive public tendering. Land lease is given for a fixed term and the duration of the lease varies depending upon the purpose for which the land is requested and the level of urban centers. The maximum is 99 years for residential houses.

The policy gives the right to determine the rate of rent of the lease to the national/regional Self Governments. The level of urban centers, zoning of the urban centers and the purpose for which the land is requested are basic decision criteria for the lease rate. The rate is low for land used for social services and low cost houses. Provision is made to grant urban land free of lease payment and without public tendering for investment that the government encourages and for social services, which directly benefit the public (Solomon, 1994: 290-191).

According to the regulation of the Regional Government of Oromiya, a peasant holder can rent out Portion of his cropland. This regulation is believed to alleviate the prevailing illegal transfer of land between peasant holders and urbanities (Regional Gov't of Oromiya: 29-30).

Urban land can be acquired on a leasehold or rental basis. Except in Adama, Bushoftu, Burayu, Dukem, Holeta, Jima, Mojo, Sebeta, Sendafa, Shashemane and Ziway (lease towns), and rural lands within 10 kilometer distance from the boundary of Addis Ababa in all other towns land is acquired on rental basis.

Proclamation No. 19/1997 issued to amend the utilization of rural land for investment activities in the Oromiya Region introduced redefinition (reclassification) of portions of rural districts surrounding the Addis Ababa City Administration. Thus it states “where a rural land within 10 kilometers from the boundary of Finfine is needed for investment activity, it shall be administered in accordance with the urban land law” (Article 6,

Proclamation No. 19/1997). Besides, Directive No. 3/1990 E.C was issued particularly for investment land administration within this specified distance. According to this directive all lands within 10 kilometers from the boundary of Addis Ababa City Administration shall be rented to both domestic and foreign investors by lease.

1.2 BACKGROUND

Peri-urban areas are areas of physical and socioeconomic interface of urban and rural areas. The specific issue of the nature and incidence of land tenure and land markets is also one of the aspects of city rural relations. Accordingly, in order to appreciate the essence of the research problem, it becomes necessary to have a look at the nature of land tenure and land markets in rural Ethiopia and the nature of Third World Peri-urban areas as a background to the study. This section briefly outlines some aspects of land tenure and land markets in rural Ethiopia and, peri-urban areas of Third World.

1.2.1 Land Tenure and Land Markets in Rural Ethiopia

State ownership of rural land is sustained to discourage and protect peasants from land alienation, and ultimate dispossession through market pressures. For some this is unfounded fear (for instance, Dessalegn, 1994). However, there are some evidences that informal rural land markets (including permanent transfers) are found operating alongside the formal government/ PA land redistribution. Unfortunately, both PA land redistribution and informal land markets do not seem without problems. Frequent land redistribution is accompanied with continuous declines in per capita holding size but not with parallel growth of productivity. As a result, a large number of peasant households in

rural Ethiopia do not produce enough food to satisfy their family consumption requirements. Worse, some preliminary study reports disclosed that poor rural households are transacting part of their holdings through the informal markets. This means, further decline in land area under self-cultivation of these sections of the rural society. (Abebe, 2001; Hussien, 2001). In particular, these informal rural land markets are redistributing land and other resources " towards the richer and away from the poorer households. Oxen ownership was found to be the determinant factor that engendered the mechanism of transfer of land use rights, which in turn would determine the redistribution process." (Abebe, 2001:1)

1.2.2 The Nature of Peri-Urban Areas

History of urbanization and urban-based industrial developments reveal that large industrial developments usually find place outside the main city areas. Such industrial areas are themselves associated with patterns of railways and highway lines, while the working class residential areas, through time, occupy the immediate nearby areas. The dispersal away from main city areas is conventionally a consequence of the high costs and congestion in the theoretically optimum city center location. Other factors of dispersal are, however, the large basic processing/assembly industries' large area requirement and a great deal of noise and pollution they create, and the easily and cheaply available land in suburbs, in particular. This is particularly true of assembly industries such as automobile industry, petroleum refineries, still mills, and other large new plants (Carter, 1981). Accordingly, fast growing urban regions influence rural land

use far in advance of the built-up area. In this respect changes in land use and farm size are inevitable consequences of urban expansion.

The changes in land-use and farm size have already been noted. The purchase of land for development leads to both smaller units and fragmentation of holdings. Where 'betterment' is not exacted for the benefit of the community, speculation by the purchase of fringe land in anticipation of development can create a deterioration in agricultural standards. Also where the 'urban fence' is ill defined or not well defended, vandalism from the encroaching housing estates can create problems, for such anti-social activities are not restricted to the inner city. Again the advance of the actual urban frontier spreads the wave of 'rural retreaters' and the rather large scale 'hobby of farmers' who seize opportunities to live in a rural environment and work on the land. (Carter, 1981: 323)

This means, haphazard and/or chaotic encroachment of urban landscape into its hinterlands create a number of social and economic problems. These problems largely originate from a complex land market and its associates created by the process. Carter illustrates the problem as follows:

Speculative buying of land in anticipation of development creates a complex land market, difficult to monitor.The manner in which a city expands as its fringes, the process by which land is taken into the city, the whole mechanisms of the various decision processes, all these are critical in the interpretation of the urban fringe which, indeed, has a claim to be the real transition zone of the city (Carter, 1981, 324).

In particular, many city vicinity rural areas of Africa are experiencing this phenomenon. Peri-urban areas of Third World countries may be generally characterized as areas of distinguishable packages of land related problems of rights and conflicts. Here, city/urban sectors' and urban moneybags' demand and competition for peri-urban land acquisition is intense. And, the demand rises far a head of the built up area. Furthermore, the demand often appears less effective demand, in the sense that it is often for speculative purposes and in anticipation of development. Peri-urban areas of Third World

countries are also victims of non-formal occupation (squatting) of the vast rural-urban migrants. They are also absorbents of their fast (and often horizontal) growing cities. And, it looks (and actually so) legitimate for the city to expand into and acquire its neighbor 'rural' lands.

In spite of their typically rural habitat conditions, rural districts in the vicinity of Addis Ababa City Region are also experiencing the beginning of the process of assimilation in the growing urban complex. Private investment is in progress in these areas. Land is the basic input for this purpose. Although one may still perceive agricultural land use in the study areas along the highway, the salient feature is that these prime lands are under conversion to modern urban type of land uses. In particular, a wide mix of land uses characterizes them. Primary, secondary and tertiary activities are (and will be in the near future) intermingled in a random fashion and it is this, which gives the peri-urban areas a distinctive quality as elsewhere in the Third World.

With this regard the facts in rural Ethiopia could be a good point of departure. One investigator stated "...That the number of landless households is growing, and that this is differentiated both in gender and generation is coming out boldly without requiring any fine-tuning." (Abebe, 2001: 6).

1.3 STATEMENT OF THE PROBLEM

Peri-urban areas of Addis¹ have distinctive characteristics that they are in the process of assimilation into the growing urban complex, however they are still largely rural, economically and socially. The very nature of urban expansion, coupled with recent government and private interests, is believed to affect the land tenure and related transactions of these peri-urban areas. Accordingly, the study areas² experience different types of land tenure and intense urban and agricultural land markets characterized by purchases, leases and rentals and rapidly rising prices, as a result of urban industrial/commercial investors and speculators acquiring agricultural holdings. More specifically, informal land markets³ are growing and operating along those considered formal⁴. The intensity of land leasing, renting, etc., whether formally or informally, is exceptionally high. This has serious implications for the peasant holders involved.

As far as peri-urban areas are concerned, the degree of security of land rights and land related conflicts require particular attention and investigation. Compared to rural and built up urban (city) areas, peri-urban areas experience by far less stable and more vibrant situations that peasant holders residing there may experience declines in ability to sustain ownership and/or use of their holdings (including grazing, fuel, etc grounds) and maintain their homes there, let alone accommodating the younger peasant generations claiming for

¹ As far as this research problem is concerned, the concept 'peri-urban area' is used to mean an area within the distance of 10 km from the boundary of Addis Ababa City Region Administration. In terms of the current administrative set-up of the country, these areas belong to the Regional State of Oromiya.

Accordingly, the Regional State administer these areas as though they are urban.

² Refers to the three PAs selected from Akaki District, Oromiya Regional State.

³ Refers to underground dealings between peasant holders and urban-based competitors for the purchase, rent, etc of the land.

⁴ Used to mean the official government lease tenure and peasant holder level contracts supposed to be regulated as per respective Regulation of The Regional Government of Oromiya.

the lands. If this process continues without changes, urban groups will occupy a large part of these areas, in the coming few years. The problem is, the process will likely be accompanied with exclusion and eviction of large numbers of the peri-urban area peasant holders.

Nevertheless the typical nature of the land tenure and land market prevailing in this areas are not known and studied. Hence, it is difficult to precisely tell the states of land security and land markets. A thorough understanding of the nature of land tenure and land market prevailing in these areas would help contribute towards reducing negative impacts.

1.4 Objectives

The major objective of the research is to explore the major types and features of land tenure and land markets prevailing in the peri-urban areas of Addis, and to investigate the factors that precipitated them. In particular, it examines the characteristics of those participating in the land market, sources of capital used to acquire land and terms associated with those transfers. It also seeks to gain a better understanding of the process by which land held by indigenous communities is transferred to urban groups enabling the conversion of agricultural land into commercial/industrial and residential uses. By examining ‘formal’ and ‘informal’ land transfers, the study also seeks to gain better understanding of the contradictions and frictions that exist at the rural-urban interface. More specifically, the study has the following objectives:

1. To examine the nature of land tenure in the peri-urban area of Addis Ababa;

2. To understand the formal and informal transactions of land that exist in the peri-urban areas;
3. To identify factors that explain the nature of land tenure and the performance of land markets in the peri-urban area, and
4. To forward suggestions that may improve the performance of land tenure and land market in the study area.

1.5 RESEARCH METHODS

1.5.1 Site Selection

Being located close to the national city and along the main road and railway outlet of the country, Akaki District of the Oromiya Regional State is the primary focus area of would be users of space outside Addis. Accordingly, a number of them are invading the district. The Regional Government also allows leasehold of these areas. On the basis of the Regional Government Policy and the intensity of demand and perceived use for non-agricultural purpose, Akaki district is purposively selected for the study. Within Akaki District, the study covered three Peasant Associations (PAs)- Gelan, Gogecha and Hechu. These PAs are purposively selected since they form a good case in terms of providing major indicators of the nature and dynamics of land tenure and land markets in the peri-urban area. Two villages from each Peasant Associations were further selected purposively, because of the intensity of changes in land use and land tenure in the district.

1.5.2 Data Collection and Methods of Analysis

Data are collected using-

1. Structured Formal Interview with selected peasant households or household survey.

2. Structured Informal Interviews with key informants.

In order to conduct the household survey, a sampling frame was prepared for each selected villages by listing household heads with the help of PA leaders and Development Agents (DAs). Then after, simple random sampling was employed to select 20 household heads from each selected village. This makes 40 household heads per PA and a total of 120 household heads for the district. This means, sample size is predetermined and equal for each of the selected villages and PAs. To fulfill defined information objectives noted earlier, hut-to-hut and village-to-village visit was started and carried out immediately in the selected villages of the three PAs. 97% of these have been accessed and interviewed solely by the author between March 3rd and April 21st, 2002. The questionnaire has three major parts- Background Information on the Respondents, Land Tenure, and Land Markets.

In conjunction with the Household survey, unstructured interviews and discussions were carried out with several key persons in the three PAs. These mainly include, PA and community leaders, the elderly, resident Development Agents, and district level Agricultural Development professionals who are believed to have intimate knowledge of past and current developments/changes in the PAs. Information collected from the key persons include changes to land, agriculture, peasant holders, settlements, land tenure and land markets, general problems and prospects of peasant communities, etc, with general reference to both land tenure and land markets.

Information was also collected from the Regional Zonal and District level Government Officials either directly or indirectly involved in the management and monitoring of the transactions. Information from these government officials will help understand the policies and strategies followed pertaining to land tenure and land market in the study area.

Method of Analysis

A mixture of approaches was used to achieve the purpose and objectives of the study. Accordingly, the procedure used to solve the research problem was as follows: first, relevant literature (theories, policies and issues surrounding land tenure and land markets, patterns and impacts of urbanization, etc.,) was reviewed and relied up on as a starting point. Second, the peri-urban area land lease and investment policy of Oromiya, physical and socioeconomic characteristics and constraints of Akaki District in general, and demographic and socioeconomic characteristics of the study area population in particular, were related. This was achieved through the utilization of both primary and secondary sources such as published Census reports, proclamations, rules and regulations and, unpublished official data and survey reports. Third, empirical evidence with regard to systems and features of land tenure and land markets prevailing in the study area, characteristics and constraints of peasant holders participating in the formal and informal land transactions and processes and modes of land transaction is processed, identified and related. Finally, conclusions are arrived at on the basis of:

- Relative prevalence of identified land tenure and land markets considered formal and informal;

- The extent to which peasants in the study area have transferred their rights to others and ending up landless;
- The extent to which the peri-urban lands are concentrated in the hands of urban industrial/business individuals;
- The extent to which official lease tenure generated constant fear of dispossession and eviction among the peasant holders;
- The extent of land grabbing and land speculation by urban elite; etc.

Limitation of the Study

The scope of this study is limited. Spatially it focuses only one of the five districts of Oromiya found bordering the Region of Addis Ababa City Government. Moreover, it does not intend to provide trends and impacts of the issue. However the peri-urban area lease holding has been one of the controversial issues amongst various interest groups, more definite statement as to how it affected (and will affect) national/regional economic efficiency and the multifarious problems of the the peasants residing there requires more detail and wide assessment. This requires a heavy resource commitment, which is largely beyond the reach of the researcher. With this regard the author wishes to mention some of the major problems encountered during the study. It was unfortunate that the researcher faced all the problems related to resources. Financially, neither the university was willing to meaningfully cover even one component of the costs associated, nor alternative or supplementary source was found. Thus, unable to hire assistant enumerators and to get required logistic support, the fieldwork was costly to the researcher. However the direct contact between the researcher and the informants has undoubtedly enhanced the quality

of the data collected, the fact that it costed longer time means little time is spared to process, analyze and interpret the data. These problems are exacerbated by the lack of literatures specifically focusing such issues of peri-urban areas. If not for these constraints, quality of the output would have been much better.

Yet, it is assumed that the study is invaluable for it discusses one of the ever-important issues: land tenure and land markets in general, and the related problems of peri-urban areas and communities residing there, in particular. Thus, the author hopes that the study and its outputs, the first of its kind, will make it possible to gain a meaningful picture of land use and land relationships in the study area and will help agents working towards realistic and socio-economically viable development.

1.6 Significance of the Study

The relevance of comprehending the nature and incidence of peri-urban area land tenure and land markets is immense. Being one of the dimensions of city-rural hinterland relations and urban field development, an understanding of the specific issue of the nature, incidence and consequences of land tenure and land markets is of strategic importance particularly for planners in the country and the regions. An understanding of the issue will result in more efficient, participatory and responsive land management for regional development in general and urban field development in particular.

In addition, the study can contribute in filling the gap in the literature regarding the understanding of peri-urban land tenure and land markets in the vicinity of Addis.

The study also contributes to urban field development in Erhiopia. The Urban Field Development of Ethiopia programme, while hopping to build a bridge between city development and rural development, has already expressed the importance of studying the real situation of people involved and the desirability of detailed review of activities and initiatives of government, NGOs and other actors implementing different programmes in the Urban Field. This is intended to assess if alternative priorities and initiatives could be there for guiding future action. The study is, therefore, in line with the objectives of UFDE programme.

1.6.1 Organization of the Study

The first chapter, which is the introductory part, provides background information and research methodology used. Chapter two provides a review of relevant literature. Chapter two is overview of the literature on land tenure and land policies prevailed in Ethiopia. Chapter three introduces the study area. In this part, an overview of the physical and socio-economic characteristics, opportunities and constraints of the district, and the state of land transactions are presented. This part also introduces the selected Peasant Associations (PAs) and villages (location, population, etc.) and provides background information on the selected households. The empirical findings of the fieldwork are presented in chapter four. This deals with the mode of acquisition of land, the extent of rental transactions, characteristics of renters and rentees, formal leasehold market, informal transactions and tenure security and conflicts. The final chapter (Chapter five) is

identification and assessment of the main themes and issues, conclusion and recommendation.

2 LITERATURE REVIEW

2.1 THE CONCEPT OF LAND TENURE

2.1.1 INTRODUCTION

The concept of land tenure may be briefly stated as the terms and conditions on which land is held, used and transacted (Adams, et al, 2000: 135). Access to use of land can be acquired in different ways. Besides, it may vary with circumstances of life. That is, the concept includes changes of status of holding as from short term to long term or permanent. Depending on state/conditions of life, land may be loaned, rented or even sold. Thus, land is a kind of source of financial security and, basis for the wealth and livelihood security of future rural generations.

According to one investigator, the ownership, inheritances, disposal, etc., of land (i.e. Land tenure) tend to show various details. Spatial variations in cultural traditions and historical backgrounds, type of land use, socio-economic structure and government policy the major factors responsible for multiplicity of forms of land tenure and variation of ways of access to use of land (Tadesse Araya, 1968; Doebele, 1983: 70).

The issue of land tenure (or access or lack of access to land) is deep rooted in human emotions, irrespective of the socio-economic class one belongs to or political philosophy of counties. It is believed to influence an individual's sense of participation in a society and the level of investments in land. In many parts of the world, notably many parts of

Asia and Latin America, dependence and marginality of part of the rural and urban population on the one hand, and security and relative economic independence (of others) on the other hand, is recognized a function of degree of access to ownership of land.

One of the key issues associated with systems of land tenure is the issue of tenure security (Strasberg, 1999: 12). In rural areas in particular, land is a basic means of subsistence and source of income that access to land and security of rights are of primary concern in attempts to eradicate poverty. In rural areas, the degree to which family labour is engaged in productive (farming) employment, get secure source of food, or rural workers enjoy supplementary source of livelihood is a function of access to land.

The concept land rights touch so many aspects of concern with respect to access and rights to land including both individual holdings and those shared by multiple users i.e., the so called 'commons'. In their article titled 'Land Tenure reform and Rural Livelihoods in Southern Africa, Martin Adams, et al illustrated the various components of the concept 'land right' as follows:

- Rights to occupy a homestead, to use land for annual and perennial crops, to make permanent improvements, to bury the dead, and to have access for gathering fuel, poles, wild fruit, thatching grass, minerals, etc.;
- Rights to transact, give, mortgage, lease, rent and bequeath areas of land;
- Rights to exclude others from the above-listed rights, at community and/ or individual levels; and
- Linked to the above, rights to enforcement of legal and administrative provisions in order to protect the rights-holder (: 135)

It is widely recognized that the issue of land tenure is the source of considerable cultural, social and political conflicts. This is mainly because:

Land is both a basic physical resource and a unique social and economic commodity. Land use and nonuse are pivotal to the economic and social health of rural areas, cities, regions, the nation, and the ability of individuals to acquire and maintain homes in a stable yet vibrant rural and urban places (Harvey, 1999: 6).

2.2 Systems of Land Tenure

There are varieties of recognized land tenure forms throughout the world. Land tenure and/or rights over land show spatial variation not only from country to country, but also from place to place within the same country. As stated earlier, the nature depends on cultural traditions and historical backgrounds, type of land use, socio-economic structure and government policy, among others (Doebele, 1983: 70). However, land tenure systems may be conveniently classified into four major ones- common law land tenure, civil law tenure, customary tenure, and state-owned land tenure system (Addis Ababa City Adm.: 8).

Common law land tenure: this signifies a system under which ‘multiple rights’ such as the right to use, to ownership of products or income from it, to sale and/or transact are held by different groups. Hence, under such a system of management land is absolutely not a private property. Rather, the people commonly hold a ‘bundle of rights’. For instance, the right to use an income earned from a given parcel of land may be held by one individual, while development right of the same land (or alternative high value use) can be held by the other. Such a tenure system is reported found mainly in England and her former colonies such as Hong Kong, Kenya, Ghana, Zimbabwe, Australia, etc. (Addis Ababa City Adm.: 8-9).

Civil law land tenure: this tenure system allows full private ownership of land. Short of violating any public interests (laws, guidelines, etc.) the proprietor has the right to use, to sale or transact, and/ or to inherit if required. Nevertheless, the civil law land tenure system is also not absolutely free from government intervention. The government imposes various legal limits intended to promote socially acceptable uses. This system of land tenure is reported operational in countries such as France, Portugal, Spain, etc. (Addis Ababa City Adm.: 9).

Customary tenure system: is the one mainly found in Africa and, some parts of Asia. Under this form of tenure, institutions managing the allocation and use of land are not a kind of so called ‘modern and legal’ but traditional. More specifically, it is the management of land through tribal chiefs, kin or extended family groups (Addis Ababa City Adm.: 9). This form of land tenure is often associated with countries where land is not only abundant but also evenly distributed

Nevertheless, although many Sub-Saharan Africa rural households may be characterized as enjoying access to a plot of land (holding) plus large areas of common grazing, gathering and hunting, etc., land (commons), conditions seem to have under change. Their access to land (through customary tenure) is deteriorating from time to time because of the declining availability of agricultural and common land. Among others, this is the result of ever increasing population and demands for non-agricultural use of land by urban sectors and governments (Julian Quan, 1998: 4; 2000: 32).

State owned land tenure: the basic reasoning behind state tenure is land's basic characteristic- it is a resource provided by nature (i.e. natural resource). Besides, political and ideological reasons are believed to be the underlying causes for the emergence of government/public direct ownership and control of land in a number of countries (former socialist countries are the case in point). This form of direct government (state, public) intervention is intended to control negative effects of markets, mainly land grabbing, and consequently, to replace it by planned system of allocation and transaction. Nevertheless, in response to the requirements of the free market economic system introduced in a number of countries, this form of land management is under change, either to full private ownership or to lease tenure system, (Addis Ababa City Adm.: 9-10).

Based on Anglo-American concept of property rights (elaborated above) Doebele has managed to introduce a simplified set of basic tenure categories prevailing in developing countries (Doebele, 1983: 71). These are summarized (as applied generally to a given parcels of lands) as follows:

Non-formal, de facto tenure: refers to land occupied and used illegally as in the form of 'squatting', for residential purposes, common in the vicinity of major third world cities. This is probably the most insecure form of 'tenure'.

Private freehold: refers to the most familiar form of tenure in which a private individual or corporation owns outright, and market forces dictate land use and disposition, except

to the degree that public controls apply. It may or may not be subject to mortgage, depending on legal systems of a country.

Private leasehold: refers to a condition under which a private owner leases to a private individual or firm for a given term of years, likely with restrictions on certain type(s) of uses or activities. It includes the so-called 'rental market'.

Public freeholds: exists when a government agency is full owner of portions of land for the purpose of parks, sites for public buildings, forestry, conservation, recreation, etc., particularly in urban contexts. While such public freeholds commonly prevail in formerly rural peri-urban areas, the phenomenon of third world urbanization necessitated their transfer for other urban uses. Such facts of Third world urbanization appear responsible for the emergence of public leaseholds.

Public leasehold: refers to tenure arrangement under which portions of land owned by a government agency are rented to a private individual or firm for a specified period of time. Doebele has the view that one of the underlying causes behind tenure reforms in the urban field is to get access to such potentially developable (for urban purposes) lands.

Tribal/communal ownership: this is probably the oldest form of land tenure under which the ownership, allocation and management of land lies in the hands of kins and tribal groups. Moreover, this system of land tenure is reported persisting even after consolidation of tribes into feudal and, eventually nation states that the king was seen as

the universal landowner, granting certain land rights to his intimate supporters. In spite of the apparent radical changes to such a concept, however, the 'doctrine of expropriation and modern arguments that all land ownership is a type of stewardship, a public trust under which private persons must have due regard to the general rights of society' its persistence in another version. It worth noting that the consequences of such traditions in the context of urban areas of Africa is a more pressing problem leading to preferential allocation of land to some members of influential groups 'at lower than market prices'. Such pressures are too strong to be overlooked in the formulation of effective policy, Doebele suggests, particularly for low-income groups (Doebele, 1983: 72-73).

Modern communal ownership (Public/State ownership): this form of tenure is believed to exist in some developing countries. This type of tenure, also called public ownership of land, ultimately gives the state the power to control ownership, alienability and price of land. The system not only have sociological backgrounds but also designed to arrest middle income groups' land speculation and dispossession and eviction of the poor through buying of more attractive holdings. Besides, in other cases, such "control over tenure and land use, arisen as part of the community-perceived need for a highly unified organization in the face of external threats, especially from government." (Doebele, 1983: 73)

Although major land tenure systems prevailing throughout the world are conveniently classified (above), in practice, different forms of tenure are believed to operate side by side in a number of countries. Differences in the level of development and cultural

backgrounds are believed mainly responsible for such a multiplicity. (Addis Ababa City Administration: 10).

2.3 Advantages and Disadvantages of the Main Forms of Tenure

There are a variety of apparently conflicting views about the nature of land tenure. Nevertheless, Doebele has the view that land tenure is a main tool of overall development policy, performing both direct and active and indirect facilitating role. Land tenure strongly interacts mainly with capital/mortgage market elements of and economy, significantly affects the local tax base and the quality and return of investment undertaken in land and structure (Doebele, 1983: 63-64).

Thus, Doebele suggests that evaluation of effects of prevailing land tenure should be approached in the context of overall “package of legal structure and policies about land use and urbanization that collectively have desirable or undesirable effects. Advantages and disadvantages apparently associated with a given type of tenure may be observed in its ‘actual effects at a given time and under given circumstances’. However, because effects of various policies are often found overlapping, there is no as such an easy classification. That is, difficulties arise in isolating effects of individual tenure type. Nevertheless, tenure does have significant effects, and certain forms are more compatible with particular policy objectives than others.” (Doebele, 1983: 75). However, no individual tenure system is likely to meet all the requirements and objectives of security, flexibility, and equity (Dunkerley, 1983: 12).

In principle, private ownership of urban land should enhance investment, productivity, and security; public ownership could be quite responsive to demand and equitable; public ownership combined with leaseholds can be quite responsive to demand, productive, and permits a high degree of co-ordination between government policies and appropriate use of land; communal/tribal ownership is very high ranking in promoting equity at least, within the defined group and, represents continuity for rural migrants to urban areas.

These theoretical advantages are, however, subject to practical limitations. The theoretical advantages of private ownership (including freeholds and leaseholds) are spoiled by market imperfection, at least in the short run. Land use may run against public interest, economic inequality may be exacerbated. Besides, if freeholds or leaseholds are distributed on a subsidized base not only the costs may limit the programme, by also undermines the basic concept of equity because only few enjoy the benefits.

Public ownership is also not without problems. As much it provides the opportunity for more rational land uses it provides the opportunity for abuses, i.e. wide scope for corruption. Besides, public leaseholds may face a number of technical problems. In practice, transfers may be slow and relatively inefficient. Limited adaptability (due to bureaucratic insensitivity) to changing social and economic needs, administrative complexities and/ or management in competency of public bureaucracies and, difficulty of the process of negotiation and expropriation, and, where the public land agency is local, conflicts with national policies are the major technical problems constraining

success of public lease tenure in a number of Third World countries (Doebele,1983: 75-91)

2.4 ECONOMIC THEORY OF LAND TENURE AND LAND MARKET

2.4.1 Economic Theory of Land Management

The free market economic system vigorously prescribed by neoclassical thinkers requires various types of new markets for commodities, labor, inputs, and capital including land itself. And, land markets are expected to be stable enough to convey security of tenure and to provide ready access to real estate property, among others (Stanfield, 1995: 12).

As far as land is concerned, economic theorists may be generally characterized by their belief in the presence of positive relationship between enhanced security, duration and enforceability of property rights on the one hand and the development of land markets and accelerated national economic growth and development on the other hand. In other words, they tend to take it for granted that the level/ pace of national economic growth and development is a function of formalized land tenure and/ or individual land titles and the emergence of markets to rent and sell land. Quan stated the arguments of Orthodox economic analysts as follows:

Land markets, in theory, enable the transfer of land from less to more efficient producers, thereby increasing yields and agricultural output. Orthodox economic analysis argues that only individual tenure can confer certainty in land rights, facilitate access to credit, and foster the emergence of such land markets (Quan, 2000:35)

Moreover, they argue that market transactions in land offer net benefits for buyers and sellers

In a rational world of perfect markets, inefficient producers will benefit from selling their land, because the market value should exceed that of the income stream they are able to generate themselves. (Quan, 2000: 44).

They have contingency explanation if this does not happen in reality- market distortions may prevent the development of such perfectly free and fair land markets. Their explanation of market distortions include inflationary macroeconomic environments which generate uncertainty in investments under which speculative purchase of land is secure investment; smallholders or community members lose access to land and/ or any benefits from transaction if there is strong incentive for local authorities to control the transaction; a variety of hidden subsidies and tax incentives can artificially inflate land values; smallholders' inability to enter the land market due to prevailing partially non-monetized economy and lack of access to capital or sources of finance; low levels of literacy, inadequate market information, and distress sales occurring during times of hardship/adverse climatic conditions, poverty, etc., allow the poor to be exploited in market transaction by the better off (Quan, 2000: 46-47).

2.4.2 Aspects of Land Markets

Different theories have attempted to explain land markets. The chief subject of neoclassical economics is supply and demand, the interaction of which results transaction prices, and efficiency of the market's operations, barriers to smooth interplay of supply and demand. Marxist theory, on the other hand, is more interested in the fairness of market results with regard to who incur the costs and enjoy the benefits including the social costs and benefits of market exchanges. While Marxist theory has little concern for allocation of land for various uses neo-classical economics defines it as a function of market demand, location, and physical qualities and concerns for the efficiency of the system of land use arrangements for production of goods and services.

Thus, the difference between the two lies, according to Mattingley, mainly in focus that could not be considered contradictory. Accordingly, his view is that:

Understanding the urban land market means understanding matters from both these approaches: the interplay of supply and demand and the economic costs and benefits, as well as the roles of the social agents in the production of land prices and the social costs and benefits involved. (Mattingley,1993: 103).

Nonetheless, Mattingley has also raised the issue of ‘convenience’ of land market in the sense that it is fragmented in various but probably interconnected ways including, for instance, into major land uses, income groups’, location itself, formal and informal markets- aspects not well addressed by the available theories. Nevertheless, combinations of the two theories help identify the elements of what Mattingley called ‘market activity’, and depict important matters, which may affect or be affected by government intervention (Mattingley: 103-104).

Formal and Informal Land Markets: what Quan called ‘conventional wisdom’ about economic growth and development advocates formal land markets. Nevertheless, irrespective of differences in tenure, both formal and informal land markets are growing and active throughout Africa. According to some studies, land transactions prevalent throughout Africa include- the buying and selling of freeholds, as well as temporary transfers such as lease and rental; long and short term informal land borrowing, including

land pledging; land mortgaging; land exchanges; land pooling and other informal arrangements.

Land Markets in Relation to Location and Land Use: Both formal and informal land transactions are identified spontaneously developing in high potential and peri-urban areas, and those with high population densities. The land policy research of Uganda has managed to determine the extent of rural land markets and the relative values of land transferred. While disclosing the existence of a rural land market and market values for land being transacted, the work also identified the variation of market price, from place to place, in accordance with the type and tenure of land being offered. And, contrary to the conventional wisdom, freehold tenure system has not been found out a necessary condition for the emergence of land markets (Marquardt, 1995: 5).

The unprecedented increase in the Third world urban population has ever increasing the demand for urban land. This ‘exceptionally’ high demand is primarily met through conversion of agricultural/ rural land in the peri-urban areas. The demand increases the economic value of land near urban areas. In anticipation of the increase in rent and capital values, prices for rural land near urban areas will start to rise several years before the change in use. Market values are usually based on economic rents, type of tenure (rights), development of capital markets (Dunkerley, 1983: 6-9).

Government control of the price and markets for land sometimes encourages the development of new demands and allocations of land in easily accessed and low priced

urban fields. Expansion into relatively low priced peri-urban areas, for instance, may be a strategy of avoiding/mitigating high prices of land within the boundaries of built up city areas (Walters, 1983: 41). Such trends, among others, are responsible for overextended urban and peri-urban landscape, low job density and persistence of obsolete structures in the older central areas. This in turn give rise to urban center (or a city) trapped by a number of problems, including sparse settlement, higher costs of transport, higher infrastructure development and management costs, high cost of urban service provision and, excessive wastage of working hours (Addis Ababa City Administration: 15-17).

Land Markets and Socioeconomic Groups: Free market theorists predict that these (transactions) results growth that benefits all parties involved, including the poor landless/ dispossessed without title, through employment creation and other “trickle down” effects. (Roth, 1993: 315-316). However, evidence from a number of countries point to the contrary. For instance, the adoption of formalized titles in Kenya generated increased concentration of land ownership in the hands of those influential and formal title holders that the reform is accompanied by heightened inequalities in land ownership and agricultural incomes, which in turn led to increased landlessness through land sales, rising rural unemployment, diminished food security and increased vulnerability, increased level of disputes, growing rural-urban migration, etc., caused by reduced opportunities for share cropping and tenancy opportunities or/ amongst groups whose access to land has been diminished by the titling process. Furthermore, the formalization of land tenure has been found out of having differential impacts within households and between different social groups. The weakening of customary rights through the

introduction of formal ones (particularly registration) brought about increased insecurity among wives, children and landless farmers. In particular, widows, those without off-farm incomes, and those with no male heirs experienced severe insecurity (Quan, 2000: 35-37).

For these reasons, Quan concluded that the introduction of formalized tenure:

benefited powerful private interests, creating opportunities for land concentration in the hands of political and other local elites, with few safeguards for the non-formalised land rights of local communities. There is no clear evidence to show that land titling has led to greater agricultural growth. The links between formalized, individual property rights on the one hand, and the emergence of land markets and availability of credit on the other, are also questionable..... on the other hand, titling has in some cases led to increasing landlessness and poverty, by undermining the livelihoods of those depending on customary land rights (Quan, 2000: 35).

Michael Roth's (1993) survey of Somalia has also revealed similar results with respect to lease tenure. Among his findings is concentration of holdings among urban-based speculators officially promoted to acquire land. Immediately after liberalization a large number of companies (private, co-operative, state) applied for leasehold of unregistered but already settled land. The final outcome was, it is identified, the displacement of existing smallholders and crop cultivators who lacked the financial, legal and information resources.

Furthermore, as demand for land resources has grown, land access has become more restrictive for farmers and their children. Thus prices of land skyrocketed. It seems interesting to note that prices rose thirty (30) times in about a decade that speculative

purchase came to be lucrative investment (Roth, 1993: 307-315). For the peasant holders this ultimately resulted in “Acute land scarcity, limited financial resources for its acquisition, and succession leading to uneconomic size of holdings combine to force offspring more and more to seek non-farm employment or return to nomadic life.” (Roth, 1993: 315).

Similar evidence is also disclosed by studies in Uganda. Thus it is stated: “while land markets do unfortunately lead to the emergence of a landless population, they also appear to be instrumental in helping certain categories of households... and outsiders gain access to land” (News Letter No. 73, 1995: 5). It worth noting, however, that increasing population densities tend to weaken rural land markets and, consequently, the opportunity for access to land through markets for those landless households declines.

Furthermore, the impacts appeared to vary not only from country to country but also within different parts of the same country. For instance, concentration has been experienced in Rwanda and some parts of Kenya, while in other parts of Kenya and parts of Uganda the establishment of land markets has resulted in more equitable distribution. This land policy research of Uganda have identified certain situations, nevertheless, where markets in land lead to concentration of ownership and acceleration of landlessness. Although sometimes linked to abuse of power by local authorities who alienate community land to outsiders (e.g., South Africa, Ghana), this may occur where land markets develop in chaotic fashion in peri-urban areas. Poor households’ distress

sales are also another example. Moreover, illiteracy, combined with inadequate market information exposes the poor to be exploited by the rich, in market transactions.

Evidence from Rwanda show that high population densities and sever shortage and fragmentation of land and widespread landlessness particularly among the young accompanied by absence of public investment in agricultural diversification and development of off-farm employment, among others, can intensify land disputes and informal sales (Quan, 1998: 10). The general view with respect to poor households with less employment opportunity outside agriculture is, however, that they are less likely to sale all their holdings. Another finding on land markets is gender differential impacts of land markets. It is disclosed that in cases where their husbands alienate family land, poor women might suffer.

In Quan's view, under conditions of market distortions of various sources formalizing property rights can exacerbate problems of concentration of land ownership. And, any economic benefits, including facilitated transfers of land to the urban sector, are enjoyed by the better off at the expense of the poor (Quan, 2000: 45-47). For these reasons, it is believed that any tenure reform should be evaluated from the angle of its adequacy to enhance livelihoods. That is, their likely impact on people's asset status, particularly access to capital assets (such as finance, land, natural resources, social capital) deserve particular attention. The concern is legitimate in the sense that for those relying on land for their livelihood "a secure place to live free from threat of eviction, with access to productive land and natural resources is essential..." (Adams, et al, 2000: 138). This

particularly addresses tenure related issues prevailing in per-urban area 'holdings' and 'commons'. In these areas, spontaneous settlements and land grabbing by urban sectors is common that former users of the lands (often poor), are threatened by insecurity. The authors have the view that the poor often prefer and accept secure tenure arrangements and sustainable economic opportunities in his village than moving to government sponsored new locations (Adams, et al, 2000: 137-139).

Strasberg has tried to investigate the perception and experience of smallholders in the vicinity of state/ or private farm companies with regard to tenure security. With this regard the research findings (Mozambique) indicate that conflicts over land (either with outsiders or between the communities themselves) were considered a serious concern among 4/5th of the communities, while nearly half of the respondent smallholders expressed concern about losing land in the future. Moreover, the researcher has addressed the relationship between land access and household income. Household income is reported closely linked to farm size in areas with a weak non-farm economy. Thus, those with less access to land (other than neighbors) are likely to be significantly poorer (News Letter No. 77,1999: 1-4).

2.5 Trends in Land Policy

The relationship between man and the land it inhabit, including institutional mechanisms set up to regulate the relationship, has been experiencing change throughout the history of mankind. Needless to say, these changes are always invariably accompanied by changes

in the distribution of wealth, socio-political harmony or disharmony, and the state of ecological resources.

The last three decades' sociopolitical changes (the end of the Cold War and globalization, the rise of environmental movements, awareness of the inefficiency of centralized bureaucracies) and remarkable growth of information technologies necessitated fundamental changes in the institutional set up of land management and land administration. Among these, trend towards making land rights more marketable deserve mentioning. With this regard, in the former socialist countries, the first step to market oriented economy has been the transformation of state or social property to private property. Malcolm Childress described this effort as 'the massive privatization programme' (Childress,2000: 12).

The basic assumption behind the drive for the so called more tradeable land rights is that they are better means of achieving public economic, political, redistributive, and ecological development policy objectives. For these reasons, even government led land reform policies in a number of countries are increasingly relying on land market mechanisms.

There are controversies surrounding the drives for this transformation, however, both in academic and political arena. The debates generally address- whether the formalization of land titles is necessary in the first place; if necessary, whether they are sufficient for the

emergence of land markets and economic growth and development; bureaucratic capacity (technical, financial, etc.) to establish formal titles; and the nature of impacts.

Recent developments with regard to approaches to land management may be distinguished by attempts towards integrating apparently different systems of land tenure. This is expressed through operationalization of either freehold and/or leasehold tenure systems. Meanwhile, nevertheless, there are divergent views on theoretical basis (Addis Ababa City Administration: 10) and practical impacts. Policy dialogues with respect to freehold and leasehold has a long history. It is underway since 19th century. In principle, it is freehold tenure system which realizes absolute legal ownership and security of tenure. Leasehold on the other hand legally imposes limits on terms of use and transfers. A number of research findings are, however, disclosing that the difference between the two is mainly theoretical and legal. As far as efficiency and productivity (Addis Ababa City Administration:11) and ultimate ownership (Doebele, 1983: 87), other impacts equity, etc. is concerned the two forms appeared to have no difference.

2.6 THE NATURE OF LAND TENURE AND LAND POLICIES IN ETIOPIA

2.6.1 Evolution of Land Policy in Ethiopian

Scholars have extensively examined Ethiopian rural land issues. In contrast, literature on Ethiopian urban lands is scant (Solomon, 1994). For instance, among 17 papers presented on the Second Workshop of the Land Tenure Project held October 1994 only one addressed the issue of urban land in Ethiopia. The following are few points from the extensive rural land literature which have relevance to and implications for the research at hand of this extensive Ethiopian rural land literature.

Tadesse (1968) has the view that according to the legal tradition of Ethiopia, all land in the country was the property of the state. Only the state had the absolute right of “ownership”. That is, the right to dispose off and revoke land on temporary or permanent basis. With Emperor Menilik’s drive for formation of feudal empire all conquered lands become personal property of the emperor (Horvath, 1966: 121). However, since then, a number of changes in land tenure system have occurred. And, in spite of regional variations, the changes were towards private ownership of land by faithful followers of the emperor, including the nobility, governors, the church and clergymen. Such principle of private ownership of both rural and urban lands was sustained (constitutionally) and continued to operate throughout the reign of Emperor Haile Sellasie (Solomon, 1994: 279-283; Horvath, 1966: 121-123).

Evolution of Urban Land Policy in Ethiopian

The type of land tenure prevailed in ‘Finfine’ area, before the establishment of Addis Ababa, may be generally categorized under the so-called tribal land tenure system.

Horvath describes the indigenous Oromo tradition of descent and inheritance system in the area before the establishment of Addis Ababa as “patrilineal with only the eldest son inheriting the land (primogeniture)” (Horvath, 1966:121). However, beginning from the consolidation of the communities into the emerging Feudal Empire and the establishment of Addis Ababa a number of changes in this traditional land tenure system has occurred. Accordingly, just after the establishment of Addis Ababa as the national city in 1886, Emperor Minilik allocated the land around his palace to his loyal members and the nobility, to churches and clergymen, expatriates and foreign legations residing in the country (Horvath, 1966:121-122; Solomon, 1994: 279-280).

For a decade after the establishment of the city, however, the Emperor issued no formal urban land policy legislation. Thus, land allotments (use rights) made to his followers were, at least in theory, not permanent that the rights to use were at the emperor’s will. It was the intensified pressure of the various important personalities that brought about significant changes in land tenure system in the city (Horvath: 53-54). Hence, the first Urban Land Decree, ratified by Menilik in 1907 allowed purchase and permanent occupation of the city land (both from individuals who already got use right and the government), authorized registration of lands held through purchase, etc. up on completion of which the purchasers were given title deeds, including the right to resale, mortgage, get compensation in case the land is needed for public purpose. This principle of private ownership of urban land was adopted in the 1931 and 1955 (revised) constitution and continued to operate throughout the reign of Emperor Haile Sellassie (Solomon, 1994: 279-283).

The system was, however, accompanied by at least one serious problem—concentration of extensive land in the hands of a few landlords and denial of access of the largest majority population in need of the lands, and continuous increase in the value of land and house rent. This has been reported to be the major cause behind the 1974 popular uprising and the 1975 Rural and Urban Land Reform (land nationalization) of Ethiopia by the Derg Regime (Solomon, 1994: 279-283).

The impacts of the Derg land policy was however negative. “Contrary to the policy intention ..., a conducive environment was created for corrupt bureaucrats who were responsible for distributing free urban land and their favorites to receive land more than once. They sold the land to others who did not have connection and through such illicit transfer of urban land they became economically powerful.

The urban land policy of the Derg administration is a classical example of how policy and reality go in parallel lines. It is also an example of how a policy that does not take societal reality into account is bound to further complicate and worsen the situation it set out to address (Solomon, 1994:287)

2.6.2 Post Derg Ethiopian Government Land Policy

The current constitution of the Federal Democratic Republic of Ethiopia maintains state ownership of land. It is stated, in the Constitution, that:

The right to ownership of rural and urban land, as well as of all natural resources, is exclusively vested in the state and in the peoples of Ethiopia. Land is a common property of the national, nationalities and peoples of Ethiopia and shall not be subject to sale or to other means of transfer (article 40, sub-section 3).

In its next sub-section (Article 40, sub-section 6), the constitution affirms the re-continuation of land re-distributions and reallocations. Article 40, sub-section 4 states that “Any Ethiopian who wants to earn a living by farming has a right, which shall not be alienated, to obtain, without payment, the use of land. Law shall specify the implementation of this provision.” (Article 40, sub-section 4)

In three successive sub-sections, the constitution provides for the granting of land to private investors, for the protection of investment on land, and for the reservation of right of the government to alienate private property. Thus it is stated:

Without prejudice to the right of nations, nationalities, and peoples to own land, government may grant use of land to private investors on the basis of payment arrangements established by law. (Article 40, sub-section 6)

Every Ethiopian shall have the full right to the immovable property he builds on the land and to the improvements he brings about on the land by his labors or capital. This right shall include the right to alienate, to bequeath, and where right of use expires, to remove his property, transfer his title, or claim compensation for it. (Article 40, sub-article 7)

Government has the power to expropriate, in the public interest, private property. In all such cases, government shall pay compensation in advance commensurate to the value of the expropriated property (Article 40, sub-article 8).

This land policy is also not without controversies. The controversies and/or arguments mainly revolve around the right to ownership of land and land based resources, the degree of clarity, consistency and viability of its sub-sections (3-8), tenure security and other implications for the peasant holders in particular. As noted above, the

constitution maintains state ownership of land. And this appeared the basic issue of controversy. According to Dessalegn, expressed reasons and /or justifications for maintaining state ownership of land is to discourage and protect peasants from land alienation, and ultimate dispossession through market pressures. The view is thus stated:

If private ownership is legislated ...a) large numbers of peasants will sell, heavily mortgage or otherwise transfer their rights to others and end up landless;...b) there is the fear among a section of post-Derg PA officials that privatization will allow the upper peasantry to dispossess the poor, and land will be concentrated in fewer peasant hands; rural society will become divided into the rich and the poor, the latter ending up as dependents on the former; and c) some professionals hold the view that there is considerable investment capital lying idle in the urban areas which will be used to buy up rural land and thus create a class of landless peasants. Land will thus be concentrated in the hands of business, urban or non-indigenous elites. (Dessalegn, 1994: 11)

This land policy has also generated considerable air of uncertainty and insecurity among the rural landholders. The presence of pressure groups in favor of land redistribution, land expropriation and other state 'exactions' are frustrating them. Furthermore, severe land shortage, high levels of landlessness and unemployment (particularly of the younger), rural poverty, accompanied by abundant but ever increasing population are degrading peasants' ability to withstand any shock/ stress in the economy. Few (if any in some areas) land remained to be brought under cultivation by the efforts and technologies at their disposal. Younger peasants represent the majority in the landless peasants. And worse, their parents rarely afford to allocate to them some from their holdings nor the opportunity for off-farm employment and employment in the urban areas that they largely remain unemployed.

Besides, common grazing lands, woodlands and other forests have either already disappeared or are disappearing at an alarming rate among the many densely populated parts of rural Ethiopia.

A number of practical problems may also appear when one tries to fathom the applications of the provisions of Article 40, sub section 7. Since Ethiopia is one of the World's least developed countries, with only limited resources and underdeveloped infrastructure and administration, it will obviously be difficult to administer fair compensation to impacted farmers, social costs may be enormous. Besides, state lease holds, neither regenerates peasant confidence (lost during the Derg period) nor necessarily promotes tenure security (Degene, 1999).

Peasants of rural Ethiopia appeared to have dynamic view of land tenure. Even during the Derg time, peasants appear to manipulate the land tenure system to suit their needs. Accordingly, land rentals, share cropping, joint use, long or short term contracts and even occasional land mortgages and selling/ purchasing itself are identified in different parts of rural Ethiopia. In fact, the nature of land tenure and land transactions so identified were not equally important /significant in all parts of the country. They tend to show spatial variation in accordance with the degree of relative scarcity of factor inputs, including land, traction power and labor, and social customs (Dessaiegn, 1994:).

2.6.3 The Land Lease Policy

Attempts to transfer Ethiopian economy began with liberalization of the economy i.e. free market economic system, privatization, structural adjustment, development

strategy formulation, and introduction of flexible exchange rates, lowering trade restrictions and liberalizing the banking sector. Investment as a key factor for development has been given the at most importance by the government. The policy aspires for the opening of the country's economy to market forces, a movement that was initiated in the final days of the Derg regime (Gavian, et al, 1994: 147). It places great emphasis on the enhanced role of the private sector, thereby drastically reducing the role of the state in the economy.

The Federal Government of Ethiopia has enacted several proclamations indicating its interests to attract private investment. As part of its packages of economic reform, the TGE has laid down its investment policy in 1992 (Proclamation No. 15). The objectives of investment code are to stimulate economic growth, to increase the level of technical know-how and to "activate, protect, develop, enrich and utilize the natural resources of the country."

Investors in need of land are required to pass through formalized licensing procedures. All enterprises in the country need an operating license issued by appropriate public authority. Depending on the total capital to be invested the cost of the license varies from Birr 200 to 700. Operating license is issued to domestic investors satisfying the criteria of project proposal, expert review of the project, proof of land acquisition, investment certificate and other licenses, including legal registration and trade license.

In principle, investors get proof of rural land acquisition signed by the kebele, woreda and zonal administration confirming that the proposed site is free from other holders.

The revised law (Proclamation 120) demands that, in the process of granting land to investors, the rights and interests of local peasantry must be protected.

Investment certificate is also part of the licensing process for those investing over Birr 250,000. This document is issued by the Investment Office of Ethiopia and declares that the investor has complied with the conditions for investing capital.

Having operating license, the investor is eligible for a generous package of investment incentives, including exemptions on the duties and taxes associated with imported capital goods, equipment and raw materials. His product may also be exempted from export duties if the activities comply with those specified in the approved project proposal. Besides, the law provides for a tax holiday of three and one year for pioneer and promoted investment projects that are located, respectively, in Addis Ababa, Adama and within the distance of 15 kilometer from the main highway connecting both cities, is granted (Gavian, et al, 1994: 148-149; Reg, Gov't of Oromiya, 2000: 8).

The Urban Land Lease Policy: Urban Land Lease Holding Proclamation No. 80 of 1993 gives the right to determine the rate of rent of the lease to the national/regional Self Governments. The level of urban centers, zoning of the urban centers and the purpose for which the land is requested are basic decision criteria for the lease rate. The rate is low for land used for social services and low cost houses. For industry and other commercial activities/ enterprises, the regulation is open in the sense that the regional self governments are given the right to give urban land free of charge or without public tender if the investment is one which they encourage (Solomon, 1994: 290-).

2.6.4 Rural and Urban Land Law and Administration of Oromiya

As part and parcel of the broad national/federal macroeconomic reform programme and with strong determination to ensure the private sector driven economic system in the country, the Regional State of Oromiya has issued a number of proclamations, rules and regulations intended to promote and regulate private investment in the region. Accordingly, land for investment is acquired either through lease or rental basis. Rural land, except that of in the sub-urban area of Addis Ababa is allocated on rental basis.

Apart from the comprehensive incentive packages stipulated in the Council of Ministers Incentive Regulation Ethiopia, the Regional Government of Oromiya grants its own additional incentives to those investors wishing to invest in the region. This mainly include a rent holiday of up to four years for cash crop plantation investment on more than 100 hectares of land, free of charge land allocation for forestry investments and minimal charge for social service (health, education) investments, a reasonable charge for some strategic investment projects (fertilizer, agro-chemicals, agro-processing, agricultural equipment, etc. manufacturing). Furthermore, an investor granted use of rural land shall have the right to transfer to others, in accordance with the law (Regional Gov't of Oromiya: 7-8).

Rural Lands: Rural farming community has the right to use land under their holding for 'unlimited' time. Moreover, according to regulation of the Regional Government of Oromiya, a peasant holder can rent out a piece of land which is not higher than half

of his holdings for a period not exceeding 15 years to other peasant farmers or investors (Regional Gov't of Oromiya: 29-30).

However, for commercial farming land is rented for a period of 20 – 45 years depending on the location, type of activity and method of production (i.e. rain fed or irrigated) (Proclamation No. 3/1995). The size of allotted land will depend upon availability, capital employed, type of undertaking and method of production. Contract period also depends on location, type of activity and method of production. Similarly, the floor rental rate has been set based on the development level of the zones and distance from main all weather roads.

Promoters can also establish industries, resort facilities and hotels in the very rural areas. Under these circumstances, land rent relatively differ from that meant for agricultural purposes. As per the directive (No. 10/1998) of the Regional Government, the rural land rent for industrial projects has been set at Birr 3400/ha in East Shoa and Birr 1000.00/ha in other zones if the site is located within a distance of 5 kilometer from asphalt road. At a longer distance than this, the rate decreases to Birr 300/ha. However, the rent for tourist services has been set at a relatively higher rate depending on location and type of resort area (lakes, parks, hot springs, water falls, caves and forests).

Urban Land: As in the case of rural areas, urban land is also a public property. It can be acquired on a leasehold or rental basis. Except in Adama, Bushoftu, Burayu, Dukem, Holeta, Jima, Mojo, Sebeta, Sendafa, Shashemane and Ziway (lease towns), and rural lands within 10 kilometer distance from the boundary of Addis Ababa. In all

other towns land is acquired on rental basis. To facilitate urban investment, a total land area of about 8000 hectares have been made available for industrial, agro-industry, trade, real estate development and social services. Depending on the class of towns, grade of sites and type of investment both the lease and rental terms and rates differ. Accordingly, urban land lease holding terms range from 30 to 99 years (Regulation No. 1/1995; Amendment Regulation No. 3/1997).

Table 2.1: Land Rental Rates, Oromiya Regional State

Group	Zones	Rent/m ²	
		Minimum	Maximum
1	E/Shoa, W/Shoa, Arsi	114.66	135.00
2	Jimma, N/Shoa, E/Harerge	97.46	114.75
3	W/Harerge, Bale	82.83	97.54
4	W/Wollega, Ilu Ababor, Borena	70.40	82.91

Source: Investment Bureau of Oromiya

Investment Administration: The Regional Government has issued proclamation No. 2/1995 to provide for the establishment of investment administration in the region. The Oromiya Investment Board is the higher authoritative body, which decides on key policy and administrative issues regarding investment within the region and supervising the activities of the Region's Investment Office. The Oromiya Investment Office is set up to promote and facilitate investment in the region. Similarly, investment committees are formed at Zonal and District levels to facilitate investment and create an investor friendly environment in their respective zones and districts.

To acquire rural land for investment, applications can be submitted to Zonal Investment Committee Offices, Investment Office or Investment Board Office. All

such land allocation decisions are made by the Board except that of Bale, Borana, Jima, Ilu Ababora, Wst Wollega and West Shoa where the zonal committees have the authority to decide up to 200 hectares.

On the other hand, except in the lease towns of East Shoa and North Shoa, urban land requisition applications can be submitted to respective town municipalities. The Board will make decisions regarding lease towns in the above zones at the center. In all other towns, the Zonal Works and Urban Development Departments or Municipalities will make decisions.

3 INTRODUCTION TO THE STUSY AREA

3.1 The District

3.1.1 Location and Area

Akaki district is situated in the northern extreme of East Shoa Administrative Zone. It is bordered in the north by Gimbichu district and North Shoa Administrative Zone of Oromiya, in the west by West, Shoa Administrative Zone and Addis Ababa City Administration, in the south-west by Southern Nations Nationalities and Peoples' Regional State and in the south and east by Ada'a Liben District.

The total area of the districts is 598.45 km². It consists of 25 Peasant Associations and 1 Special Kebele. The district capital, Dukem, is located at the south east of Addis Ababa at a distance of 37 km on the main road to Bushoftu.

3.1.2 Physical Characteristics

Agroclimatically the district belong to 'Woina Dega' and Dega with elivation ranging from 1860 to 2550 m above sea level. Average annual temperatures are 15-20⁰C while annual rains are estimated to range from 700-1200 mm. Hence, the district has high altitude and receives sufficient rainfall. For this reason there are many springs, rivers and lake. Black clay soil (vertisol) covers 90 % of the district.

Akaki district is among those parts of East Shoa Zone where natural vegetation cover has severly been deteriorated. It has continuously been cleared for purposes of settlement, cultivation and construction as well as for the production of firewood and charcoal, almost all of which are accelerated by the district's proximity to Addis.

3.1.3 Population and Economy

According to the 1994 Population and Housing Census of the country, the district has an estimated total population of 65787. The majority of the population (91%) resides in the rural areas. The population density of the district is 110 persons per square km.

Table 3.1: Population of Akaki District by Sex and Settlement Type (2002)

Population Category	Male	Female	Total	Percent (%)
Rural	30995	28871	59866	91.0
Urban	2696	3225	5921	9.0
Total	33691	32096	65787	100.0

Source: 1994 Population and Housing Census results (CSA), (Projection by the Author).

Agriculture forms the base of the districts' economy. The livelihood of the largest portion of the population, which accounts for 91% of the total, depends on crop production with some amount of livestock rearing.

As far as the land use is concerned, almost all of the districts' landmass, except district towns, is rural and hence, dominated by rural land use. 74.83 % of the total area of the district is potentially cultivable. Out of this, 96.35 % is being cultivated for growing different crops (1992 E.C). Since the district has vertisol it favors shallow-rooted crops such as 'teff', wheat, barely, pulses, field-peas and vetch. The yield of these crops generally ranges from 12-17 Quintals/hectare. Grazing and forest land use accounts for 7.63 % and 4.44 %, respectively. Besides, agricultural land use types, manmade forests, quarries, decommissioned artificial lake known as Aba Samu'el, deep water well and constructed line to supplement city water supply, Military land use, developed transport infrastructure are also one of the peculiar characteristics of

the route. Teff farms are however, the major land use types in the area. Part of the land use types. Table 3 shows the details.

Table 3.2: Land Use Pattern, Akaki District (1992)

Description	Land Use in hectare	% of Total
Arable Land	44784.08	74.83
□ Cultivated Land	43151.00	96.35 ⁵
Grazing Land	4569.00	7.63
Forest Land	2656.00	4.44
Wet Land	756.25	1.26
Bare Land	2680.00	4.48
Others	4400.00	7.35
Total	59845.33	100

Source: Investment Bureau of Oromiya

The livestock population of the district is estimated to be about 142,311 (1992 E.C). The main livestock feeds available in the district are pastoral grazing, crop residues, bush browsing and sometimes byproducts of flourmills, sugar and other factories. The major livestock diseases occurring in the district are internal (65%) and external (35%) parasites such as anthrax, black leg and skin diseases of cattle; and sheep pox and fluke for sheep. Epidemic also sometimes occurs. However, despite the prevalence of these diseases, there are still no veterinary service rendering institutions in the district.

The districts possess 18 km (3.3% of all weather roads in the zone) all weather and 320 km dry-weather roads. Out of the total all weather roads 10 km (the main highway crossing the district) is asphalted while the remaining is gravel road.

A great deal of energy supply in the district comes from biomass energy resources such as firewood, crop residues, animal dung and charcoal. Electric power supply is

⁵ Calculated from total arable

limited to district towns. At present the power supply is not sufficient to run heavy industries due to capacity limitation.

In spite of the relatively better availability of water resources, access to potable water supply service is limited and the majority of the population is forced to consume water from unimproved and inconvenient sources. The present estimated water supply coverage of the district is estimated to be only about 30%.

Construction and industrial minerals such as basalt, scoria, selected materials and sand constitute the principal minerals of the region. Hence, mining practice is restricted to these mineral types. The number of licensed miners working on the extraction of these minerals is given in the following table.

Table 3.3: Licensed Minerals and Types of Minerals Under Exploitation

Type of Minerals	Number of Miners		
	Private	Cooperatives	Total
Basalt	12	5	17
Scoria	3	3	6
Selected Materials ⁶	2	-	2
Total	17	8	25

Source: Investment Bureau of Oromiya

There are no hospitals and health stations in the district. However there are 7 clinics (3 government owned), 1 health post and 3 rural drug stores. The current level of health service coverage is too low, i.e., only between 25-30% of the total population has access to health services. This is far less than the regional average of about 50%.

Malaria and intestinal parasites are the most common diseases in the district.

⁶ Selected materials refer to soil types particularly used among road construction firms. They form foundations on which gravels are laid.

It is reported that there are six 1-4 and three 1-8-grade elementary schools in the district (table 5). All of the schools in the district are government owned. Student school participation rate is only about 30.6% (1992 E.C). This is also far less than the regional average of 50%.

Table 3.4: Number of Schools and their Distribution by Grade Level (1992 E.C)

No.	Grade Level	Urban	Rural	Total
1	1-4	1	5	6
2	1-8	1	2	3
Total		2	7	9

Source: Investment Bureau of Oromiya

The district has no financial institutions (bank and insurance organizations) and it relies on those found in Addis Ababa and Bushoftu.

The district has a highly degraded environment because of the high rate of population growth, scarcity of grazing lands and forestland. The degree to which the natural environment has been altered by human beings depends also upon its location and accessibility. The closeness to Addis Ababa Akaki has led the natural vegetation to be severely deforested. The natural vegetation has been continuously cleared for settlement, cultivation and construction purposes as well as for the production of fuel wood and charcoal. As a result, the compact nature of vertisol of the district causes serious surface run off enhancing the removal of topsoil through water erosion.

The mining of construction and industrial minerals such as basalt, scoria, selected materials and sand is also among the problems exacerbating soil degradation and shortage of agricultural land in the district.

Most industrial establishments in Addis have been located along the course of Akaki River so as to easily dump their wastes. Thus the pollution of small streams, rivers and lake by industrial, municipal and domestic wastes are also serious environmental problems of the district. These problems combined together can ultimately pose a veritable threat to economic and social development in the district.

3.1.4 Land Transactions

Private investors are welcomed for leasehold of rural land within 10 km from the boundaries of Addis. Accordingly a number of investors are invading the district. Nevertheless, there is no accurate data with regard to number of investors, nature and status of investment projects. Inconsistent figures are found among the concerned organs from district to region. However, the researcher has made attempts to estimate their numbers, types, etc. through combination of data obtained from the different sources. Accordingly, land request applications for 109 private investment projects have been approved by the Regional Government, to be implemented in the district. The total land requirement of these projects is over 250.00 ha. So far transfer of 140 hectares is made.

3.1.5 The Selected Peasant Associations and Villages

3.1.5.1 Location

The 'Kebele' Peasant Associations are the result of 1996 restructuring of Peasant Associations (PAs) in the country. Hence, each of the three selected PAs is found consisting of three or more former PAs. As disclosed earlier, three PAs are purposely selected for this study. The PAs are named Gelan, Gogecha and Hechu. The first two

are located along the major Bushoftu Road. These PAs occupy the land between Akaki (Addis Ababa) and Dukem Towns, along the major highway.

Though still largely rural, some call these two PAs the ‘development corridor of Addis’. Being located close to the National City, and along the main road and rail way outlet of the city and/or the country, these two PAs represent priority areas for non agricultural users (private industrial and commercial companies), including speculators. Accordingly, a number of them are scrambling for parts of the lands in these PAs. Conscious of such a demand, the Regional Government also allows and officially promotes leasehold of the lands. Accordingly, so far, a total of 134.23 hectares have been transferred from local agricultural users to those in need of the land for non-agricultural purposes. As a result these two PAs are experiencing actual and perceived conversion of land to modern urban uses. Decline in farm size and peasant holder insecurity are inevitable consequences of the process. Furthermore, the revised plan of Dukem has already incorporated part of Gogecha PA that amounts to 200-300 ha. As a result, the Municipality intensified land allocation in this reclassified land. This shows that, currently, there is overlapping of jurisdiction and authority over the area.

The third PA, Hechu, is located to the west of Akaki Town and generally SW of Addis Ababa. The PA extends (covers) the area up to the artificial lake called Aba Samuel. More specifically, Hechu PA refers to the area between Little and Big Akaki Rivers (Locally called “Akaki kalla and Akaki Guda”). ‘Inland’ location from the highway and availability of the river waters are responsible for the PA’s

distinguishable characteristic. There is no leasehold and land use conversion in this PA, but the emergence of vegetable farms.

These three PAs are divided into ten major villages among which six are purposely selected for this study. The selected villages are called Sidamo Awash, Gelan, Mendello, Gogecha, Endodie and Hechu. All these six villages are the result of 1985/86 socialist villagization schemes of the country. That is, they are ‘Sefera Menders’.

Table 3.5: Selected PAs and Villages

	PA Name	Name of Villages	Villages Selected for the Study
1	Gelan	<ul style="list-style-type: none"> • Sidamo Awash • Debre Gelan • Dembi 	<ul style="list-style-type: none"> • Sidamo Awash • Debre Gelan
2	Gogecha	<ul style="list-style-type: none"> • Mendello • Gogecha • Gimashe • Tulu Guracha 	<ul style="list-style-type: none"> • Mendello • Gogecha
3	Hechu	<ul style="list-style-type: none"> • Endodie • Hechu • Warra Jarsa 	<ul style="list-style-type: none"> • Endodie • Hechu

3.1.5.2 Population and Economy

On the basis of the 1994 Population and Housing Census results of the country, the current (2002) total population of the three PAs is estimated at 9528. The proportion of male among this total population is 52.58 %. That is, female accounted for only 47.42 %. (See table 3.6, below). The crude population density is 99.65/km². Majority of the population are Oromo nationals who had been tenants before the 1975 Land Reform.

Table 3.6: Population of PAs (Male/Female, and %), 2002

Peasant Association (PA)	Male	Female	Both Sexes	%
Gelan	1703	1515	3218	33.77
Gogecha	1526	1307	2833	29.73
Hechu	1781	1696	3477	36.50
Total (The Three PAs)	5010	4518	9528	100

Source: The 1994 Population and Housing Census of Ethiopia: Results for Oromiya Region, Vol. 1: Part VI, Statistical Report on Population Size of Kebeles.

Out of the estimated 9,561 ha of the three PAs total area, about 98 ha (1%) is currently used for residential purposes. The peasants were allotted 1000 m² area of land for farmhouse during the ‘sefera’ years. The peasants of these PAs, including their offsprings, rarely acquired formal and non-formal education and skill training. Hence, there is little or no out migration of peasant offsprings. Adult offsprings of the local peasant families normally construct their own dwelling units, whether married or not, and join the peasant community.

Historically, the land use of these PAs was typically agricultural in nature. Nearly all of the kebeles land was used for agricultural purposes. Almost the whole land area has vertisol soil and favors the production of crops such as teff, wheat, barley, pulses, field peas, etc. Peasants were using the land at their disposal mainly for the production of these crops and for grazing purposes. The land has been the single important source of employment and food for the peasant holders’ family.

In fact, Gelan and Gogecha PAs have been experiencing land use changes since the establishment of Addis Ababa. Nevertheless, the magnitude of current changes is non-comparable to historical past. The changes are largely not in the types of crops grown or intensity of production but in peasant’s declining access to land, including changes

of access to grazing land and ownership of livestock, as a result of aggressive external demand for acquisition of rights over the lands.

3.1.5.3 Demographic Characteristics of the Sample Population

Among the 120 selected for the study, 97.5% (117) were available for the interview. That is, the interview questionnaire was administered to 117 systematically selected peasant household heads residing in the six villages selected from the three PAs.

The selected household heads generally differ in their sex, age, marital status, education, ownership of farm oxen, and household size. Accordingly, 73.5 % (86) of the selected household heads were males while the remaining 26.5 % (31) were females. As far as their age structure is concerned, the youngest was 28 while the eldest was 85. In general, 27.35 % were under the age of 46 while 20.51 % were above 65. The rest, (52.14 %) were between the age of 46 and 65, inclusive. Their average age was found to be 54.7.

Table 3.7: Age of the Respondents by Peasant Association

Age Group	Peasant Association						Total	
	Gelan		Gogecha		Hechu		No. of Resp.	%
	No. of Resp.	%	No. of Resp.	%	No. of Resp.	%		
26-35	4	10.0	7	18.92	-		11	9.4
36-45	7	17.5	7	18.92	7	17.5	21	17.95
46-55	9	22.5	5	13.51	14	35.0	28	23.93
56-65	12	30.0	7	18.92	14	35.0	33	28.21
66-75	5	12.5	9	24.32	3	7.5	17	14.52
76-85	3	7.5	2	5.41	2	5.0	7	6.98
Tota	40	100.0	37	100.0	40	100.0	117	100.0

Source: Household Data

As illustrated in table, 3.8, (below) only 11.96 % (14) can read and write, 30.77 % (36) can only sign their name, 47.86 % (56) neither read and write nor sign their

name. The rest 9.4 % (11) have attended formal school and reached grade 4 (2 respondents), grade 6 (7 respondents), grade 8 (2 respondents). The highest grade attained was grade 11 by one respondent. It is surprising that 78.63% of the respondents in a peri-urban area cannot read and write and/or only sign their names.

Table 3.8: Literacy Level, Respondent Household Heads

Literacy Level	Peasant Association (PA)						Total	
	Gelan		Gogecha		Hechu		No. of Resp	%
	No. of Resp.	%	No. of Resp.	%	No. of Resp.	%		
Can read and write	5	12.5	5	13.51	4	10.0	14	11.96
Cannot read and write	16	40.0	18	48.65	22	55.0	56	47.86
Can only sign his/her name	14	35.0	8	21.62	14	35.0	36	30.77
Attended 1-4	-	-	1	2.7	-	-	1	0.85
Attended 5-8	5	-	5	13.51	-	-	10	8.55
Total	40	100.0	37	100.0	40	100.0	117	100.0

Source: Household Data

The place of birth of the respondents is generally within the woreda, if not within the village or kebele. That is, none of them were born outside the woreda.

The household heads also differ in their marital status (tab. 3.9). In general, 68.37 % were married, 3.42 % unmarried, 11.11 % divorced, 17.1 % widowed. Among the 31 female respondent household heads 67.74 % (21) were those widowed while the rest were divorced.

Table 3.9: Marital Status

Sex	Marital Status				Total	
	Married (%)	Single (%)	Divorced (%)	Widowed (%)	No.	%
Male	68.37	1.7	2.56	2.56	86	73.5
Female	-	-	8.54	17.95	31	26.5
Total	68.37	1.7	11.1	20.51	117	100.0

Source: Household Data

Current family size ranges from 1 to 12 (tab. 3.10). The average household size was found out to be 6.0. In general, the interviewed 117 households have a total family size of 702. Among these (excluding the spouses), 16.68 % (82) were between the age of 16 and 20, 5.13 % (36) between 21 and 25, 1.85 % (13) between 26 and 30 and, 1.42 % (10) aged 31 and above. That is, only 20.1 % (141) of the family members were above the age of 15.

Table 3.10: Total household size

Household Size	Peasant Association (PA)						Total	
	Gelan		Gogecha		Hechu		No. of Resp	%
	No. of Resp.	%	No. of Resp.	%	No. of Resp.	%		
1-2	2	5.0	2	5.41	2	5.0	6	5.13
3-4	10	17.5	14	37.84	9	24.32	33	28.2
5-6	12	17.5	9	24.32	8	20.0	29	24.8
7-8	10	12.5	11	29.73	13	32.5	34	29.06
9-10	2	5.0	-	-	6	15.0	8	6.83
11-12	4	10.0	1	2.70	2	5.0	7	5.98
Total	40	100.0	37	100.0	40	100.0	117	100.0

Source: Household Data

Attempt is made to analyze socioeconomic condition of these above 15 family members. With this regard, consideration is made to age, education and employment. These are considered typical socioeconomic indicators. Accordingly, 58 % between the age of 16 and 20, 26 % between the age of 21 and 25, 9 % between the age of 26 and 30 and, 7 % 31 and above. 55 % cannot read and write while only 33 % have above primary (1-4). As far as employment is concerned, 77 % are mainly family farm workers, 13 % students while the rest 10 % are daily laborers. This shows that above 15 age group family members of the respondent households is largely made up

of ignorant members whose destiny is to work on family farm. See table below for details.

Tab. 3.11: Household Members Aged Above 15, Respondent Households.

Variables	Peasant Association						Total	
	Gelan		Gogecha		Hechu			
	Frequency	%	Frequency	%	Frequency	%	Frequency	%
Total Above 15	43	100	47	100	51	100	141	100
Age Category								
<input type="checkbox"/> 16-20	17	40%	31	66%	34	67%	82	58%
<input type="checkbox"/> 21-25	12	28%	9	19%	15	29%	36	26%
<input type="checkbox"/> 26-30	10	23%	2	4%	1	2%	13	9%
<input type="checkbox"/> 31 & Above	4	9%	5	11%	1	2%	10	7%
Educational Attainment								
<input type="checkbox"/> Can Read & Write	3	7%	1	2%	0	0%	4	3%
<input type="checkbox"/> Cannot Read & Write	8	19%	20	43%	50	98%	78	55%
<input type="checkbox"/> Can Only Sign Name	0	0%	1	2%	0	0%	1	1%
<input type="checkbox"/> Attended Prim. (1-4) School	4	9%	7	15%	1	2%	12	9%
<input type="checkbox"/> Above	28	65%	18	38%	0	0%	46	33%
Main Activity								
<input type="checkbox"/> Student	10	23%	8	17%	1	2%	19	13%
<input type="checkbox"/> Family Farm Worker	28	65%	30	64%	50	98%	108	77%
<input type="checkbox"/> Daily Labourer	5	12%	9	19%	0	0%	14	10%

Source: Household Data

As illustrated in table 3.12 (below) the interviewed households also differ in the ownership of farm oxen. Accordingly, 20.5 % (24) respondents owned no farm oxen, another 20.5 % (24) owned only one ox, 41.95 % (35) own two oxen, and 17.1 % (20) owned three oxen, and the rest 14 owned four to six.

Table 3.12: Number of Farm Oxen Owned, Sample Respondents.

Number of farm oxen	Peasant Association (PA)						Total	
	Gelan		Gogecha		Hechu		No. of Resp	%
	No. of Resp.	%	No. of Resp.	%	No. of Resp.	%		
0	9	24.32	6	16.25	9	24.32	24	20.51
1	8	21.62	6	16.25	10	25.0	24	20.51
2	5	12.5	11	29.73	19	47.5	35	30.0
3	10	25.0	9	24.32	1	2.5	20	17.1
4	-	-	2	5.41	1	2.5	3	2.56
5	6	15.00	1	2.7	-	-	7	5.98
6	2	5.0	2	5.41	-	-	4	3.41
Total	40	100.0	37	100.0	40	100.0	117	100.0

Source: Household Data

4 CHARACTERISTICS OF LAND TENURE IN THE PERIURBAN AREA

4.1 The Acquisition of Land

Almost all of the selected household heads had been tenants during the Imperial period. That is, they initially got land as tenant farmers. Only 2 had ‘rist’ land there. It is well known, however, that current holdings are largely the result of 1975 Land Reform of the country. However, their holdings have never been registered. The peasant holders tend to consider land tax receipts as certificates of ownership. In fact the lack of registration is true all over the country.

As shown in table 4.1 (below), two modes of acquisition prevailed in the study areas- PA allocation and inheritance. Among the respondents, 97.43% acquired land through the PA allocation and/or redistribution. However, year of acquisition varies among the concerned respondents. Accordingly 73.7 % (84) of them acquired the land currently at their disposal just during 1976/77 PA land redistribution. Hence, they have held use right of the land concerned at least for the past 26 years. For the rest 26.3 % (30), year of acquisition ranges from 1984 to 1996.

Table 4.1: Year of Land Acquisition

Mode of acquisition	First Time of Acquisition								Total	
	1976/77		1984-1988		1989-1993		1994-1998			
	No.	%	No.	%	No.	%	No.	%	No.	%
Kebele Redistribution	84	100.0	10	100.0	19	90.48	1	50.0	114	97.44
Inherited from parents	-	0.0	-	0.0	2	9.52	1	50.0	3	2.56
Total	84	100.0	10	100.0	21	100.0	2	100.0	117	100.00

Source: Household Data

The year of acquisition/or PA land allocation deserve attention, at least, for two important reasons. First, size allotted during the first PA allocation (1976/77) can be defined too generous, compared to reallocation conducted in recent years. Second, it shows the extent to which PAs have continuously administered redistributing the land

within their jurisdiction. During the first PA land allocation, households had access up to 3.5 ha farmland plus 0.25 ha for each of their children and, 0.25 or 1.0 ha of grazing land for their basic draught animals. Hence, the total size acquired during the time was largely a function of marital status and number of children at the time. In contrast to the first PA allocation, size acquired in recent times, whether through the PA or inheritance appear much less.

Table 4.2: Total Size Of Land Acquired By The Selected Households During The First Time of Acquisition Through PA

Size Acquired	Peasant Association						Total	
	Gelan		Gogecha		Hechu		No	%
	No	%	No	%	No	%		
0-0.5	-	-	4	10.8	1	2.5	5	4.27
0.51-1.0	4	10.0	10	27.0	2	5.0	16	13.67
1.1-1.5	4	10.0	1	2.7	14	35.0	19	16.24
1.51-2.0	5	12.5	4	10.8	6	15.0	15	12.82
2.1-2.5	8	20.0	7	18.9	10	25.0	25	21.37
2.51-3.0	6	15.0	4	10.8	5	12.5	15	12.82
3.1-3.5	3	7.5	2	5.41	1	2.5	6	5.13
3.51-4.0	3	7.5	3	8.1	-	-	6	5.13
4.1-4.5	1	2.5	-	-	1	2.5	2	1.7
4.51-5.0	3	7.5	2	5.41	-	-	5	4.27
5.1-5.5	3	7.5	-	-	-	-	3	2.56
Total	40	100.0	37	100.0	40	100.0	117	100

Source: Household Data

4.2 Peasant Holder Land Tenure Characteristics

As far as access to land is concerned, temporal changes (gain or loss) deserve particular attention. Peasants were asked of changes that have occurred since the household acquired land for the first time through the PA. Expectedly, the aged respondents have experienced changes and they lost mainly to their sons, 'Shigishig', and urban sectors' leasehold.

The respondents have also been asked whether land is still available and easy to get. These questions, obviously too general, are intended to motivate the respondents for specific questions that were to follow. The response was generally (and expectedly)

negative. That is, land is not available and therefore not easy to get. The major reasons raised include (1) the general absence of PA land allocation and/ or 'shigishig' at least since the 1989 dismantling of Producers' Cooperative Association of their PAs, (2) Population pressure and, (3) growing demand for non-agricultural use of the lands, i.e. leasehold (Gelan and Gogecha). During 1989, the peasants subdivided the land held in common for about five years (1984 -1989). It is worth noting that dismantling of the socialist cooperative holdings provided for somewhat fresh reallocation of land, including for new claimants.

Allocation to new land claimants was made mainly by deducting from relatively largest holders. According to the household data, some of the largest holders lost up to 2.5 ha, or 30-40 % of holding size they owed before cooperativisation. As noted above, the reallocation also accommodated for new land claimants. For instance, 7,7 % (9) of the respondent household heads acquired farm land, for the first time, during 1988-1990 reallocation.

Moreover, families of the village usually allocate up to half (1/2) hectare of farmland to married sons or those preparing to marry soon. Besides, landless descendants are allowed to inherit holdings at death of their parents. Three respondents, aged 28-40, informed that their mode of acquisition was inheritance, which was from father and/or grandfather. Besides, the current government policy and practice of transferring peasant holdings to modern urban sectors, by lease, has come out to be the most important reason of decline in Gelan and Gogecha PAs (for the extent of the impacts see lease tenure).

Table 4.3: Peasant Holder Land Tenure Characteristics, Study Areas

	Gelan PA		Gogecha PA		Hechu PA		Total	
No. of Interviewed Households	40		37		40		117	
Total Household Size	252		194		253		699	
Holding Size Distribution (ha)								
□ 0.0-1.0	9	23%	11	30%	6	15%	26	22%
□ 1.1-2.0	17	43%	10	27%	27	68%	54	46%
□ 2.1-3.0	11	28%	9	24%	4	10%	24	21%
□ 3.1-4.0	3	8%	7	19%	3	8%	13	11%
Mean Average Holding Size	2.4		1.62		1.67		1.9	
Number of Holdings With								
□ 1 parcel	2	5%	4	11%	3	8%	9	8%
□ 2 parcels	8	20%	11	30%	4	10%	23	20%
□ 3 parcels	13	33%	9	24%	15	38%	37	32%
□ 4 parcels	8	20%	5	14%	9	23%	22	19%
□ 5 parcels	6	15%	5	14%	7	18%	18	15%
□ 6 & above parcels	3	8%	3	8%	2	5%	8	7%
Average No. of parcels per household	3.7		2.8		3.5		3.35	
Average No. of parcels per hectare	1.54		1.73		2.1		1.76	
Mode of Land Acquisition								
□ Through Kebele Redistribution	38	95%	36	97.3%	40	100.0	114	97.44
□ Through Inheritance	2	1994%	1	2.7%	-	0.0	3	2.56

Source: Household Data

The surveyed households data revealed that, currently, a total of 223.0 hectares is divided between the 117 respondent households, though fragmented into scattered parcels (Tab.4.3 above). The respondents' current holding size ranges from a maximum of 4 ha to a minimum of only a homestead. The average family holding size is 1.9 ha. Nevertheless, there is a need for consideration of family size. Thus, the per capita holding size (per family members) is found out to be 0.319 ha. The total 223 hectare is distributed in 392 parcels. One of the two largest holdings has not been divided into parcels. The number of parcels per household ranged from 1 (i.e. not divided) to 8 while the average number of parcels was nearly 3.35, or 1.76 for a hectare of land. Putting it the other way, the size of average parcel is about 0.57

hectare. 75 % of the respondents perceive that their holdings are divided into scattered parcels. 20 %, 32 % and 19 % of the respondents held two, three and four parcels of land, respectively, while 22 % held five or more. The ownership of multiple parcels can be explained in a number of ways. First, it is simply a form of former PA allocation. As stated by Dessalegn (1994) the justification for the practice was greater equity and fairness. Latter redistributions also followed the same pattern, but availability is coming important factor. That is, PAs tend to allocate land, for new land claimants, in different pockets wherever land is available.

Besides PA allocation/redistribution, inheritance and family allocation, the lands of the study areas can also be acquired on temporary bases, through the rental market (see land market for details).

4.3 Lease Tenure

Owing to the recognition of the role and promises of private investment in the overall economic development of the country, The Federal Government has enacted several proclamations, indicating its interest to attract private investment. In accordance with these Federal level proclamations, the Regional Government of Oromiya has also issued a number of proclamations, rules and regulations intended to promote and regulate private investment in the Region. Among these, Proclamation No. 15/1984 E.C, No. 31/1985 E.C to provide for amendment of the former, and Regulation No. 17/1988 E.C are the ones currently operational. The Regional Government has also further issued Directive No. 3/1990 E.C that specifically deals with rural investment land administration within 10 km from the boundary of Addis Ababa City Administration. According to this directive, all rural lands within the specified distance from the National Center shall be rented to private investors by lease.

Accordingly, a number of private companies have acquired the lands of Gelan and Gogecha PAs, during the past five or six years. According to the information obtained from the concerned Woreda and Zonal agencies, a total of 81 private investment projects have been approved by the Regional State of Oromiya, to be implemented in the two PAs. Moreover, these two PAs account almost 100% of the actual use right transfer carried out in the general district.

The sector distribution of the approved investment projects in the two PAs indicates that industry constitutes 79.1% in terms of number of projects, followed by hotel and trade (each 8.14%) and, agriculture which accounts for 3.5% of the total number of projects. As to the ownership structure of this projects, about 90% is domestic while the remaining are considered foreign though only two projects are wholly foreign owned and the remaining joint ventures.

The Regional Government is responsible for allocation of the land for these leaseholders. That is, management of Peri-urban land is beyond the PA leadership. Under this form of transfer, the law stipulates that the affected peasants qualify for compensation. Nevertheless, the condition of effecting concessions seems unhealthy. Peri-urban area peasant farmers not only lost any power of decision over their holdings but also lost it without their knowledge and without the compensation (at least half of them) stipulated in the law. i.e., neither the process is negotiable and/or participatory, nor the payments of compensation within expected time. These two PAs have already lost a total of 134.23 ha through leasehold to the urban sectors.

4.4 Land Sells by Individual Farmers

The lands of Gelan and Gogecha can also be acquired through sell/purchase contracts made between concerned parties. Land sells are intensified, in particular, within the 'sefera' village areas of Gelan and Gogecha PAs. Some key informants disclosed that such forms of permanent transfers began by temporary rental contracts of a plot of land for the construction of some permanent structures and rock mining activities. Under this form of contracts the rentee (usually strange peti-business man) pays an agreed up sum of money for certain number of years. The contract years may range from ten to twenty. This means, the lands of these areas are also rented out for erecting of some 'permanent' type structures, or conversely, the rentee is allowed or has the right to make permanent improvements. This form of temporary type use right transfers not only eventually became permanent but also inagurated the beginning of the current almost open-air division and sell/purchase of parts of the homesteads of Debre Gelan village, in particular.

4.5 Classification of Land Under Major Tenure Categories

It is stated earlier that the concept of land tenure concerns the terms and conditions on which land is held, used and transacted. Accordingly, the researcher has made attempts to look into the different mechanisms of access to land in the study areas and the resultant land possessions and the extent of land utilization and control by the peasant users.

Concerns for the issue of land tenure in per-urban areas is the result of the fact that they are generally zones of transition and complexity. These areas tend to be zones of

transition where change is dominant. Holdings may be subdivided to provide for nonagricultural land uses there by leading to declines in per capita holding size and fragmentation. Farms may also adapt to horticulture, if water is available, as way of capitalizing on the growing urban market. In other cases, residential and tourist uses may be developed. About 90 % of the total area of the two PAs along the highway fall under peasant holdings while up to 7.37 % has already fallen under modern private industrial/commercial investors by lease. (See table below)

Table 4.4: Land under Different Forms of Tenure in Gelan, Gogecha, and Hecu PAs

Tenure Type	Peasant Association					
	Gelan		Gogecha		Hechu	
	Area (ha)	% of total	Area (ha)	% of total	Area (ha)	% of total
Peasant Holdings ⁷	1274.4	90.80	779.0	91.86	957.0	100
□ Cropland ⁸	1132.09	88.83	682.67	87.63	842.28	88.0
○ Own cultivated	905.57	80.0	585.9	85.83	648.56	77.0
○ Rented out	226.42	20.0	96.73	14.17	193.72	23.0
□ Grazing	89.21	7.0	54.53	7.0	57.42	6.0
□ Homestead)	53.1	4.17	41.8	5.36	57.3	6.0
Lease Holdings ⁹	104.00	7.4	30.86	3.56	0.00	0.00
• Industry	88.348	85.0	24.4	79.01	0.00	0.00
• Hotel	5.5	5.3	3.46	11.21	0.00	0.00
• Trade	9.417	9.1	3.00	9.92	0.00	0.00
Mining Land use Tenure ¹⁰						
□ Rented	3.5	0.25	5.00	0.6	0.00	0.00
Public Uses ¹¹	20.25	1.44	33.75	3.98	0.00	0.00
• Transport/com. Lines						
	20.25		33.75		0.00	
Cooperatives ¹²	1.9895	0.14			0.00	0.00
Total	1403.5095	100	847.98	100	2344	100

⁷ Area size of land under peasant holders is estimated by multiplying number of landed peasants (obtained from PA list) by average holding size of the sample populaion. To this is added estimates of the area accounted to homesteads.

⁸ Disaggregation is based on %gs for the sample respondents.

⁹ Computed from official data obtained from concerned agencies.

¹⁰ There are 25 construction material miners in the areas. Area accounted to such mining activities is estimated by assigning 0.5 ha as an average holding size of each project (0.5 ha * 25 projects) plus (150 * 5 meters) for roads to mining sites. They are rented either from government or 'purchased' directly from peasants.

¹¹ The main road and rail highways have about 12 km length in the two PAs. Accordingly, area size occupied by road is estimated (12000 meters by 30 meters) while that of railway is estimated (12000meters by 15 meters).

¹² Refers simply to land area allocated to Coffee Union of Oromiya.

4.6 Land Rights

According to the issued rules, regulations and directives all rural lands within the specified distance from the national center will be rented to private investors, by lease. Leaseholders are allowed the right of occupancy extending over 30 to 99 years. These rules and regulations state that investors' eligibility to use right is cancelled if they don't begin construction/operation within six months from the date of use right transfer, if they transferred use right to others without the knowledge of concerned regional agency, or if they fail to pay rents of the land within the time set.

The survey questionnaire includes peasant holders' perception of land rights. They are asked to identify their rights in their cultivable and grazing land and, to define the duration of the rights- whether the rights have time limits (temporary vs. permanent rights).

Individual holdings: as far as individual peasant household holdings are concerned they generally perceive that they have an inalienable right to use for cultivation of both annual and perennial crops and trees, to build a residence or a small retail sales kiosk, to divide among children, including the right to inherit and bequeath to landless relatives, to lease/rent/contract out, to leave land idle. Among these rights, only inheritance is reported to require authorization from the PA leaders. Peasants understand that they do not have the right to sale. For some, even mortgaging appears a version of rental contracts for which they have the right. Besides, they have the view that they have the right to exclude others from the listed rights and to enforcement of legal and administrative provisions in order to protect their rights.

However, some of these perceived rights need qualification. First, for instance, the right for rental transactions have temporal limits and, therefore, legally are not permanent rights. Some renters have the knowledge of the operational regulations for rental transactions. However, they tend to manipulate the law to fit their needs. More specifically, duration of rental contracts often appeared annual but renewable. They usually rent in and/or out for one year and rarely for over four years. Renewal is conditional that the degree of continuous rental contracts is blurred for possible regulators/ regulation. Furthermore, the fact that one-year contracts are rarely reported to PAs makes enforcement of regulations difficult. Besides, many renters are forced to do so (being disabled or lack of farm labour, oxen or cash for required inputs) that they believe no one robs them of their last strategy for survival.

Second, the reported rights to inherit and bequeath too needs qualification. On the one hand, the operational regulations disallow such inheritance rules. On the other hand, family allocation for married couples, war returnees, etc is supported, and even sometimes the families are forced to do so, officially by the PAs. Hence, for the leaders, it appears a form of accommodating new land claimants. One respondent mentioned that he gave (transferred) 0.5 ha to his war returnee son on the basis of PA orders, and additional 0.25 ha when he was married, out of own willingness. Interestingly, the additional allocated fraction of hectare is not permanent and he would reclaim when formal allocation will be effected in the future. Therefore, this seems to be within family land loan.

The respondents were asked their reaction with regard to the long list of inalienable rights and how they perceive the intensified allocation of their holdings for private

investment, including the mode of transfer. The response was the following. “First, ultimately the land is public/government owned. Second, we are forced to cooperate (by Woreda Officials and Police). Third, compensation was believed to be given.” With regard to the latter however, in practice, a number of farmers lost part of their holdings without yet unrealized compensation during the past three years. They appear helpless to protect their rights or enforce the regulation (for details see security and conflicts, findings from group discussion).

4.7 Tenure Security and Conflicts

Since land is the basic means of subsistence and source of income of rural communities, access to land and security of land related rights demand priority attention and/or consideration. The degree to which rural family labour is engaged in productive farming employment and get secure source of food, or the extent of availability of supplementary source of food and income for landless or near landless rural workers is all a function of availability of and access to land. Nevertheless, land is not only of importance to rural areas’ private individuals and communities residing there. It is also important to cities, regions and nations. Such multiplicity of parties claiming for legitimate interest on land is believed to be the source of considerable cultural, social, economic and political and even legal conflicts and issues surrounding land tenure. With this regard, peri-urban area peasant communities’ degree of security of land rights and land related conflicts require particular attention and investigation. They are more often characterized as areas of distinguishable packages of land related problems of rights and conflicts.

Farmers were asked a number of questions to investigate their perceptions of tenure security/insecurity and other land related conflicts. The pre-test field visits showed that the peasant holders are somewhat strange to the concept tenure security/insecurity that explanations were necessary. This experience justified the need for a number of alternative and/ or supplementary/complementary questions. This ranged from perception of land rights possessed, incidence of land related conflicts, major problems, and patterns of holding size in the coming years.

According to literature, rental arrangements, legal provisions and the conduct of policy implementation are among the sources of land related disputes. Nevertheless, however the duration appears too short, rental markets does not appear to be the source of disputes¹³, in all the study areas. It is widely reported that rental transaction are not disputable. Nevertheless, though disputes are not yet encountered in rental contracts, long duration likely has scope for that. Based on their experience of market distortions and fast price changes in the underground market for land, a tendency of revoking alienated lands is developing among the peasants¹⁴. Hence, big or small, rental price changes may also occur one or two years after contracts that longer durations may be potentially source of disputes. This shows that longer rental contract duration may not by itself be an indicator of enhanced security, even for the rentee. Possible price escalation also seems, at least implicitly, the other rational behind the preference for shorter rental terms among the renters.

¹³ Some research findings from elsewhere in Africa tend to show that rental transactions are disputable.

¹⁴ One respondent intimated of his experience concerning one of his villagers. The respondent reminds that, two years ago, one of his fellow villagers informally sold about 0.25 ha of his marginal and stony grazing land for Birr 2000.00. Just about a year after, the buyer in turn sold the same plot for Birr 20,000.00 (900% profit) to construction rock miners from the city. Having learned about the latter sale price of his former stony grazing land, the former owner realized that he was cheated (deceived) by his 'informed' client, his loss was unbearable. Consequently, he tried to reclaim ownership of the plot, claiming that he has not sold the land and, the current seller has sold the plot for which he has no right. Another respondent also told that he himself highly regrets about the stony land he sold for Birr 2,000.00 again without adequate knowledge of the market because the price for equivalent land is currently 20,000.00 and above.

The PA leaders of Gelan and Gogecha, however, commented that disputes are unusually intense in their kebeles. The disputes could be either on boundary or on ownership. However small it may be, no peasant appears to tolerate loss of any piece of land. Actual and perceived compensation earnings themselves (let alone the current informal market price) turn out to be the source of disputes even between descendants of the same parents. Moreover, according to reaction of affected household heads among the sample respondents, the current government policy and practice of transferring peasant holdings to modern urban sectors, by lease, has come to be the most important reason of decline and source of insecurity in Gelan and Gogecha PAs

The Regional Government is responsible for allocation of the land for these leaseholders. Under this form of transfer the law stipulates that the affected peasants are legitimate for compensation. Peri-urban area peasants lost any power of decision over their holdings. These two PAs have already lost a total of 134.23 ha through leasehold of the urban sectors. Thus, the mode of expropriation of peasant holdings has come to be (probably) the most serious source of disputes. The concerned peasants are disputing with both the government agents transferring their holdings and private investors acquiring them.

Individual interview and group discussions with key informants disclosed that at least half of the affected peasants (by lease hold) had been expropriated by district officials and investors often helped by police force without any compensation. They took their cases to the Regional Government and others with the mandate of administering the issue concerned, including the Regional Investment, Finance, and Agriculture

Development Offices and the Zonal Administration. And, no one gave them solution. Surprisingly, these key informants disclosed that part of the peasant holdings expropriated in such a way have been put idle for the last three or more years. That is, some of the investors who acquired the land simply fenced and kept it as a reserve.

Table 4.5: Tenure Security, Peasant holder (study areas)

Description	Peasant Association					
	Gelan		Gogecha		Hechu	
	No.of Resp.	%	No.of Resp.	%	No.of Resp.	%
No. of Respondents (total)	40		37		40	
Sources of Disputes						
<input type="checkbox"/> Mode of land expropriation	33	82.1994	36	97.1992	0	0.0
<input type="checkbox"/> Peasant holder rental arrangements	0	0.0	0	0.0	0	0.0
Local Problem Rank-ordering						
<input type="checkbox"/> Insecure access to crop and grazing land	32	80.0	34	92.0	0	
<input type="checkbox"/> Lack of potable water resources	8	20.0	3	8.0	23	57.1994
<input type="checkbox"/> Water pollution						
<input type="checkbox"/> Lack of formal & non-formal education					17	42.5
Perception of Trends in holding Size (next five years)						
<input type="checkbox"/> Decrease	31	77.5	35	94.6	0	0.0
<input type="checkbox"/> Increase	0	0.0	0	0.0	0	0.0
<input type="checkbox"/> No change	0	0.0	0	0.0	30	75
<input type="checkbox"/> Don't know	9	22.5	2	5.4	10	25

Source: Household Data

Disputes over land seem unusual among the villagers of Hechu PA (Hechu and Endodie villages). They also tend to feel secure, compared to the villagers on the highway. Nevertheless, although feelings of fear of further deductions from current holding size is not directly identified among them (except for within family allocations) examination of mode of their behavior points to the contrary. Some among the respondents appear reluctant to provide information. In particular, those relatively larger holders are found more interested to know the ultimate purpose of the

research, including how and why they are particularly identified to give such information.¹⁵ Assessment of issues raised during the negotiation process showed that there is suspicion on the part of the farmers about land redistribution and tax raising (see footnote) if not for modern investment.

4.8 LAND MARKETS

Markets in land concern a set of activities by which rights to land are transferred. They include both permanent transfers (the buying and selling, bequeathing) and temporary transfers (renting, leasing, mortgaging). Economic theory tells us that such transactions in land benefit both parties involved, besides facilitating national/regional growth and development.

4.8.1 Rental Transactions

Rental transactions are a kind of temporary transfers in land use rights. Available literatures tend to define them as contracts between a landlord and peasant-worker. This may have several options such as sharecropping contract, fixed rent (cash) contract and wage contract. The existence (or absence) of formal land market doesn't appear to be a requisite for the emergence of such contracts. In fact, "the very fact of missing rural factor markets makes it absolutely necessary for such contracts to thrive." (Abebe, 2001: 2). These informal rural land markets have different roles and functions. A number of researchers have attempted to identify their roles from the point of view of either efficiency or equity. For instance, Bereket and Croppenstedt

¹⁵ Their questions are the where from the researcher is, the purpose and objective of the research and why they are particularly selected to give such information. Convincing such member sometimes took up to 15 or more minutes. Their concern seems 'legitimate'. One of the respondents shared his experience by stating that he was once approached by someone for interview about holding size. He mentioned that he who told the truth about the farmland at his disposal and was imposed a tax amounting to \$ 150.00 while others with similar holding size but under reported it enjoyed a much less tax (under \$ 100.00). These people also have the experience of their farmland being deducted, at least before 10 years and through the PA. Hence, one can realistically accept that these people have no feeling of insecurity to some extent? The reason why they tend to critically question (as above) might not only be for fear of new/additional tax imposition but (realistically) also fear of any deduction, from current holdings.

(1995) argue that sharecropping has increased social efficiency by redistributing land use, and adjusting farmland to factor endowments of households. Thus, they concluded that factor endowments are major decision criteria of farmers either to rent out or in. i.e, informal rural land markets are aspects of land tenure through which land is transacted between different parties of differing endowments and efficiency. Nevertheless, consideration of efficiency alone doesn't show us the true picture of the nature of informal land markets. Neither is it the only objective of public policies. Abebe argued "Clearly, the existence of informal rural land markets has created some mechanisms by which land is becoming more accessible to some groups rather than others (Abebe, 2001: 6).

The respondents are asked to give parcel information related to rental transactions, alienation and concentration. The first two questions are intended to isolate area under self-cultivation and area under any form of rental arrangement. Accordingly, as stated earlier, 29.06 % (34) of all the respondents have rented out 19.28 % of the total respondents' holdings during the fieldwork. Among these, 47.06 % (16) share cropped, 41.18 % (14) cash rented, and 11.76 % (4) combined both share cropping and cash rental. As shown by the following table, the relative importance tends to show spatial variation. Fixed cash rent is slightly more important in Gelan and Hechu, while in Gogecha sharecropping seems by far outweighing fixed cash rent. Proportion of renters also showed variation among the three PAs. 44.1 % of all the renters are from Hechu while Gelan accounted 35.29 %. In fact, the position of Hechu with this regard can be explained by the additional contribution of vegetable plots that are also marketable.

Table 4.6: Form of Rental Transaction, by PA

PA	Sharecropped		Fixed Cash Rent		Both Sh.Crop. & Cash Rent		Total	
	No. of Respon.	%	No. of Respon.	%	No. of Respon.	%	No. of Respon.	%
Gelan	4	33.33	6	50	2	16.66	12	35.29
Gogecha	6	85.71	1	14.29	0	0.0	7	20.6
Hechu	6	40.0	7	46.67	2	13.33	15	44.11
Total	16	47.06	14	41.18	4	11.76	34	100

Source: Household Data

Out of the total rented out area, 69.77 % (30.0 ha) is share cropped. Under this form of transfer, the rents are paid in kind, the rate of which is customarily $1/3^{\text{rd}}$ or $1/2$ of the produce. These rates ($1/3$ or $1/2$) are decided according to the preference and/or capacity of the renter. The renter's share of the produce shall be half if he has agreed to contribute half of the cost for seed and fertilizer inputs, besides the land he offered. If he is one who cannot afford to contribute as much, he has the second alternative- to contribute $1/3^{\text{rd}}$ of the cost for seed and fertilizer inputs, and to share such same portion ($1/3^{\text{rd}}$) of the produce.

It is worth noting that 77 % (20) of the renters engaged in sharecropping contract share only one-third of the produce. It goes without saying that this rate is not their best preference. The concerned respondents informed that they aren't in a position to contribute half the cost for the inputs to share similar proportion of the output.

The author has found close relationship between proportion rented out and form of renting. All the renters who rent out all or most of their farm holdings engage in sharecropping contract. The reason is obvious. Family food requirements are solely expected from the holdings and consequently, the mode of rent in sharecropping

reduces transaction cost of availing family food¹⁶. Under the share cropping form of rental contracts, ‘who the rentee is’ appears to be important. Though farmers rent out simply for business, and, in principle, the land could be rented to anybody, the nature and objective of sharecropping demands that the rentee should not be lazy and irresponsible cultivator because this affects the expected share of the produce. Therefore, information, if not necessarily some sort of relation or acquaintance, about the rentee is required before share cropping the land while this may not be necessary under cash rental. This is what scholars call renters’ evaluation of rentee’s management efficiency as decision criteria of renters to sharecrop holdings (Abebe, 2001: 1993).

The annual price of land rented out on cash in the study areas varies from about \$ 70.00 - 400.00 for 0.25 ha (tab. 4.7). The rate is found negotiable, and varies with the general quality of the land offered (fertility, slope, etc.), the nature of land use, location and availability of water, among others.

Table 4.7: Cash Rental Price Rates, 0.25ha of land, Study Areas

Kebele/PA	Cereal Land		Vegetable Land	
	Minimum	Maximum	Minimum	Maximum
Gelan	180.00	250.00	-	-
Gogecha	150.00	250.00	-	-
Hechu	70.00	200.00	250.00	400.00

Source: Household Data

The land from which chickpeas is harvested (locally called Lafa Ikkira/ Ikkir Meret) could be rented up to \$ 250.00 /0.25 ha/year, while that of teff land (locally called Lafa Qorani/ Korani Meret) does not exceed Birr 200.00, in the study areas. The local

¹⁶ if cash rent family food should be bought from the market the transaction of which has its own cost without considering associated risks. In fact, share cropping provides opportunity for risk sharing, including the problem of input/output market imperfection excluding land by both parties.

term 'lafa ikkira'/'ikkir meret' is synonymous with prime land. It is worth noting that both the lowest and highest rates are recorded for Hechu. The lowest rates are paid for the infertile¹⁷ 'Korani Meret' and, 'Taf Merets' (This local term refers to parcels less important for oneself or unlikely for own cultivation).

Comparisons on the basis of rental rates for cereal lands alone show that the highest rental prices occur in areas along the highway (Gelan and Gogecha PAs). This means, irrespective of its higher population densities and much more proportion of the landless¹⁸ cereal land rental price in Hechu is low. This may be more explained by poor quality of the soils than by location¹⁹.

On the other hand, irrigated vegetable lands of same kebele (Hechu) may be rented out at a much higher price. The single dry season rental price for a 0.25 ha area vegetable land ranges between \$ 250.00 – 400.00, depending on ease or relative costs of putting them under intended cultivation. More specifically, the degree of past wet season floods and the resultant effects on nature of grass species grown shows spatial variation. Hence, those affected less help earn more attractive rental income, while those affected most are reported unlikely marketable in the rental transactions²⁰.

¹⁷ One of the villages in Hechu PA, which is also called Hechu appears the most infertile of the study areas. Here, even the maximum annual rental price for cereal land is only about Birr 100.00 – 150.00, while the rate commonly approaches the lowest (70.00) every third year. More specifically, the farm give yield locally considered fair only for two years that 'teff' gives way to cheak peas every third year. The cycle is every fourth year for all other studied villages. Nevertheless, a quarter hectare vegetable lands of same village (plots along the course of Akaki river) may be rented at a price of 250.00 – 300.00.

¹⁸ Key informants from the Kebele estimated that the proportion of the landless is more than half of the landed population, particularly in the village known as Hechu.

¹⁹ Note that the kebele is found in the vicinity of Akaki town, though not on the asphalt road.

²⁰ it is unfortunate that these vegetable lands cannot be used during the usual growing season. That is, during the wet seasons River Akaki overflows its bank and flood the lands. Moreover, this wet season flooding not only made year round production of vegetables unthinkable but also constraining the dry season production it self. The wet season flooding is often accompanied by the growth of grass species difficult to clear and hardened black soil difficult to plough with the labour and technological inputs affordable for many peasants. First, only families endowed with strong male labour can clear the grasses. Second, it is usually difficult to plough such plots with the

The vegetable lands are commonly rented out on cash. This means, sharecropping is uncommon in rental transactions of vegetable lands²¹.

Dealings between renter and rentee generally have written agreement (exceptions are only two renters (5.9 %) whose contracts are with close relatives) and witnesses. And copies of the agreements are held by both parties involved. The role of PAs is limited to registering contracts if approached by the parties concerned (i.e. this usually occur when the duration is for two or more years) or to settle disputes, if any. Hence, the Kebele Judicial Tribunal appears to be the best mode of enforcing the contracts.

In the study areas, the duration of rental contracts is often one year but renewable. Accordingly, only 20.6 % (7) of the renters are found engaged in 2 to 5 years duration of contracts²². The regulation of the Regional Government states that the terms of rental contracts shall not exceed five years. However, the regulation has provision for renewal. The parties could renew the contract twice. That is, peasants are allowed to rent out a maximum of ½ of their holdings for a maximum of fifteen years, continuous. In fact, according to one investigator too, land rental markets have mixed impacts on poverty and inequality depending on the terms (Quan, 2000: 47).

use of traditional implements and farm oxen. Thus, significant proportion of the lands remains idle. One cost attached to utilization of vegetable lands in the study area still remains- the cost of watering the vegetables during a dry season growing period. This naturally requires irrigation or other source of water. Some of the peasant holders own water pumps while others rent the service. The cost for water (water pumps) is reported to be up to \$150.00 for those renting the service of the pumps. Up to 15 such pumps 73.33 % (11) of which are owned by the local vegetable farmers are found in Hechu.

²¹ The produce from vegetable farms is reported sold just on the farm. According to the informants, vegetable merchants have introduced such form of marketing from the city who are also sole clients for up-taking the produce. The farm-gate price of potato produce on 0.25 ha area range between \$800.00 to 1200.00. The seller peasants does not bother about harvesting, transporting and marketing. The payments are usually and/or customarily divided into two. Buyers pay ½ of the agreed price initially to secure the dealings. The final payment is made by the day buyers harvest and load the last potatoes.

²² However, there is also one case of (female household head) indefinite contract duration. All her 2 ha is sharecropped to husband of her own daughter. The couples live with her, i.e., are actually part of the household.

Duration of rental period is often reported to be on the basis of renter's preference. The renter wishes to exploit any possible new market opportunity (higher rates) or to cultivate himself if his conditions improved next year. Nevertheless, one rentee²³ from Gogecha reported that 'it is appropriate to suspect that, owing to intensifying market pressure, the renter may change his mind at any time. So, why should the rentee bother with long years of contracts (which are risky) while he has the possibility to renew annually?' This indicates that there is a tendency to consider long rental duration risky, at least among the rentees in the PAs along the highway. Besides, it shows that short rental duration is not necessarily a problem. According to one investigator too, the fact that such transactions are subject to revocation and re-negotiation over time means they offer advantages of considerable flexibility (Quan, 2000: 47).

Rental transactions are widely practiced and generally accepted among the peasants in the study areas. Above four in ten of all the respondents (44.44 %) are either renters or rentees. In general, 67.36 % of the renters' holdings are found under rent. This aspect logically takes us a bit closer to some particulars of households engaging in rental transactions. The proportion of area rented out varies from family to family.

²³ Among the respondents were also rentees who currently have access to certain additional farmland on rent. 15.38 % (18) of the respondents have rented in farmland during or before 2001 main season.

However, 44.12 % of the renters have rented out all their holdings without any reserve for own cultivation. Another 29.41 % remained with only 0.5 to 1.0 hectare to be cultivated by themselves.

Table 4.8: Area under Self-cultivation, Renters

Area under self cultivation (%)	Peasant Association						Total No. of Res	%	Cum. %
	Gelan		Gogecha		Hechu				
	No. of Res	%	No. of Res	%	No. of Res	%			
0	6	50.0	3	43%	6	40%	15	44.12	44.12
0.5-1.0	4	33.33	1	14%	5	33%	10	29.41	73.53
1.1-1.5	0	0.00	1	14%	4	27%	5	14.7	88.23
1.6-2.0	1	8.33	2	29%	0	0%	3	8.82	97.05
2.1-2.5	1	8.33	0	0%	0	0%	1	2.94	100
Total	12	100	7	100%	15	100%	34	100	

Source: Household Data

On the other hand, the rented in proportion accounts for 43 % of own holdings. The other way round, in terms of size, 30 % of the total area cultivated by rentees are acquired through rental market. Rented lands are generally used for cultivation purposes. That is, the clients in the land rental markets under discussion are resident peasant communities of the areas themselves.

As illustrated in table 4.9 (below) rentees' area under cultivation rose to 2.86 hectares while average own holding size was only 2.0 i.e., a gain of 0.86 ha, on the average. Needless to tell, these gains are achieved through parallel declines in mean area under self-cultivation of renters. This indicates that rentees are accumulating land through rental markets while renters are experiencing the reverse²⁴. Simple comparison of

²⁴ Owing to the fact that this paper is not about the impacts of land rental markets the condition of renters in the absence of this markets is not discussed here. As addressed by others, however, their conditions may be worse, in the absence of the markets.

number of renters (34) and rentees (18) also show that one rentee may rent from a number of renters.

Table 4.9: Rentees' Own Holding and Area Acquired on Rent (ha)

Villages	No. Of Rentees	Own Holding Size	Mean Holding Size	Area Acquired on Rent	Proportion Rented in (%)	Total Cultivated	Mean Cultivated
Gelan	6	14.75	2.458	6.75	45.76	21.5	3.58
Gogecha	5	8.25	1.650	4.75	57.57	13.0	2.6
Hechu	7	12.75	1.821	4.00	31.37	16.75	2.40
Total	18	36	2.0	15.5	43.05	51.5	2.86

Source: Household Data

4.8.2 Characteristics of Renters and Rentees

As discussed, in detail, in the literature part (aspects of land markets), in practice, land markets show fragmentation by socioeconomic groups, location and so on. Investigation of factors governing the nature and performance of land markets is also one of the objectives of the research. Accordingly, this sub-section attempts to

Table 4.10: Land Transactions, Peasant Holder Sample

Description	Peasant Association					
	Gelan		Gogecha		Hechu	
	ha) No.of Resp.	%	ha) No.of Resp.	%	a) No.of Resp.	%
No. of Respondents (total)	40		37		40	
No. of respondents renting out land	12	30.0	7	18.92	15	37.5
□ Principal motives for renting out land						
○ Lack of farm oxen	5	41.67	4	57.14	8	53.33
○ Lack of farm labour	4	33.33	2	28.57	4	26.67
○ Lack of cash for chemical & seed inputs	2	16.67	1	14.29	2	13.33
○ Other reasons	1	8.33	0	0.0	1	6.67
No. of respondents renting in land	6		5		7	
□ Reasons for renting in		100.0	5	100.0	6	85.7
○ Own holdings are not adequate	6	0.0	0.0	0.0	1	14.3
○ For adult son(s)	0					

Source: Household Data

characterize both the renters and rentees. For this purpose, four indicators, namely ownership of farm oxen, family size, sex, and holding size are used. These indicators are considered basic with regard to factors governing rental transactions in land.

According to the household data plots are rented out usually only in response to justifiable household constraints (for instance, lack of farm oxen (50%) or farm labour (29.41%), lack of finance for required chemical inputs (14.7%), immediate cash needs, including tax obligations, borrowed chemical inputs, etc. (5.88%)). However, none reported generating income stream exceeding the amount gained if own cultivated. Moreover, some renters also disclosed that the reason why they prefer short rental duration is to own-cultivate if one's conditions improved next year.

Table 4.11: Ownership of Farm Oxen, Renter Households

No. of Farm Oxen Owned	Peasant Association						Total	
	Gelan		Gogecha		Hechu			
	No. of Ren.	%	No. of Ren.	%	No. of Ren.	%	No. of Ren.	%
0	2	16.67	3	42.86	7	47%	12	35.3%
1	6	50.0	3	42.86	5	33%	14	41.1%
2	3	25	1	14.28	3	20%	7	20.6%
3	1	8.33	0	0.00	0	0%	1	3%
Total	12	100	7	100%	15	100%	34	100%

Source: Household Data

41.02% of all households in the sample have either no ox at all or have only one. Those without oxen at all constitute 20.51% of all households in the sample. Researches carried out elsewhere disclosed that rural poor rent out their land mainly because of lack of a pair of oxen. It is worth mentioning that 35.33 % of the renters have no single farm ox while another 41.1% owned only one. This discloses two

important facts. First, the largest majority of the renters (76.4%) have only one ox, if any. Second, only 54.17 % of the total of those with none or only one ox in the sample households are represented in the renters' group.

Often reported reason for renting in (table 4.10) is, on the other hand, inadequacy of own holdings²⁵. The holdings of the rentees, however, are found ranging from 1.25 ha to 4.5 ha. This does not corroborate the claims made by rentees. These rentees tend to have some important similarities. All have 2 or more farm oxen and large family size (at least 7), including those above the age of 15 to work on more land. Thus, rentees have the required labour and farm oxen inputs. The source of finance is also own (88.88%). Only 11.22 % rented in from income earned from compensation.

Both male and female household heads are represented among the renters. Females account for 47.06 % of all the renters. This shows that propensity to rent out seems higher among females. That is, over half (51.61 %) of the female household heads represented in the sample have rented out all or part of their holdings. Though there are a number of reasons for renting out, their main difference from male-headed households is the lack of male labour.

Table 4.12: Sex of Renters

Sex of Renters	Peasant Association						Total	
	Gelan		Gogecha		Hechu			
	No. of Renters	%	No. of Renters	%	No. of Renters	%	No. of Res.	%
Male	5	41.67	3	42.86	10	66.67	18	52.94
Female	7	58.33	4	57.14	5	33.33	16	47.06
Total	12	100	7	100	15	100	34	100

Source: Household Data

²⁵ However, one respondent from Hechu rented in 0.5 ha for his two adult sons.

One female household head from Endodie, who rented out (on cash), all her 0.75 ha cropland commented that “The renters are the poor who usually have no farm oxen and often constrained by lack or inadequacy of required labour and cash inputs while the rentees are the rich who are not only endowed with these inputs but also indeed are large holders.”

In fact, oxen deficient households can acquire farm oxen through informal institutions set up for the purpose. Among these ‘*meqenajo*’ (yoking), ‘*minda*’ or ‘*megazo*’ and, exchange for labour are customarily functioning in rural Ethiopia (Abebe, 2001: 19). Nevertheless, these alternatives need qualification. The 1st alternative, *meqenajo* (yoking) is senseless, as far as households with non-farm ox are concerned. Thus, their likely alternatives are the 2nd and 3rd ones. The rate for accessing an ox through *minda* is at least Birr 200.00 (or its equivalent in food grains which is two quintals of teff or more), for single main growing season. This is operational alternative, again, if only the concerned peasants have ready cash to pay for or confident of producing enough surpluses to pay in kind, besides the cost for required chemical and seed inputs. Resort to the 3rd alternative too, means that they should have enough (or even excess) farm labour to work for others in return to the use of oxen on their fields. Indeed, 45.83 % of those with none or only one farm ox might have satisfied these requirements and used one or more of these alternatives. That is why they haven’t rented out irrespective of similar shortage of farm oxen, or otherwise falsely reported the status of their parcels and/or number of oxen.

Studies conducted in some parts of rural Ethiopia have already disclosed that oxen ownership is associated with economic status. Thus, they concluded that rural rental

markets prevailed mainly in response to differential availability of farm oxen, and redistributing land from the poorer to the better off. Discussions conducted with key informants also disclosed the prevalence of same pattern. Renters are largely those members constrained by shortage of farm oxen. Besides, the landless among the peasants too have similar (if not more) constraints that they haven't got access to land, at least, through the rental market.

4.8.3 Informal Transactions

Although majority of the selected respondents tend to deny own engagement in both land alienation or accumulation, at least some respondents from Gogecha revealed own engagement in land alienation. Informal talks with other residents and field realities also disclosed that the lands of Gelan and Gogecha PAs are under informal transaction. Classified in terms of use under the local communities, plots informally marketed in parts of these areas can be categorized into three: grazing lands, farmlands and, parts of homesteads.

Table 4.13: Informal Transaction Rates (Gogecha PA)

Case No.	Form of Transaction	Plot Category	Area Involved (ha)	Price (Birr)	Year (E.C)	Reason
1	Sale	Grazing	0.5	2,000.00	2000	Useless for oneself
2	Sale	Farmland	1.0	82,000.00	2001	PA & above level leaders' advise/pressure
3	Lease	Farmland	0.25	19,000.00	2000	PA & above level leaders' advise/pressure
4	Lease	Farmland	0.25	5,776.00	2000	PA & above level leaders' advise/pressure

Source: Household Data

As shown in the above table, both grazing and farmlands are sold in Gogaecha. The first piece of land to be sold is less productive stony grazing land. The price for such land in the villages of Gogecha had been \$ 1,000.00 – 2,000.00 (for a maximum of ½

ha), two years ago, but escalated to \$20,000.00 since last year. Four cases have reported the selling or leasing of their land informally. One of them sold $\frac{1}{2}$ of his grazing land for \$ 2,000.00 in the year 2000 while another sold 1.0 ha of normal farmland for \$ 82,000.00, just the last (2001) year. Two individuals leased their land for \$ 19,000.00 and 5,776.00 in the year 2000. The reasons were less importance for oneself or PA or abobove level leaders' advise and/or pressure.

In Gelan 'Sefera' (settlement) areas, parts of individual household homesteads are transacted at higher price. The price for a 500 m² plot of Gelan farmhouses has been \$ 1,000.00 – 2,000.00 two years ago, about 10,000.00 before a year and, \$ 30,000.00 – 40,000.00 is reported to be common this year²⁶.

As mentioned earlier, an individual peasant homestead is about 1,000 m² in area size. In the past five or six years, a number of villagers have marketed half (i.e. 500 m²) of their homestead. The procedures are that city men in need of the site visit the village (usually with one villager with whom acquaintance is formed beforehand) and approach the peasant concerned for purchase contract. If the concerned peasant agrees, the buyer advances certain sum of money that is adequate for the construction of one or two room service type house. Eventually the peasant holder informs the PA leaders that he has sold one of his residential houses to someone (and he has the right to do that). Thus, the practice of selling and buying of land in the name of service type house sells while, there is no service house since this was constructed by the buyer himself. The researcher has managed to count more than 20 service houses constructed in the same way in an area of not more than three hectares. Besides, it is also mentioned that almost all of these residential ('sfera') areas are divided and sold,

²⁶ During one of the informal talks with some one in the field, the researcher was told (by one commentator of the intensified land market) that same size of land is allotted at \$15,000.00 in Akaki Town part of the city.

though the service houses are yet to be constructed for some of the sold plots. The PA leaders are not in a position to monitor the market or simply have overlooked it.

According to key informants, permanent transfers in this village began in the form of temporary transfers of part of a homestead by some families. Anyway, these initial renters (or ultimate sellers) are low income groups who are in need of cash whether to settle tax obligations, credit, or for other reasons. Nevertheless, poverty alone cannot fully explain the transaction. The presence of some groups in need of the land has also been equally important (if not more important) factor. Moreover, in the recent years, external demand for the land of the village is so intense that even the relatively better off are selling parts of their homestead. The behaviour of these peasants deviates from the common argument (i.e. propensity for permanent alienation is rare among the peasants of Ethiopia). The reasons are that these farmers understood that sooner or latter the land does not remain with (under) them, and, under government transfers the rates of revenues (compensation) for the peasants is not only too low but also not paid at the right time (delays of 3 or more years is common) and the bureaucracy is unbearably too long. It is important to note that the current minimum market price (at least 30,000.00 for 500 m² of land) prevailing in Gelan residential area is found out to be about 9 times higher than the government rate for cropland. Besides, some key informants have the view that most of the concerned groups have been expropriated part of their holdings without compensation (three years ago). As a result they not only lacked adequate livelihood base to feed their family but also lacked ability to pay for the required inputs. They have no alternative except selling part of their homestead for which there is a ready market and attractive price. Under this form of alienation

the farmers are sure that their individual family residence is left intact and, hence, there is no eviction while they have no guarantee if transferred to government.

4.8.4 Private Lease Market

A number of private companies have acquired plots close to the highway during the past five or six years in particular. The Regional Government's Directive No. 3/1990 E.C and related rules and regulations allow leasehold of peri-urban lands within 10 km distance from the boundary of Addis Ababa City Region Administration. The study areas generally fall within this specified distance. Accordingly a number of urban based private investors acquired use right of farmlands and grazing grounds under use by the local communities of Geland and Gogecha PAs. The regulation indeed allowed cheap and easy access of the urban groups to the land. Thus, the urban sectors and/or investors are officially allowed to acquire land and they managed to grab it. In fact, even before the issuance of this directive, urban moneybags have been acquiring the lands, both formally (through the Regional Government) and informally without the knowledge of the Regional Government or Zonal Administration. Nevertheless, none of the investors/investment projects that acquired lands before 1998 are included in the records of the concerned Zonal and Regional agencies.

Surprisingly complete and/or exhaustive list of investment projects to which land was formally allotted even since 1990 E.C is not available. The Regional Investment Bureau knows only licensed ones (66 projects); the zonal administration has records of only 49 projects including those of which are not in the records of the Investment Bureau; the Municipality of Dukem too provides records of 35 projects which acquired land in parts of Gogecha PA, since the area came under its jurisdiction (2000). There is therefore, lack of consistency regarding information on the lease

market. The source of the problem appears to be the hurried and less coordinated allocation of land by different agencies at different hierarchies from District to the Regional Government level on the one hand, and the lack of information flow between the same agents on the other. It is worth mentioning that the Zonal Department for Planning and Economic Development of East Shoa Administrative Zone has made attempts to prepare a summary report of the performance of private investment in the zone. They commented and/or acknowledged that there is no accurate and consistent information on the investment activities in the zone. Nevertheless, the author has attempted to complement and use all the sources so as to arrive at fairly accurate accounts of the land transferred and number of private investment projects in the two PAs under consideration.

Accordingly, a total of about 81 private investment projects have been allotted 134.23 hectares of the holdings and grazing grounds of the peasant communities in the two PAs. 93.26 % land use right transfers/allotments were made mainly during the years 1997/1998-2001 (however, some were just during the year at hand). More specifically, 67% of the land allotments (use right transfers) were made during 1997/1998 alone.

Table 4.14: Year of Land Acquisition, Private Investment Projects (By PA)

No.	Year	Peasant Association				Total			
		Gelan		Gogecha		No. of Proj.	%	Area Transferred (ha)	%
		No. of Projects	Area Trans. (ha)	Number of Projects	Area Trans (ha)				
1	1997/98	5	13.23	0	0	5	6.173	13.23	9.86
2	1998/99	25	71.443	3	5	28	34.57	76.443	56.95
3	1999/00	16	18.697	4	2.5	20	24.70	21.197	15.79
4	2000/01			23	20.36	23	28.39	20.36	15.17
5	2001/02			5	3.0	5	6.17	3.0	2.23
Total		46	103.37	35	30.86	81	100.0	134.23	100

Source: Official Data

As noted earlier, in terms of number of projects, industrial sector accounts for 79.1%, Hotel and Trade sector accounts for 16.28%, and agriculture accounts for 3.5%. The rest is accounted by health and education projects. Among these projects, about 90% are wholly domestic while the rest are considered foreign, including joint ventures. Lease terms range from a minimum of 25 years for some agricultural and hotel projects to a maximum of 70 years for major industrial projects²⁷. The lease rental rate for these projects is generally Birr 2.02/m². Lack of project implementation in compliance with the signed land lease agreement is reported to be one of the implementation problems in the areas. Although existing regulation of the region urges construction works to be started within six months after land is handed over and to accomplish over half of the construction work within a year only 7.4 % are currently operational while 43.21 % are under construction and, 49.39 % are of no activity. Given this fact, it is difficult to consider the transaction effective or the policy attaining its objectives.

When these peasant holdings and grazing grounds are transferred for private investors, the affected peasants are supposed to get compensation. The official compensation rate is reported to be Birr 6.29825/m² for area under cultivation, and Birr 1.00/m² for grazing lands. Exact information on the total number of peasant households affected and those who received compensation is not available. Concerned public agents at all levels, however, acknowledge that compensation payments lag far behind expropriation of the lands. The findings from household survey also support this generalization. Among the sample respondents from the two PAs 25 (21.37 %)

²⁷ Nevertheless, the regional government has recently disclosed that lease terms for major projects is extended from 70 to 99 years.

are affected by the leasehold, and only 11 (44%) of them got required compensation while another 3 (12%) got for only part of the parcels expropriated.

The concerned peasants among the respondents and key informants disclosed that first; they are officially forced to give away their livelihood bases before actual compensation for it is made. Second, the compensation is to be realized commonly from the concerned investor's annual rental payments. That is, the Regional Government has no fund assigned for the purpose. Only in few cases has it paid from reserve fund. Worse still is, most of the investors are too slow to pay the rent required from them. Irregularity of payments is also reported to be common characteristic. Besides, one-year lease rental income also covers only 32.47 % of the payments required for affected peasant or peasants. This means, even if the investors pay the rent required regularly and on time, the affected peasant holder has to wait for over three years, to get the sum he is entitled for. This shows that the Regional Government is not in a position to materialize the payment, at least within the required time for those already affected. Moreover, majority of the affected peasant doesn't consider the rate (6.29825/m²) satisfactory, in the light of real and potential value of the peasant farms involved and in relation to the rates for their counterparts in Addis Ababa City Region.

Other problems related to the areas peasant farmland appropriation process is also identified. The Regional Government's commitment towards strengthening private investment and stimulating economic growth seems to have no similar consideration for the implication of the process on the life of the peasant communities involved. At least it seems less prepared to turn the process also to the betterment/benefit of the

Table 4.16: Number of peasants Affected and Size Alienated, Gogecha PA

No.	Size Alienated (Category) (ha)	No. of Peasants	Percent (%)
1	0.1-0.5	53	76.1
	0.51-1	10	14.49
3	1.1-1.5	3	4.35
4	1.51-2.0	3	4.35
	Total Affected	69	100.0

Source: Municipality of Dukem

5 ASSESSMENT

The land tenure and land markets in the peri-urban area of Addis Ababa are complex. They show different features. These different features have different implications for different people. For the purpose of this section the major issues and problems of the peri-urban area land tenure and land markets are sorted into six major areas of concern.

1. **Segmented market and multiple tenures:** broadly speaking two different forms of tenure prevailed in the study areas. These are peasant holder land tenure and the modern lease tenure. Within the peasant holder land tenure three main forms of land acquisition prevails: kebele/PA allocation, inheritance and within family allocation to adult sons, and the temporary land rental. With regard to the rental tenure the 'landlords' (i.e renters) are the poor while the 'tenants' (i.e rentees) are the better-offs among the peasant farmers themselves. Parallel to this, modern urban industrial/commercial investors are acquiring peri-urban lands by lease. The Regional Government and the Municipality of Dukem are responsible for allocation of the lands for leaseholders. This indicates that the system of land tenure in the peri-urban areas shows distinction between urban rich and rural inhabitants on the one hand, and between the rich and poor within the rural groups. The urban men occupied lands under a right of occupancy extending over 30 to 70 (or more) years while the latter have no defined terms of tenure. With regard to the land markets, the peri-urban areas are characterized by intense urban and agricultural land transactions.

The markets are segmented into urban and rural, rich and poor and, formal and informal markets. First, formal and informal markets are competing with one

another. With regard to land markets considered 'formal', the Regional Government has compulsorily transferred about 111 ha of individual local peasant cropping and grazing lands to a number of urban based investors and speculators. Besides, the Regional Investment Board has approved the transfer of similar 23.23 ha of peasant holdings through the Municipality of Dukem. Thus, the total transferred so far (within only the four years from 1998-2001) accounts for 134.23 ha. In fact this accounts for only 54.4 % of the total size requests were made for. This means the urban moneybags' demand for monopolizing use right of the lands is intense. The urban groups' acquisition of land by lease endangers the availability of land for the peasant holders.

2. **Tenure security:** peri-urban area peasant holders have been victims of frequent land redistribution, forced co-operativisation, villagization, etc of the Derg time. Now they are victims of lease tenure that is designed to serve the urban groups. The current lease tenure has generated deep uncertainty of tenure among the peasant holders. They are alienating different sizes of land from different parcels at different times, seasons or years. They are uncertain about which parcel they could cultivate the next growing season. Neither they know who surveys and divides their holdings. While the urban elites enjoy security of tenure for the number of years specified in the lease contracts the indigenous peasant appear temporary holders. Though none among the sample respondents, total dispossession has already been experienced. Unless these problems are resolved mass eviction is likely in the near future. Surprisingly, the insecurity is diffused to wider areas less likely affected by lease. These are

insecured by the widespread rumor of land redistribution to accommodate those dislocated by lease or urban encroachment.

3. **Land conflicts:** Disputes are unusually intense in the PAs of Geland and Gogecha. The growing value for peri-urban land generated disputes even between descendants of the same parents. Nevertheless, the current process of allocating land to commercial investors appears serious source of conflict in Geland and Gogecha. That is, it raised conflicts between investors and local communities and the government itself.

At least half of the concerned household heads have not got the rightful compensation for plots expropriated since 1998. Thus, the respondent household heads and key informants seriously felt that they are not only forced but also cheated by government.

The allocated land is generally not free of other users. Both human and livestock tracks have been prohibited. They lost main routes for watering their animals. Hence, their basic livestock are dying by drinking polluted water of Akaki River. This shows that rights of passage or water use are closed on a number of residents not directly affected by the projects.

There have been conflicts between the peri-urban areas development programme (Regional Lease Policy) and Addis Ababa City development plan. In order to attract private investment away from the city and towards the Region (Oromiya), the regional terms and rates of leasehold are lowered. This

means, the urban sectors and/or investors and speculators are officially allowed acquisition of the peri-urban areas at a much cheaper rental rate. In other words, the policy provided an option, for investors and speculators in need of avoiding high prices of land in Addis. The highly divergent rates exacerbate the horizontal growth of the city.

4. **Land rental:** Rental transactions are widely practiced and generally accepted among the villagers. Above four in ten of all the respondents are either renters or rentees. In general, 67.36 % of the renters' holdings is found under rent. The proportion of area rented out varies from family to family and by gender. Surprisingly, 44.2 % of the renters are found rented out all their holdings. That is, contrary to the legal limits, non-left for own cultivation.

Those experiencing shortage of farm oxen, farm labour and cash for chemical inputs are found forced to rent out while those endowed with these inputs rent in. This not only shows the presence of strong link between relative scarcity and/or abundance of the factor inputs, but also the persistence of narrow scope for the landless and near landless, to access land through the rental market. In other words, landless peasants are found unable to enter the farmland rental market due to lack of finance or access to credit institutions. Thus the main parties engaging in the land rental contracts are the poorer peasants constrained by agricultural factor inputs, by renting out, and, the richer ones endowed with the inputs lacked among the poorer group. Given these push factors to rent out land and the absence of rural development support services, it appears difficult to enforce the regulation issued by the Regional

Government. Nevertheless, unless the socioeconomic constraints forcing the renters to rent out get focused treatment, not only their condition deteriorates but also the rental market remains nothing for the landless.

5. **Peri-urban land lease:** The government's 'sincere' concern for the encouragement and promotion of private investment has often been expressed on the basis of the assumption that it could be the main source of sustainable economic and social development of the country. The performance of private investment in the study areas is much lower than expected by the Regional Government itself. Out of the 81 private investment projects to be implemented in these areas, only 6 (7.4%) are currently operational while 35 (43.21 %) are under construction. The rest (49.39 %) have not started activity. Lack of project implementation in compliance with the signed land lease agreement is reported one of implementation problems in the area. That is, the policy and reality have gone in parallel lines, further complicating and worsening the situation it set out to address.

The theoretical advantage of public ownership combined with leasehold is found constrained by practical problems. Effective supply is constrained by the difficulties of the process of negotiation and/or coercion and expropriation, and lack of initial fund for compensation, exacerbated by problems of cash flow and low rental income. As stated earlier, the peri-urban area land lease tenure and market provided cheap and easy access for the influential urban groups (investors and speculators). Nevertheless, it is in the process of evicting the peasant holders in the area. In general, the current government policy and

practice of transferring peasant holdings to modern urban sectors, by lease, has come to be the most important reason of decline in holding size in Gelan and Gogecha PAs. 8.7 % of affected peasants in Gogecha have already lost 1.1 to 2.0 hectares. Given that the projects are larger in terms of allotted area than those in Gogecha, the figures are likely more frustrating for Gelan. Worse, neither the process negotiable and/or participatory, nor the payments of compensation within expected time. Some of the peasants have not yet received compensation for plots alienated before three years.

Administrative problems and complexities have also been observed, including during the process of expropriation, for instance, to sort out number of peasant holders affected and eligible for compensation, unit of land accounted for each, and to settle related claims, and to monitor performance of private sectors acquired land.

6. **Informal markets:** Some investors/speculators have also been acquiring peri-urban lands informally from individual farmers. This is achieved through both purchase/sale and rental contracts made between the two parties. Nevertheless, some of the woreda and lower level leaders are found abusing their responsibility and authority. They have not only been distorting the conduct of their mission but also involved in facilitating/coordinating practices they are supposed to discourage.

According to the propositions of neoclassical economics, free land markets result in growth that benefits all parties involved, including the poor landless/

dispossessed without title, through employment creation and other “trickle down” effects. Moreover, they argue that the recent development of transaction in land within systems of customary tenure too, show that land markets provide net benefits for both buyers and sellers.

With regard to peri-urban areas under discussion, nevertheless, urban groups appear beneficiary. In general, they bought or rented in for much less price rate than if acquired from the government. Among the peasant groups who offered the lands, on the other hand, there are both gainers and losers. It deserves emphasis that those categorized as losers lost not only in terms of government compensation rate but also in terms of rates for similar plots in the informal markets. Illiteracy and inadequate market information, and poverty seem combined to allow the poor in the study area to be exploited in market transaction by the urban groups.

Neither these people are beneficiaries of the leasehold in their areas. The peasant holders have been promised a number of contributions. None of the contributions are realized. Employment in the form of daily labourer may be available for some of their members only during initial phases of construction. It is worth mentioning that there is also a complaint by the local people of the inability to be employed by investors, even as a guard-man, a post which does not require special skill. This is because the project owners bring their relatives from other areas.

5.1 CONCLUSION AND RECOMMENDATION

5.1.1 Conclusion

The purpose of this research is to explore the major types and features of land tenure and land markets prevailing in the peri-urban areas of Addis. Two main forms of land acquisition are identified among the peasant holders. Kebele/PA allocation and inheritance. Despite the official law prohibits inheritance, even the PA leadership recognize it if will is made to the landless descendants. There is no as such significant PA redistribution since 1988/82. Since then, and more specifically post Derg, there is no formal tenure for the peri-urban area peasant holders to acquire land. The turn for acquisition of the lands gone to the urban business men, through lease tenure. Currently, land is not available and therefore, difficult to get for the peasants. Compared to the 1968/69 E.C allocations, current holding sizes are small. The declines were the result of frequent PA land redistribution (to new land claimants), within family allocation to adult sons. Some lost 30 to 40 % of their initial allotment, through PA redistribution (*shigishig*) alone. Married sons also customarily get about ½ hectare from their parents. The declines appear exacerbated by the growing demand for non-agricultural uses of the lands under the peasants. Thus, lease tenure appears the major source of frustrating decline rates.

Two different forms of markets in land are identified in the study areas. These mainly include permanent transfers (the buying and selling of land) and temporary transfers (various forms of rental transactions). The peri-urban lands under discussion are rented to fellow peasants or sold to others by the peasants themselves, and leased to modern private business/industrial companies, by the government.

Both male and female household heads are represented among the renters. However, propensity to rent out seems dominant among female household heads. Almost half of the female household heads represented in the sample have rented out all or part of their holdings. However there are a number of reasons for renting out, their main difference from male-headed households is the lack of male labour.

Peri-urban area peasant holders are also found informally alienating parts of their farming and grazing lands and homesteads. The reason for this form of alienation is found advice or pressure of PA leaders themselves. This shows that the PA leaders have either been experiencing confusion of rights and roles or are characterized by corrupt behaviour.

Mainly the poor peasants (but not exclusively) in the study areas have been (and still are) transferring their plots. There are three, probably interconnected reasons. First, the Government forces them to transfer individual cultivable and grazing grounds, on compensation, to the urban rich. Secondly, some households are compelled by pressing circumstances and/or market pressure, to sell underground their holdings. Worse, the pressure is intensified in the sense that the price offered for the lands in the underground markets are increasingly attractive that even the better-off peasant household also entered in the markets for selling the lands. Third, still some others are forced (by corrupt PA or District Officials) to engage in long-term lease contracts, unusually with urban groups. To these three forms, we can add, at least, the extremely resource poor households who are renting out all their holdings (fourth). It seems

questionable whether these households, including those who leased to city men, can ever terminate the contracts to use the lands themselves.

The currently politicized nature of commitment for private investment too might have contributed for the intensification of underground land sales. Some of the urban rich who formerly bought land in the underground market were legalized on the basis that destroying properties on which they have already invested resources to some degree affects not only the individual investors directly concerned but also indirectly others. The researcher has witnessed one of such projects, which acquired three hectares of cropland at a much exploitative price. While the investor is legalized a group of peasants concerned are claiming, at the Woreda Regular Court, that the fellow has deceived them.

Thus, the researcher has found that the arguments of Hussien (against proponents of alternative land policy) are valid, at least, in the light of facts in the peri-urban areas of Addis. Neither the peasant holders are capable to withstand the pressures of land markets, whether for their own poverty and/or manipulation of land speculators or the urban elite, neither the PA or above level leadership found withstanding their manipulation (bribery). With regard to the adverse effects of land markets, nevertheless, the implication is more than the conclusions of researchers in rural Ethiopia. While those in rural Ethiopia have, at least, the opportunity for being agricultural labour force or tenants to individuals who have purchased their plots or daily labourers on agricultural investment projects formally acquired their holdings, the impacted peri-urban communities are not. They have neither the skill nor the training/education or experience required in modern non-agricultural developments

emerging in their localities. Besides, according to the view of many interviewees and key informants, the job market is fragmented, ethnically or regionally, even for posts such as guard man that does not as such require different skill. That is, more often than not developers in the areas prefer bringing their relatives and others from their ethnic or place of origin, to hiring indigenous communities.

Almost all of these peasants are not skilled to compete for permanent or at least to pay-off jobs on temporary basis. Neither they are likely to engage in business activities for they do not have the skills (even if the financial resources would be available through compensation payments or informal land sales) to undertake their own peti-business activities.

No feasibility studies were made before implementation of the peri-urban area lease policy. Among others, the inability to pay compensation to peasants affected on the part of the Government, and the lack of private capital or of easy access to bank loans and, speculative holdings have serious implications particularly on the peasants and the regional/national economy in general.

Expressed reasons for this low performance are lack of private capital and weak domestic savings, inability of investors to obtain bank loans, slow process of land allocation due to conflicts with peasants, inadequacy or absence of basic infrastructure facilities such as power, water, telephone lines, the opportunities that have been made available to investors through privatization programme to invest in already established firms become more attractive than investing in new (green field) projects; and lack of project implementation in compliance with the land lease agreement signed, etc.

As far as the study areas are concerned, there is no variation in the rental rates for government issued lands, leasehold rates. This appears the result of similarities of the lands offered, particularly with regard to location and other infrastructure facilities. According to the data at the disposal of the researcher, vast majority of the investors acquired land through the government at a cheaper rate.

As noted earlier, a total of 81 private investment projects have been officially allowed 134.23 ha of land, in these PAs, during the past five years (1998-2001). Allotted land areas differ between investors/projects. It varies from the minimum of 0.15 ha to a maximum of 5.00 ha. Their calculated average holding is 1.66 hectares.

It must be emphasized that much recent extension is not a function of population growth but of the more relaxation of the city or the highly optimistic motivation towards private investment's contribution often to the neglect of implications for the concerned peasants, by the Regional Government. As mentioned earlier the Regional Government is implementing the process of transferring peasant farmlands in the study areas, particularly those within 1 km on each side of the main road. Akaki district is typical of the most utilized (cultivated) farmlands. 96.35% of the potentially cultivable land is cultivated that it is difficult to get alternative plots for those who lose their land for private investment. When these peasant farmlands are converted to private investment land for whatever use the affected peasants are supposed to get compensation.

Thus, peri-urban area peasant holders land use rights are, at least in practice, not permanent that the rights to use are until the time requests are made for them by modern urban sectors.

Majority of the peasant holders are not happy with the compensation rate, particularly compared with their counterparts in the City Region. Besides, according to the informants, the Regional Government's commitment towards strengthening private investment and stimulating economic growth seem to have no similar consideration for the implication of the process on the life of the peasant communities involved. At least it seems less prepared to turn the process also for the betterment /benefits of the communities. Excluding the issue of rates used for compensation the process may be said fair to the peasants involved if at least two conditions were fulfilled for the peasants: if they may be helped to move to alternative farming areas in which they can invest the money earned for better production system, or may be organized in co-operatives to bring their money together for adequate sum required for some peasant farmer based investment projects possibly through consultancy services for the betterment of their lives. If these conditions are fulfilled, efforts towards development of private investment contributes not only to the growth of regional/national economy but also development of the people concerned.

The peri-urban area land and investment policy has been found generated considerable air of uncertainty and insecurity among the communities residing there. Land expropriation and other state 'exactions' are frustrating them.

The study area peasant holders are experiencing distinct sources of insecurity, compared communities the typically urban or typically rural settings. Only Hchu is exceptional. For peasants interviewed from Hechu PA, the problem is not land grabbing of the urban sectors but the continuously declining per capita holding size (mainly due to within family allocation to adult and/or married sons and the problem of annual inundation of their basic income generating vegetable lands.

The peasants are unwanted among the urban sectors. Thus, they provided them no opportunities. This means, peasants who have had, at least, tenancy status before the revolution are not securing proletarian status to day. That is, there is neither tenure security nor employment security.

As mentioned earlier, the Regional Government also seem unable to pay all the compensation required for the already approved projects, despite its complain for low demand on the part of private investors. Hence, there is also issue of how can the region raise sufficient funds to compensate the farmers and invest in the development of the unavoidable infrastructure required for/demanded by the current and future investors in the area. Suspending compensation payments is tax for peasants. Moreover, the are insecure because the don't know the time when they are asked to leave off the land that it has an immediate negative impact on their life.

The policy and practice of peri-urban area land management has coordination problem. Moreover, it appears that ther has been confusion over how to implement the laws and regulations or the policy in general. Grants of land have been made just

from the center, i.e., the Regional Government. The need for zonal level administration and other agencies is considered late. However, the so called 'investment desk' has been set up in the zonal administration, so far, they are not equipped with permanent personnel. Since their involvement, however, the Regional Government notifies them of application made for investment land in specific district and PA in their zone, so as they facilitate determination of specific site and transfer. To effect this responsibility, they are required to write similar letter to concerned woreda administration for same purpose. In practice, leaders of woreda are expected to negotiate with the concerned PA leaders and peasant holders so that the required land can be made available for the project. Nevertheless, some of the woreda and lower level leaders are found abusing their responsibility and authority. They have not only been distorting the conduct of their mission but also involved in facilitating/coordinating practices they are supposed to discourage.

The problems of middle and upper income groups' land speculation, dispossession and eviction of the poor through buying of their holdings should be resolved. Thus, peri-urban area peasant holders are experiencing distinct sources of insecurity, compared to communities in the typically urban or rural settings. Compared to rural and built up urban (city) areas, the study area peasant holders are experience declines in ability to sustain ownership and/or use of their holdings (including grazing, fuel, etc grounds) and maintain their homes there, let alone accommodating the younger peasant generations claiming for the lands. These typically rural communities are experiencing unusually destabilizing environment. Indeed, If this process continues without changes, urban groups will occupy a large part of these areas, in the coming

few years. The problem is, the process will likely be accompanied with exclusion and eviction of large numbers of the peri-urban area peasant holders.

6.2 Recommendation

It is difficult to conclude that the formal and informal land tenure and land markets prevailing in the study areas stimulate economic growth in general and improve standard of living, education and health of the peasantry in particular. Total transformation in social economic and political life of the peri-urban peasant communities depends on the elimination of the various observed defects.

1. The observed multiple land tenure needs to be unified so that the distinction between urban and rural avoided. The implicit assumption that the peasant holders have no ownership right over the land, except to ask for compensation for forgone benefits, should be avoided. Their rights to the land should be protected and allowed secure and defined terms of tenure. Obviously this requires reconsideration of the peri-urban area lease policy. In fact the policy requires reconsideration from different angles. It needs evaluation from the point of view of compatibility with the overall urban and rural development policy; costs and benefits, including social costs, the socioeconomic problems and prospects of the impacted peasants, the Regional Government's capacity to implement, and so on. With this regard, both actually and potentially, the policy appears more problem creating than solving. Hence the issue is whether or not to sustain the policy, and if sustained on what conditions. With regard to the first, the author suggests that there is no convincing rationale to sustain the policy, at least, in its present nature. It is encouraging that, according to some concerned officials, even the regional

government has temporarily suspended implementation of the policy at least in Gelan PA.

2. According to the author, the basic problem is that the peri-urban area lease tenure is not backed by feasibility study. This appears one among the top ranking issues demanding attention.

3. The problems surrounding the management of demand and supply of land in the peri-urban areas, including the rates associated need refinement. In fact, the problem appears to have been inherited from the past pattern of industrialization/commercialization and urbanization, the operation of which was (and still is) contingent up on 'availability' of land. More specifically, the ever-increasing demand is customarily met through conversion of agricultural land in the easily accessed peri-urban areas where land is supposed to be available at a low price. Nevertheless, unless the conflicts between the policies of Addis Ababa City Government and that of Oromiya resolved it might be difficult to discourage the horizontal expansion of the city, which the national lease policy itself was supposed to redress. This might require consultation between the two so that either the City Government makes further deduction, and/or the Regional Government of Oromiya rises the lease payment in the concerned adjacent areas;

4. Emphasis should be put on developing and implementing refined methodologies and regulations that will govern the assessment of compensation as well as payment modalities that should be followed, besides the Regional Government

needs to have dependable fund for adequate compensation that also considers social costs;

5. The peri-urban area lease policy need to be readjusted so that, above and beyond compensation the policy does not lead to total dispossession and/or eviction of the peasants. This means, above and beyond compensation, the peasant holders are better made part of the development process than simple compensation alone. In particular, as part and parcel of such compensation, integrated resettlement schemes need to be considered as they offer chances of industrial/commercial employment for those to be otherwise evicted and resettled.

6. So far there is virtually no participation of the peasants in the decision process. If any, it is informing. Nevertheless, as far as the issue concerns their lives such anti-participatory attitude need to be reversed, so that their problems, needs, and preferences can be incorporated in the overall policy and planning for the peri-urban areas. Related to this, peri-urban area peasant holders need to be organized in any way to defend their interests. This requires attention in future policy and actions.

7. The fact that 79 % of the household heads and 56 % of their family members cannot read and write, and current primary school coverage is far below the regional average in the areas at the door of the National City needs particular attention. Needless to say, unless this constraint is removed, the preceding recommendations, particularly the chances for non-farm employment and the likelihood of effective community participation and participatory organizations would be senseless.

8. the fact that about 41 % of the sample peasant households have either only one ox or none at all in the district heavily dependent on cereal cultivation has implications for the gainful farm employment, family food supply, calorie intake, and attempts to eradicate poverty. Alternative ways of supporting resource poor peasants that are currently renting out all or part of their holdings, including those alienating in the underground market, must be sought. The constraint might easily be removed through encouraging and supporting them to build their own assets such as farm oxen and other forms of capital, including fairly secure tenure. For asset building credit is required. Therefore, microfinance, micro business, skill training, etc., so that they will be able to cultivate the land themselves and/or can be engaged in some non-farm or off-farm employment, including petty-business activities; investing in peri-urban area peasant community capacity building is indispensable if they are to be part of the development process.

9. With regard to approval of private investment projects to be implemented in the areas, assessment of their financial realism, economic returns to society and impacts the environment, including the peasant holders, need due consideration. Attention needs to be given not only to attract more private investors but also to ways of improving the condition of local communities.

10. Realistic strategies should be designed to discourage the underground land alienation and implemented without delay. The author, however, believes that further detail empirical research may be required for the feasibility of these recommendations. Nevertheless, the transformation of these rural areas into urban uses need gradual approach, realistic priorities and feasible strategies, taking into account the associated social, financial and technical requirements and constraints.

This means, attention also needs to be given to socioeconomic research so that the bases of future policy and action can be laid.

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APPENDIX

HOUSEHOLD SURVEY QUESTIONNAIRE

Part One

Background Information

1. Sex of the respondent household head a) Male b) Female
2. Age _____
3. Marital status: a) Married b) Single c) Divorced d) Widowed
4. Education a) Can read and write b) Cannot read and write c) Can only sign his/her name d) Attended primary (1-4) school e) Above (specify) _____
5. Major activity a) Farmer or family farm worker b) Domestic work (includes house wife c) Manual worker (builder/mason/carpenter, etc.) d) Skilled (factory) worker e) Craft worker f) Disabled and unable to work g) other _____
6. Support (supplementary) off farm activities, if any _____ .
7. How many farm oxen do you have? A)1 b)2 c)3 d)4 and above e)none
8. Length of residence in the present village in years _____.
9. Have you ever been in another location/district/kebele?
 - a. Yes _____
 - b. No _____

If Yes:

9. Former place of residence

District _____ Kebele & village _____

10. Reasons for leave/ move from there _____

11. Total household size _____

12. Particulars of adult members (above 15) of the peasant holder's family

No.	Age	Sex	Educational Attainment	R/ship to HH head	Working on the farm	Off farm employed
1						
2						
3						
4						

Part Two
Land Tenure

1. When did the household get access to land in this kebele/village for the first time (in Eth. Calendar)
2. What was the total size of land at the disposal of the household at that time?
_____ hectare.

How did you obtain this land? a) Through Kebele redistribution b) Through land reallocation (shigishig) c) Through family redistribution d) Inherited from parents e) Inherited from other relatives f) Inherited from relatives of spouse g) Bought h) Mortgaged I) Other (specify) _____.

3. Is your land registered? a) Yes b) No

4. If yes

- a. Place of land registration _____
- b. Certificate of registration _____

If no reasons for not registering: a) No need to register land b) High cost c) Complicated procedure d) Other (specify) _____

5. Changes that have occurred since the household was formed and acquired land for the first time:

Changes	Year changes occurred	Addition to landholding (in hekt)	Loss in landholding	Reason for change/gain or loss	Family size at the time
1 st change					
2 nd change					
3 rd change					
4 th change					
5 th change					

6. Is land still available in your village? A) available/usual, b) not available, c) very scarce, d) Extremely scarce.

7. Is land easy or difficult to get in this village/kebele? A)Very easy; b)not easy/difficult; c)very difficult; d)impossible/ unlikely to get
8. If land is scarce and/or difficult to get why? Please state the reasons _____
9. If land is scarce and/or difficult to get how are people coping with the problem?
10. What is the best means of acquiring land in this village/kebele? _____
11. How much is your total holding size?

In how many parcels is the current holding divided? a) One single (continuous) location b) Two parcels c) Three parcels d) four parcels e) Five f) Above (specify)

12. Are the parcels concentrated or scattered? a) Concentrated b) Scattered c) Neither strongly concentrated nor scattered.
13. Reasons for having more than one and scattered parcel: a) To minimise the risk of complete crop failure b) To exploit different micro-ecologies for production of varieties of crops c) Different crop locations smooth out the flow of food and income during the year d) It is easier to practice multiple cropping on scattered plots than on consolidated ones
10. What is/are your land right(s) (household head)?

No.	Rights in Land	Duration/Nature of the Right	
		Temporary	Permanent
	A. Individual Holdings		
1	The right to use for cultivation of annual crops		
2	The right to use for cultivation of perennial crops/tree		
3	The right to build a residence		
4	The right to build a small retail sales kiosk		
5	The right to divide among children (the right to inherit & bequeath to relatives)		
6	The right to lease/ rent, contract farming		
7	The right to mortgage		
8	The right to give free to anyone		
9	The right to leave land idle		
10	The right to sell (unregulated transferability)		
11	The right to exclude others from the above-listed rights		
12	The right to enforcement of legal and administrative provisions in order to protect the rights holder		

Common Grazing, gathering, etc Lands			
13	The right to have access for gathering fuel, thatching grass, grazing, etc. lands		
14	The right to mine minerals		
15	The right to exclude others from the above-listed rights in shared lands at community and individual levels		
16	The right to enforcement of legal and administrative provisions in order to protect such common/community rights		

11. Does any of the land right require authorization? a) Yes b) No
12. If yes which land right and from whom?
- a. Land right _____.
- b. Authorising agent _____.
13. Who should have property right over land? a) Both the farmers and investors b) Farmers but not investors c) Indigenous community but not outsiders d) The Regional Government e) The Federal Government f) The Woreda Council g) PA Leaders
14. Have you ever faced land disputes? a) Yes b)No
15. If yes what land disputes have you faced? a) Dispute over boundary b) Dispute over ownership c) Other (specify) _____
16. If yes: What often are their sources? _____
17. What are their consequences? _____.
18. How are they arbitrated? _____
19. Do you think you have tenure security? a) Yes, perfectly secure tenure b) Fairly secure c) Slightly insecure d) Very insecure
20. If 'c' or 'd' (response to question no.19 above) please state the reason _____
21. Please rank order listed below problems according to your perception of their importance in your village/kebele. Begin with problem considered most serious. a) insecure access to cropland holding b) insecure access to individual grazing land c) lack of potable water resources d) water pollution e) lack of non-formal peasant farmer education f) widespread illiteracy.
22. What do you expect of the size of your holdings over the next five years? a) decrease b) increase c) no change d) don't know e) other (specify)

PART THREE

LAND MARKETS (RENTAL ARRANGEMENTS)

- 1 Area under self cultivation: a) 2 kert b) 3-4 kert c) 5-6 kert d) 7-8 kert e) 9 and above kerts
- 2 Have you currently rented out portion of your holdings (includes any area under share cropping, contract farming, cash rental)? a) Yes b) No (if no go to Q. 15)
- 3 If yes, forms of renting a) Share cropping b) Contract farming c) Cash rental
- 4 If cash rental number of parcels rented out a) 1 b) 2 c) 3 d) 4
- 5 Number of kerts rented out a) 1 b) 2 c) 3 d) 4 e) 5 f) 6 and above
- 6 Year rented out _____.
- 7 For what period of years has the cash rental agreement been made (Duration of renting): a) Less than 1 year b) 1 year c) 1-3 years d) greater than 3 years e) undefined
- 8 If renting is for one year or less (short duration), reasons: a) Long rental duration is not safe b) Will like to change rentals for different reasons c) Other _____
- 9 Price of land rental per kert _____.
- 10 How are the rents paid? a) In cash b) In kind
- 11 How is the mode of payment? a) At once and initial; b) gradual; c) any other/additional comment _____
- 12 Reasons/motives for renting out a) Lack of farm labour b) Lack of farm oxen c) Lack of finance for required farm inputs d) Immediate cash needs e) The rental income exceeds that of the income stream I can able to generate by myself
- 13 Oral or written agreement for rental arrangement? a) Oral agreement b) Written agreement.
- 14 Are the dealings/ rental contracts witnessed? a) Witnessed b) Not witnessed
- 15 If you are engaged in contract farming number of parcels contracted out (if no go to Q26) a) 1 b) 2 c) 3 d) 4 e) 5 and above
- 16 Number of kerts contracted out a) 1 b) 2 c) 3 d) 4 e) 5 and above
- 17 Year contracted out _____.
- 18 For what period of years has the contract agreement been made (Duration of renting):
 - a. Less than 1 year b) 1 year c) 1-3 years d) greater than 3 years e) undefined
- 19 If contracting is for one year or less (short duration), reasons: a) Long contract duration is not safe b) Will like to change rates for different reasons c) Other _____
- 20 Price of land contracted per kert _____.

- 21 How are the rents paid? a) In cash b) In kind
- 22 How is the mode of payment? a) At once and initial; b) gradual; c) any other/additional comment _____
- 23 Reasons/motives for contracting out a) Lack of farm labour b) Lack of farm oxen c) Lack of finance for required farm inputs d) Immediate cash needs e) The rental income exceeds that of the income stream I can able to generate by myself
- 24 Oral or written agreement for the contract arrangement? a) Oral agreement b) Written agreement.
- 25 Are the dealings/ contracts witnessed? a) Witnessed b) Not witnessed
- 26 Have you ever-alienated land? a) Yes b) No (if no go to Q 34)
- 27 If yes, number of plots/parcels alienated a) 1 b) 2 c) 3 d) 4 e) 5 and above
- 28 Number of kerts alienated a) 1 b) 2 c) 3 d) 4 e) 5 and above
- 29 Year plot alienated _____
- 30 Mode of alienation a) Given free, b) Sold, c) Other (Specify)
- 31 If sold the price for the land alienated _____.
- 32 Plot alienated to _____.
- 33 Reasons/ motives for alienating _____.
- 34 Have you currently engaged in cash rental (renting in) a)yes b) No (if no go to Q. 47)
- 35 If yes, number of plots rented in _____.
- 36 Number of kerts rented in a) 1 b) 2 c) 3 d) 4 e) 5 and above
- 37 Year rented in _____.
- 38 Reasons or motives for renting in land a) Inadequacy of own holding to feed the household b) To produce for market thereby satisfy basic cash needs c) For business (need for enterprising) d) Other (specify)
- 39 For what period of years has the rental agreement been made (Duration of renting)? a) Less than 1 year b) 1 year c) 1-3 years d) greater than 3 years
- 40 If renting is for one year or less (short duration), reasons: a) Long rental duration is not safe b) Will like to change rentals for different reasons c) Other _____
- 41 Price of land rental _____.
- 42 How are the rents paid? a) In cash b) In kind c) other additional comments
- 43 How is the mode of payment? a) At once and initial; b) gradual; c) any other comment: _____
- 44 Source of financing a) Own saving b) Relatives and friends c) Micro-credit institutions d) Other (specify)

- 45 Oral or written agreement? a) Oral agreement b) Written agreement.
- 46 Are the dealings/ rental contracts witnessed? a) Witnessed a) Not witnessed
- 47 Have you ever accumulated land (i.e. through inheritance, free gift, purchase) a) Yes
b) No
- 48 If yes, number of plots accumulated _____.
- 49 Size of plots accumulated _____.
- 50 Year accumulated _____
- 51 Mode of accumulation a) Inheritance b) Free gift c) Purchase d) Other (specify)
- 52 Price of land if purchased _____.
- 53 Source of financing if purchased a) Own saving b) Relatives and friends c) Micro-credit institutions d) Other (specify) __
- 54 Plot accumulated from _____
- 55 How is land rental, purchase or sell, price determined? a) Through negotiation b) Through bid c) Other factors (specify) _____.
- 56 What (other) factors affect price? (For instance: Location, Quality of the land offered, access to irrigation water (particularly for vegetation areas) current or alternative/perceived use, condition of the seller (e.g. Distress, literacy, etc)
- 57 Who are major decision makers during both formal and informal transactions? a) Peasants offering the lands? b) Indigenous peasants in need of renting in the land concerned c) The moneyed urban groups in need of the lands? d) Both parties concerned? f) Others including agents/ brockers in land transaction, Local government agents?
- 58 How is the conduct/procedures of actual decision process?
- 59 Mode of enforcing rental contracts a) Kebele judicial Tribunal b) Woreda Regular Court c) Other (specify)
- 60 To whom are the following right and obligations assigned in rental transactions

No.	Nature of Rights	Renter (out)	Rentee (renter in)	Agreement of Both Parties
1	The right to decide how the land will be used & the manner of cultivation			
2	The right to decide rental rate			
3	The right to decide form of rent			
4	The right to decide periods of rental payment			
5	The right to decide renewal of contracts at the expiration of the period fixed			
6	The right to terminate the agreement without assigning reasons (to quit before agreed upon time)			

7	The right to exclude others from the above-listed rights in shared lands at community and individual levels			
8	The right to enforcement of legal and administrative provisions in order to protect the rights holder			
8				

- 61 What is the role of local government institutions in these peasant holder level transactions? a) Provide facilities/conditions for written transaction b) Register contracts c) Witness signatures d) No role e) Other (specify)
- 62 Transaction cost involved, including any formal or informal/customary expenses a) Fee for registration Birr __ b) Land titles __ c) Others (specify)
- 63 How do you perceive land rental markets/contract farming in your kebele/village? a) Widely practised b) Generally accepted c) Growing intense
- 64 Major possible reasons behind the growth and intensification of rental markets are listed below. Please rank order them according to their importance? Prevalence in your village. Begin with the widely important reason. a) The rental market employs the otherwise unutilised (idle) plots b) The rental income exceeds that of the income stream they are able to generate themselves c) More efficient producers put it to more valuable use and generate greater income and find it profitable to rent in land d) Variable holding size (relative concentration, non-adequate holding, near landlessness and landlessness) prevailing among the different social groups intensifies rental markets e) Some sought opportunities for more valuable alternative off-farm/ non-farm employment f) Different immediate problems and needs for cash, advanced loans and or indebtedness urge the peasant holders to rent/ contract out portions of their land
- 65 Major possible reasons behind the growth and intensification of contract farming are listed below. Please rank order them according to their importance? Prevalence in your village. Begin with the widely important reason. a) Lack of own finance for modern inputs b) Lack of access to capital inputs or source of finance c) The otherwise inaccessible or unavailable technical know-how services d) The otherwise difficulty of accessing secure produce marketing channels and destination e) Different immediate problems and needs for cash, advanced loans and or indebtedness urge the peasant holders to rent/ contract out portions of their land.
- 66 Do you know any one in your neighbour, village or Kebele totally dispossessed &/ or evicted from his/her land a) Yes b) No

- 67 If yes by which mode of transfer? a) Government lease b) Informal sale c) Rental process/terms d) Others (specify).
- 68 Where do dispossessed (with or without compensation) peasant holders go or what do they do?
- 69 Have you been affected by lease tenure? a) Yes b) No
- 70 If yes number and size of plots expropriated ____.
- 71 Are you satisfied by the compensation rate? a) Satisfied b) Not satisfied
- 72 Do you generally approve or disapprove the policy? a) Approve b) Disapprove c) Don't know
- 73 Have you ever attended any orientation, operational policies, compensation, etc related meetings a) Yes b) No

Questionnaire for Key Informants

Checklist

- Changes to the land
- Changes to agriculture
 - For instance, degree of scarcity of land
- Changes to peasant holders
- Changes to population and settlements
 - Incidence of population succession
- Changes to tenure and tenure relationships and land markets
 - Including how, when and where the kebele/ village lands change hands;
 - E.g. through rental, renewal, etc. from short term to long term?
 - Through inheritances, gift?
 - Through unpaid advanced (loans received to satisfy cash needs)
 - Emergence of mortgaging, if any
 - And so on
 - The significance/ incidence of transactions, land grabbing, speculation by urban elite
 - Price of land (to purchase or sale, rent in or rent out), past & present.
 - Agents involved in transaction (including middlemen, if any)
 - Incidence & sources of disputes (over land rights, boundaries) including terms and termination of contracts, juvenile delinquency effects on land marketing, if any.
 - Ways of settling the disputes.
 - Ways of effecting payments (initial and temporal, including securities of both parties in case contracts are violated,
 - Factors determining prices (bids, location & other qualities, motives for sale (e.g. distress) and negotiation power of the seller, including literacy, etc,
 - Which lands (holdings, commons, abandoned, etc) affected more

- Relative significance/intensity, merit and demerit of formal and informal markets/ transactions
- Coping strategies, current state and location of those partially or fully dispossessed
- Who the real beneficiaries and losers are, including the overall impacts (positive/ negative) on the peasant holder family (including wives and children)
- Characteristics of impacted peasant holders (income, literacy level, employment, etc)
- Actual number of peasant holders involved/ impacted; magnitude of farmlands appropriated from each (average estimate)
- Access to extension, etc. services including credit, training, and group action/organizational services.
 - Kinds of services, if any
- General problems, fears, and prospects, plans, incentives and disincentives, etc. of the peasant communities of the PAs with reference to the influence, pressure, and impacts of both formal and informal markets.
 -
- Etc.

ለገጠሬው ሕዝብ ገቢ ለመስጠት ፤ መሬት በመደልደል የገጠሬውን ሕዝብ ገቢ ከፍ በማድድረግ የእንዳስትሪ መስፋፋት መሠረት ለመጣልና የገጠሬ ሕዝብ የእንዳስትሪ ውጤቶችን ለመግዛት እንዲችል በማድረግ ጠቅላላውን የሀገሪቱን ምጣኔ ሀብት ለማሳደግ ፤ የባለባታዊውን ሥርዓት በመደምሰስ ያላግባብ በዚህ ሥርዓት የተዋጠውን የሰው ጉልበት ለእንዳስትሪ እንዲቀርብ ለማድረግ ፤

በገጠሬው ሕዝብ መካከል ያለውን ያልተመጣጠነ ሀብትና ገቢ ለማደላደል ፤

የጊዜያዊ ወታደራዊ አስተዳደር ደርግንና የሊቀ መንበሩን ሥልጣን ለመወሰን በወጣው አዋጅ ቍጥር ፪/፲፱፻፷፯ ዓ.ም. በአንቀጽ ፮ መሠረት ከዚህ የሚከተለው ታውጅዋል ።

ምዕራፍ ፩
መግቢያ

፩ ፤ አዋጅ ርዕስ

ይህ አዋጅ «የገጠርን መሬት የሕዝብ ሀብት ለማድረግ የወጣ አዋጅ ቍጥር ፱፩/፲፱፻፷፯ ዓ.ም.» ተብሎ ሊጠቀስ ይችላል ።

፪ ፤ ትርጓሜ

የቃሉ አገባብ ሌላ ትርጉም የሚያሰጠው ካልሆነ በስተቀር በዚህ አዋጅ ውስጥ ፤

፩/ «የገጠር መሬት» ማለት ከማዘጋጃ ቤት ወይም ከከተማ ክልል ውጪ የሚገኝ ማንኛውም መሬት ነው ፤

፪/ «ሰፊ እርሻ» ማለት በዘመናዊ ዘዴ የሚካሄድ የክብት ርቢ ሥራ ወይም በመኪናዎች የሚታረስ እርሻ ነው ።

፫/ «ጭሰኛ» ማለት መሬት ከባለርስት ወይም መሬቱን ለማከራየት መብት ካለው ሰው ተከራይተ በግል የሚያርስ ነው ።

፬/ «የመንግሥት እርሻ» ማለት ባለሀብትነቱና አስተዳደሩ የመንግሥት የሆነ እርሻ ነው ።

፭/ «የጎብረት እርሻ» ማለት ይዞታውና አስተዳደሩ በመሬቱ የሚጠቀሙት ገበሬዎች የሆነ እርሻ ነው ።

፮/ «ድርጅት» ማለት በፍትህ ብሔር ሕግ ቍጥር ፫፻፲፰ የተመለከተው ወይም በዚህ ሕግ ቍጥር ፱፻፱ ወይም ፱፻፯ ትርጓሜ ሥር የሚመጣ ማንኛውም ማኅበር ነው ።

፯/ «ቋሚ ንብረት» ማለት እንደመስኖ ሥራዎች ፣ የውሃ ጉድጓዶች ፣ ቤቶችና ከድንጋይ ፣ ከሲሚንቶ ፣ ከሸከላ ፣ ከብረታ ብረት ወይም የተጠቀሱትን በማደባለቅ የተቋቋመ ሌላ ሥራ ነው ።

፰/ «የንግድ ማኅበር» ማለት ማንኛውም በንግድ ሕግ መጽሐፍ ፪ የተገለጠው የንግድ ማኅበር ነው ።

፱/ «አትክልት» የሚለው ቃል እንደ ቡና ሣፍ ፣ ጌሾ ሣፍ ፣ ባሕር ሣፍ ፣ እንሰት ተክል ፣ ጫት ተክል የመሳሰሉትንና የፍራፍሬ ተክሎችንም ያጠቃልላል ።

፲/ «ሚኒስትር» ማለት ሌላ መግለጫ ካልተሰጠው በስተቀር የመሬት ይዞታ ማሻሻያና አስተዳደር ሚኒስትር ነው ።

ምዕራፍ ፪
የገጠርን መሬት የሕዝብ ሀብት ስለማድረግ

፫ ፤ የገጠርን መሬት የሕዝብ ሀብት ስለማድረግ ፤

፩/ ይህ አዋጅ ከጻፍበት ቀን ጀምሮ የገጠር መሬት በመሆኑ የኢትዮጵያ ሕዝብ ሀብት ሆኗል ።

WHEREAS, it is necessary to distribute land, increase rural income, and thereby lay the basis for the expansion of industry and the growth of the economy by providing for the participation of the peasantry in the national market;

WHEREAS, it is essential to abolish the feudal system in order to release for industry the human labour suppressed within such system;

WHEREAS, it is necessary to narrow the gap in rural wealth and income;

NOW, THEREFORE, in accordance with Article 6 of the Definition of Powers of the Provisional Military Administration Council and its Chairman Proclamation No. 2/1974, it is hereby proclaimed as follows:

CHAPTER 1
INTRODUCTION

1. Short Title

This Proclamation may be cited as the "Public Ownership of Rural Lands Proclamation No. 31/1975"

2. Definitions

In this Proclamation, unless the context otherwise requires,

1) "rural land" shall mean all land outside the boundaries of a municipality or a town.

2) "large-scale farm" shall mean mechanized farm or modern animal husbandry.

3) "tenant" shall mean any person who personally cultivates land rented from a landowner or from any person who has a right to lease such land.

4) "State farm" shall mean any farm owned and administered by the State.

5) "co-operative farm" shall mean any farm the possession and administration of which belong to farmers using the land.

6) "organization" shall mean the body referred to in Article 398 of the Civil Code or any association which falls under Article 404 or 407 of the same Code.

7) "permanent works" shall mean irrigation works, water wells, buildings and other works made out of stone, concrete, bricks, metal, or any combinations thereof.

8) "business organization" shall mean any organization provided for in Book II of the Commercial Code.

9) "tree-crops" shall include such trees and plants as coffee and eucalyptus, *chatt*, *enset* and hops, as well as fruit trees.

10) "Minister" shall mean, unless otherwise indicated, the Minister of Land Reform and Administration.

CHAPTER 2
Public Ownership of Rural Lands

3. Public Ownership of Rural Lands

1) As of the effective date of this Proclamation, all rural lands shall be the collective property of the Ethiopian people.

፪/ ማንኛውም ሰው ወይም የንግድ ማኅበር ወይም ሌላ ድርጅት የገጠር መሬትን በግል ባለሀገራት ለመያዝ አይችልም ።

፫/ የገጠር መሬትንና በላዩ ላይ የሚገኙትን ደኖችና አትክልቶች በሚመለከት ረገድ ካሳ አይከፈልም ። ሆኖም በመሬቱ ላይ ለሚገኙ ቋሚና ተንቀሳቃሽ ንብረቶች ተገቢው ካሳ ይከፈላል ።

፬ ፤ የግል ባለሀገራት ሥራት ባላቸው ክፍላተ ሀገር የገጠር መሬት ለአራሹ በይዞታ ስለመሰጠቱ ፤

፩/ ጾታ ሳይለይ ማንኛውም ለማረስ ፈቃደኛ የሆነ ሰው ለራሱና ለቤተሰቡ ኑሮ በቂ የሆነ የገጠር መሬት በይዞታ ያገኛል ።

፪/ ማንኛውም ባለርስት የነበረ ሰው ለማረስ ፈቃደኛ ከሆነ እንደሌላው ሦራሽ መሬት የማግኘት ሙብቱ የተጠበቀ ነው ።

፫/ የአንድ አራሽ ቤተሰብ በማኖቸውም ጊዜ በይዞታ የሚያገኘው መሬት ከ፲ ሄክታር (ናብ ጋሻ) አይበልጥም ።

፬/ በተቻለ መጠን አ/ ሾች የሚያገኙት መሬት እኩል ይሆናል ፤ ሆኖም እንደአካባቢው ሁኔታና እንደመሬቱ ለምነት የይዞታው መጠን ሊለያይ ይችላል ።

፭/ ማንኛውም ሦራሽ ሌላ ሰው በመቅጠር ለማሳረስ አይችልም ። ሆኖም ሌላ በቂ መተዳደሪያ የሌላት ሴት ወይም ባለይዞታ ሲሞት ፤ ሲታመም ወይም ሲያረጅ ሚስቱ ወይም ባልየው ወይም አካለ መጠን ያላደረሱ ልጆቹ ሠራተኛ በመቅጠር ለማሳረስ ይችላሉ ።

፮/ ሚኒስትሩ ለአንድ ቤተሰብ ኑሮ በቂ የሚሆነውን የይዞታ መጠን በደንብ ይወስናል ።

፮ ፤ መሬት ማስተላለፍ ስለመከላከል ፤

ማኖቸውም ሰው በይዞታ ያገኘውን መሬት የመሸጥ ፤ የመለወጥ ፤ የማውረስ ፤ የማስያዝ ፤ በወለድ አግድ የመስጠት ወይም በሌላ መንገድ የማስተላለፍ ሙብት አይኖረውም ። ሆኖም ባለይዞታው ሲሞት ፤ የሚች ሚስት ወይም ባል ወይም አካለ መጠን ያላደረሱ ልጅ ወይም እነዚህ ከሌሉ አካለ መጠን ያደረሱ ልጅ በይዞታው ተተክቶ የመጠቀም ሙብት ይኖረዋል ።

፯ ፤ ስለ ጭሰኞች ይዞታ ፤

፩/ በዚህ አዋጅ በምዕራፍ ፫ መሠረት በገበሬዎች ማኅበር መሬት እስከደላደል ድረስ ማንኛውም ጭሰኛ ወይም የቅጥር ገበሬ በሚያርሰው መሬት ላይ የይዞታ ሙብት ይኖረዋል ። ሆኖም በመሬቱ ላይ የሚኖር የእጅ እራሽ የሌለው ባለርስት በመሬቱ ላይ ካሉት ጭሰኞች ጋር መሬቱን እኩል የመካፈል ሙብት ይኖረዋል ። ይህንንም የባለርስት ሙብት መንግሥት ተገቢ በመሰለው መንገድ ያስከብራል ።

፪/ ሌላ በቂ መተዳደሪያ ክሌላት ሴት ወይም በእመም ወይም በእርጅና ወይም በዕድሜ ማነስ ምክንያት በግል ለማረስ ከማይችሉ ሰዎች የተከራየ ጭሰኛ በዚህ አንቀጽ ንዑስ አንቀጽ (፩) በተሰጠው ሙብት ሊጠቀም አይችልም ።

2) No person or business organization or any other organization shall hold rural land in private ownership.

3) No compensation shall be paid in respect of rural lands and any forests and tree-crops thereon; provided that fair compensation shall be paid for movable properties and permanent works on the land.

4. Distribution of Land to the Tiller in Provinces with privately Owned Rural Lands

1) Without differentiation of the sexes, any person who is willing to personally cultivate land shall be allotted rural land sufficient for his maintenance and that of his family.

2) Any person who has been a landowner and is willing to personally cultivate land shall likewise be allotted land.

3) The size of land to be allotted to any farming family shall at no time exceed 10 hectares (¼ of a gasha).

4) The size of land to be allotted to farming families shall as far as possible be equal; provided that it may vary depending on the local conditions and the productive potential of the land.

5) No person may use hired labour to cultivate his holding; provided that the foregoing prohibition shall not apply to a woman with no other adequate means of livelihood, or where the holder dies, is sick or old, to the wife or the husband or to his or her children who have not attained majority.

6) The Minister shall determine by regulations the size of land sufficient for the maintenance of a farming family.

5. Prohibition of Transfer of Land

No person may by sale, exchange, succession, mortgage, antichresis, lease or otherwise transfer his holding to another; provided that upon the death of the holder the wife or husband or minor children of the deceased or where these are not present, any child of the deceased who has attained majority, shall have the right to use the land.

6. Tenant's Holding

1) Until all lands are distributed pursuant to Chapter 3 of this Proclamation, any tenant or hired laborer shall have possessory right over the land he tills; provided that a resident landowner who has leased out all his lands shall have the right to equally share the land with his tenants. The Government shall protect the rights of such landowner in any way it thinks fit.

2) The provisions of the preceding sub-article shall not apply to a person who has rented land from a woman with no other adequate means of livelihood or from a person who by reason of illness, old age or youth, cannot personally cultivate his holding.

ዩ/ ይህ አዋጅ ከጸናበት ቀን ጀምሮ በባለርስትና በጭሰኛ መካከል የነበረው ግንኙነት ፈርሷል ። ስለዚህ ጭሰኛው ካሁን በፊት ለባለርስት ሲሰጥ ከነበረው ከራይ ይህ ክፍያ ይገኛል ። ለግንኙነትም አገልግሎትና ዕዳ ነፃ ሆኗል ። ለገንዘብም መሬቱን ለጭሰኛው በወለድ አገድ ያስያዝ ባለርስት ከዕዳ ነፃ ሆኗል ።

ጸ/ ጭሰኛው ይጠቀምበት የነበረውን የባለርስት የእርሻ መሣሪያና ከአንድ ጥንድ የማይበልጥ በሬ በሦስት ዓመት ጊዜ ውስጥ ተገቢውን ግምት በመከፈል የማስቀረት መብት አለው ። ሆኖም ሌላ የእርሻ መሣሪያ ይገኛል ። በሬ ወይም በቂ መተዳደሪያ የሌለው ባለርስት ለጭሰኛ የሰጠውን የእርሻ መሣሪያና በሬ መልሶ ለመውሰድ ይችላል ።

፯ ነገር ስለ እርሻዎች

፩/ ይህ አዋጅ ከጸናበት ቀን ጀምሮ ግንኙነትም ስለ እርሻ እንደየሁኔታው የመንግሥት ወይም የጎብኪት እርሻ ይሆናል ። ወይም ተከፋፍሎ ለአራሾች ይሰጣል ። ሆኖም የመንግሥት ወይም የጎብኪት እርሻ እስኪቋቋም ድረስ ሰፊውን እርሻ መንግሥት ተገቢ መሰሎ በሚታየው መንገድ ያስተዳድራል ። መንግሥት ተገቢ በመሰለው መንገድ ለማስተዳደር እስኪወስን ድረስ እነዚህን እርሻዎች ባለሀብቶቹ የነበሩት ያስተዳድራሉ ።

፪/ በሰፊ እርሻዎች ላይ ለሚገኙት ቋሚና ተንቀሳቃሽ ንብረቶች መንግሥት ተገቢውን ግምት ይከፍላል ። ሆኖም ግምቱ የመሬቱን ዋጋ አይጨምርም ።

ምዕራፍ ፫

አዋጁን በሥራ ላይ ለማዋል የሚቋቋሙት ማኅበሮች

፩ የገበሬዎች ማኅበር ስለማቋቋም

አዋጁን ለማስፈጸም ለልማት በሚያመች መንገድ ያንድ ጭቃን ክልል መሠረት በማድረግ ከ፳፻ ሄክታር (፳ ጋሻ) በማያንስ ክልል ውስጥ የገበሬዎች ማኅበር ይቋቋማል ።

፪ የገበሬዎች ማኅበር አባሎች

፩/ የገበሬዎች ማኅበር አባል ለመሆን የሚችለው ፣ ጭሰኛ የነበረ ፣ መሬትና መተዳደሪያ የሌለው ፣ ተቀጥሮ የሚሠራ የእርሻ ሠራተኛና ከ፲ ሄክታር (ፋብ ጋሻ) ያልበለጠ መሬት ባለርስት የነበረ ሰው ነው ።
፪/ በአንቀጽ ፲ (፩) መሠረት የመሬት ማደላደል ተግባር ከተፈጸመ በኋላ ግንኙነትም ባለርስት የነበረ ሰው የገበሬዎች ማኅበር አባል ለመሆን ይችላል ።

፫ የገበሬዎች ማኅበር ተግባር

የገበሬዎች ማኅበር ተግባር የሚከተለው ይሆናል ፡—
፩/ በአንቀጽ ፳ ቤተጠቀሰው ክልል ውስጥ ያለውን መሬት አስፈላጊ ሆኖ ሲገኝ የመንግሥት ርዳታ እየጠየቀ በተቻለ መጠን በእኩልነት በሚከተለው ቅደም ተከተል መሠረት ማደላደል ፤
ሀ/ በክልሉ ውስጥ በአራሽነት ለቆዩ ጭሰኞችና በክልሉ ውስጥ ባለርስቶች ለነበሩ ፤
ለ/ ከክልሉ ተባርረው ለነበሩ ጭሰኞች ፤
ሐ/ በክልሉ ውስጥ ኗሪ ሆነው በቂ ሥራና መተዳደሪያ ላልነበራቸው ሰዎች ፤

3) As of the effective date of this proclamation the relationship between landowner and tenant is abolished. Accordingly, the tenant shall be free from payment to the landowner of rent, debts or any other obligation. Likewise, a landowner who has given his land in antichresis to a tenant shall be free from the payment of his debt.

4) The tenant shall have the right to retain agricultural implements and a pair of farm oxen belonging to the landowner for which a reasonable compensation shall be paid to the landowner within a period not exceeding three years; provided that a landowner with no other agricultural implements and farm oxen or no adequate means of livelihood may take back his implements and oxen from the tenant.

7. Large-Scale Farms

1) As of the effective date of this proclamation, any large-scale farm shall be organized as a State or a co-operative farm or shall be allotted to tillers; provided that until the establishment of State or co-operative farms the Government shall administer such farms in any manner it deems fit and provided further that until the Government decides upon the manner in which such farms are to be administered, the ex-owners of these farms shall have the responsibility to continue administering them.

2) The Government shall pay fair compensation for movable property and permanent works on such farms; provided that compensation shall not be paid for the value of the land.

CHAPTER 3

Establishment of Associations for the Implementation of the Proclamation

8. Establishment of Peasant Associations

To carry out the provisions of this proclamation a peasant association shall be formed, in a manner suitable for development purposes, taking a *chika* area as a basis, within a minimum area of 800 hectares (20 gashas).

9. Members of the Association

- 1) A tenant, a landless person, a hired agricultural worker or a landowner with less than 10 hectares of land may become a member of the Association.
- 2) After completion of the distribution of land pursuant to Article 10 (1) hereof, any person who had been a landowner may become a member of the Association.

10. Functions of Peasant Associations

- The functions of peasant associations shall be the following:
- 1) to distribute, with the solicited assistance of the Government when necessary, land forming the area mentioned in Article 8 as much as possible equally, and in the following order:
 - a) to farmer tenants and former landowners residing within the area,
 - b) to evicted tenants;
 - c) to persons who reside within the area but do not have work or sufficient means of livelihood,



Waggaa 5^{faa} Lak. 10
 ኛኛ ዓመት ቁጥር 1
 5th year No. 10

Finfinnee, Caamsaa 13/1988
 ፈንፈኔ ግንቦት ፲፫/፲፱፻፸፱
 Finfine, May 21st, 1997

MAGALATA OROMIYAA

መ ገ ለ ተ ኦ ሮ ሚ ያ

MEGELETA OROMIA

Gatiin Tokkoo 2.65 የንዱ ዋጋ Unit Price.	To'o'annaa Caffee Mootummaa Naannoo Oromiyaatiin Kan Bahe በኦሮሚያ ክልል የሥነ-ምግባር ም/ቤት ጠባቂነት የወጣ	Lakk. S. Poostaa 101769 የፖ.ባ.ቁጥር P.O.Box
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QABEENTAA Labsii Lakk. 19/1989 Labsii Naannoo Oromiyaatti Haala itti Fayyadama Lafa baadiyyaa investimantiif tahu murteessuuf bahe fooyyeessuuf bahe Fuula 1	ማውጫ አዋጅ ቁጥር ፲፱/፲፱፻፸፱ በኦሮሚያ ክልል ለኢንቨስትመንት ተግባር የሚውል የገጠር መሬት አጠቃቀም ሁኔታን ለመወሰን የወጣ አዋጅ ማሻሻያ አዋጅ ገጽ 1	CONTENT Proclamation No. 19/1997 A Proclamation to amend the Utilization of rural lands for Investment Activities in the Oromia Region Page 1
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Labsii Naannoo Oromiyaatti Haala Itti fayyadama Lafa Baadiyyaa Investimantiif tahu Murteessuuf bahe fooyyeessuuf bahe

1. Mata Durce Gabaabaa
Labsiin kun "Labsii Naannoo Oromiyaatti haala itti fayyadama lafa baadiyyaa hojii investimantiif tahu fooyyeessuuf bahe Lakk. 19/1989" jedhamee yaamamuu ni danda'a.
2. Tumaatota Fooyyessaman ykn Haqaman
Labsiin Naannoo Oromiyaatti haala itti fayyadama lafa baadiyyaa hojii investimantiif ta'u murteessuuf bahe Lakk. 3/87 haala kanatti aanuun fooyyes-sameera:
1. Keewwatni 2(3) haqamee kan armaan gadiitiin bakka buusameera:
"3. Labsii Investimantii" jechuun Labsii Investimantii Lakk. 37/1988 Mootummaa Federaalichaatiin kan bahe."

አዋጅ ቁጥር 19/1989 ዓ.ም በኦሮሚያ ክልል ለኢንቨስትመንት ተግባር የሚውል የገጠር መሬት አጠቃቀም ሁኔታን ለመወሰን የወጣ አዋጅ ማሻሻያ አዋጅ

፩- አድጎር ርዕስ
ይህ አዋጅ «በኦሮሚያ ክልል ለኢንቨስት መንት ተግባር የሚውል የገጠር መሬት ሁኔታን ለመወሰን የወጣ (ማሻሻያ) አዋጅ ቁጥር ፲፱/፲፱፻፸፱» ተብሎ ሊጠቀስ ይችላል።

፪- የተሻሻሉ ወይም የተወረዙ ድንጋጌዎች በኦሮሚያ ክልል ለኢንቨስትመንት ተግባር የሚውል የገጠር መሬት ሁኔታን ለመወሰን የወጣው አዋጅ ቁጥር ፫/፲፱፻፸፯ እንደሚከተለው ተሻሽሎአል።

፫- አንቀጽ ፪(፫) ተወርዶ በሚከተለው ተተክቷል፡
«፫- የኢንቨስትመንት አዋጅ» ማለት በፌዴራል መንግሥት የወጣው የኢንቨስትመንት አዋጅ ቁጥር ፱፯/፲፱፻፹፮ ነው።

PROCLAMATION NO. 19/1997
A PROCLAMATION TO AMEND THE UTILIZATION OF RURAL LANDS FOR INVESTMENT ACTIVITIES IN THE OROMIA REGION

1. Short Title
This Proclamation may be cited as the "Utilization of Rural lands for investment activities in the Oromia Region (Amendment) Proclamation No. 19/1997."
2. Amendments
The Utilization of Rural lands for investment activities in the Oromia Region stated in Proclamation No. 3/1995 is hereby amended as follows:
1. Article 2(3) is hereby deleted and replaced by the following new sub-article (3):
"(3) Investment Proclamation" means Investment Proclamation No. 37/1997 promulgated by the Federal Government.

2. Keewwatni 3(1) haqamee kan armaan gadiitiin bakka buusameera:

"1. Labsii Investimantii irratti hundaahuudhan invastaroonni Labsii kanaan mirga lafa argachuu fi lafichattis fayyadamuu ni qabaa-tu.

3. Keewwata 7(2) jalatti jechi "Kor-ee" jedhu haqamee "qaama dhim-mi ilaaluun" bakka buusameera.

4. Keewwatni 7(4) haqamee kan kan-atti aanuun bakka buusameera:

"4. Iyyatni gaaffii lafa investiman-tii baadiyyaa kamiyyuu kan murtaa'u Boordiidhaan ta'a."

5. Keewwatni 8(1) haqamee kan kan-aa gadiitin bakka buusameera:

"1. Invastariin lafti hayyamameef waliigaltee kan seenu qajeelcha dhimma seeraa godinaatti bakka bu'aan Boordii bakka jirutti ta'a."

6. Keewwatni 8(3) akkuma jirutti ta'ee, jechi kanaan gaditti ibsaame itti dabalameera:

"Haa ta'uu malee, lafti baadiyyaa daangaa Finfinnee irraa hanga K.m. 10 (Kudhan) jiru hojii invas-timantiitif yoo barbaadame haa-la seera lafa magaalaatti kan bulu ta'a."

7. Keewwatni xiqqaan (2) kan kanat-ti aanu keewwata 13tti dabalame-era:

"(2) Galiin kiraa lafa baadiyyaa investimantiif oolu irraa argamu Biiroo Faaynaansii Oromiyaatiin walitti qabama."

8. Keewwata 16 (2) keessatti jechi "sababa quubsaadhaan hojii yoo itti fufuu dadhabe" jedhu haqame-era.

9. Keewwatni 23 haqamee kan armaan gadiitiin bakka buusameera:

"23. Waayee Qabiyyee Lafa Qotee Bulaa

1. Qotee bulaan qabiyyee lafa isaa irraa harka walakkaa kan hincealle, waggaa sadiif qotee bulaa biraatiif ykn invastariidhaaf kireessuu ni danda'a.

2. Invastariin lafa qotee bulaa irraa kireeffatu teknolojiin ammayaatiin kan foyyadamu yoo ta'e, waliigal-teen godhamu yeroo lamaaf waggaa sadi sadihiif haarawamsisamuu ni danda'a"

፪. እንቀጽ ፫ (፩) ተወርዞ በሚከተለው ተተክቷል:

«፩. አንቀጽ ፩ ስር በአንቀጽ ፩ ስር እንቀጽ ፩ ስር መሠረት የሚገኝትና በመሪ ትም የመጠቀም መብት ይኖራትዋል።»

፫. በእንቀጽ ፮ (፪) ሥር «ከሚገኙ» የሚለው ቃል ተወርዞ «ጉዳዩ በሚመለከተው አካል» በሚለው ሐረግ ተተክቷል።

፬. እንቀጽ ፮ (፬) ተወርዞ በሚከተለው ተተክቷል:

«፬. ማንኛውም የገጠር መሪት የአንቀጽ ፩ ስር ጉዳዩ የሚወሰነው በቦርድ ይሆናል።»

፭. እንቀጽ ፮ (፭) ተወርዞ በሚከተለው ተተክቷል:

«፭. መሪት የተፈቀደለት አንቀጽ ፩ የመሪት ኪራይ ውል የሚገባው የቦርድ ተወካይ በሚገኝበት በግን የኖትህ ጉዳይ መምሪያ ይሆናል።»

፮. እንቀጽ ፮ (፮) እንዳለ ሆኖ በስተመሠረሻው የሚከተለው ዓረፍት ነገር ተጨምሮ በታለ:

«... ይሁን እንጂ ከፊንጫ ድንበር እስከ ፲ ኪ.ሜ ርቀት የሚገኘው መሪት ለአንቀጽ ፩ ስር ተግባር ከተፈለገ በከተማ ቦታ ሐግ መሠረት የሚተዳደር ይሆናል።»

፯. የሚከተለው ንዑስ እንቀጽ (፪) በእንቀጽ ፲፫ ላይ ተጨምሮአል:

«፪. ለአንቀጽ ፩ ስር ተግባር ከሚውል የገጠር መሪት የሚገኝ ኪራይ በአርማያ ፋይናንስ ቢሮ ይሰበሰባል።»

፰. በእንቀጽ ፲፮ (፪) ውስጥ «በቂ በሆነ ምክንያት ልማቱን ሊገፋበት የማይችል ከሆነ» የሚለው ሐረግ ተወርዞአል።

፱. እንቀጽ ፳፫ ተወርዞ በሚከተለው ተተክቷል:

«፳፫. ስለ አርዕ አደሩ የገጠር መሪት ይሁታል።»

፳. አርዕ አደሩ ከይሁታው ውስጥ ከግማሽ የሚይበልጠውን ለሦስት ዓመት ለሌላ ገበሬ ወይም ለአንቀጽ ፩ ስር ሊያከራይ ይችላል።

፳. ባለሀብቱ ከአርዕ አደሩ የተከራየውን መሪት በመናዊ ቱክኖሎጂ በመጠቀም የሚያለማ ከሆነ የሚደረገው ውል ሁለት ጊዜ ለሦስት ዓመት ሊታደስ ይችላል።

2. Article 3(1) is hereby deleted and replaced by the following new sub-article (1):"

(1) Investors shall have the right of access to land depending on the Investment Proclamation."

3. The phrase "Committee" appearing in Article 7(2) is hereby deleted and replaced by the phrase "the concerned body."

4. Article 7(4) is hereby deleted and replaced by the following new sub-article (4):

"(4) Rural land requests made for investment activities shall be decided by the Board."

5. Article 8(1) is hereby deleted and replaced by the following new sub-article (1):

"(1) any investor shall conclude contract of land with a representative of the Board at zonal Justice Department."

6. Article 8(3) is hereby amended by adding the following new statement at the end of sub-article (3) of Art. 8:

"where a rural land within 10 kilometers from the boundary of Finfine is needed for investment activity, it shall be administered in accordance with the urban land law."

7. The following sub-article (2) is added to Article 13:

"(2) The Oromia Finance Bureau shall collect rural land rents from investors."

8. Under Article 16(2) the phrase "unable to continue his project due to good cause" is hereby deleted.

9. Article 23 is hereby deleted and replaced by the following new Article 23:

"23. Peasant Holdings

1. A peasant shall have a right to lease upto half of his holding for a period not exceeding three years.

2. Where the lessee works by using modern technologies, the lease agreement shall be renewed twice for three years.

3. Namni qotee bulaarraa lafa kireeffate barri waliigaltee erga xumuramee jalqabee baatii sadi (3) keessatti qabeenya isaa laficharraa kaasuu qaba.

4. Waliigalteen lafa ilaalchisee qotee bulaafi nama biraa waliin godhamu haala qajeelfama koreen baasuun ta'a.

3. Yeroo Labsiin kun hojii irra itti Oolu Labsiin kun Caamsaa 3/1989 irraa jalqabee hojii irra kan oolu ta'a.

Finfinnee, Caamsaa 13/1989

Kumaa Dammaqsa
Pireezidaantii Mootummaa
Naannoo Oromiyaa

፫. ባለሀብቱ ከአርሶ አደሩ ጋር ያደረገው የውል ዘመን እንደተጠናቀቀ በሦስት ወር ጊዜ ውስጥ ንብረቱን እንስቶ መሬቱን ለንበሬው ማስረከብ አለበት።

፬. በአርሶ አደሩና በተከራዩ ባለሀብት መካከል የሚደረገው ስምምነት ከሚቱው በሚያውቀው መመሪያ የሚወሰን ይሆናል።»

፫. አዋጁ የሚፀናበት ጊዜ ይህ አዋጅ ከግንቦት ፫ ቀን ፲፱፻፹፱ ጀምሮ የፀና ይሆናል።

ፈንፈኔ ግንቦት ፲፫ ቀን ፲፱፻፹፱ ዓ.ም

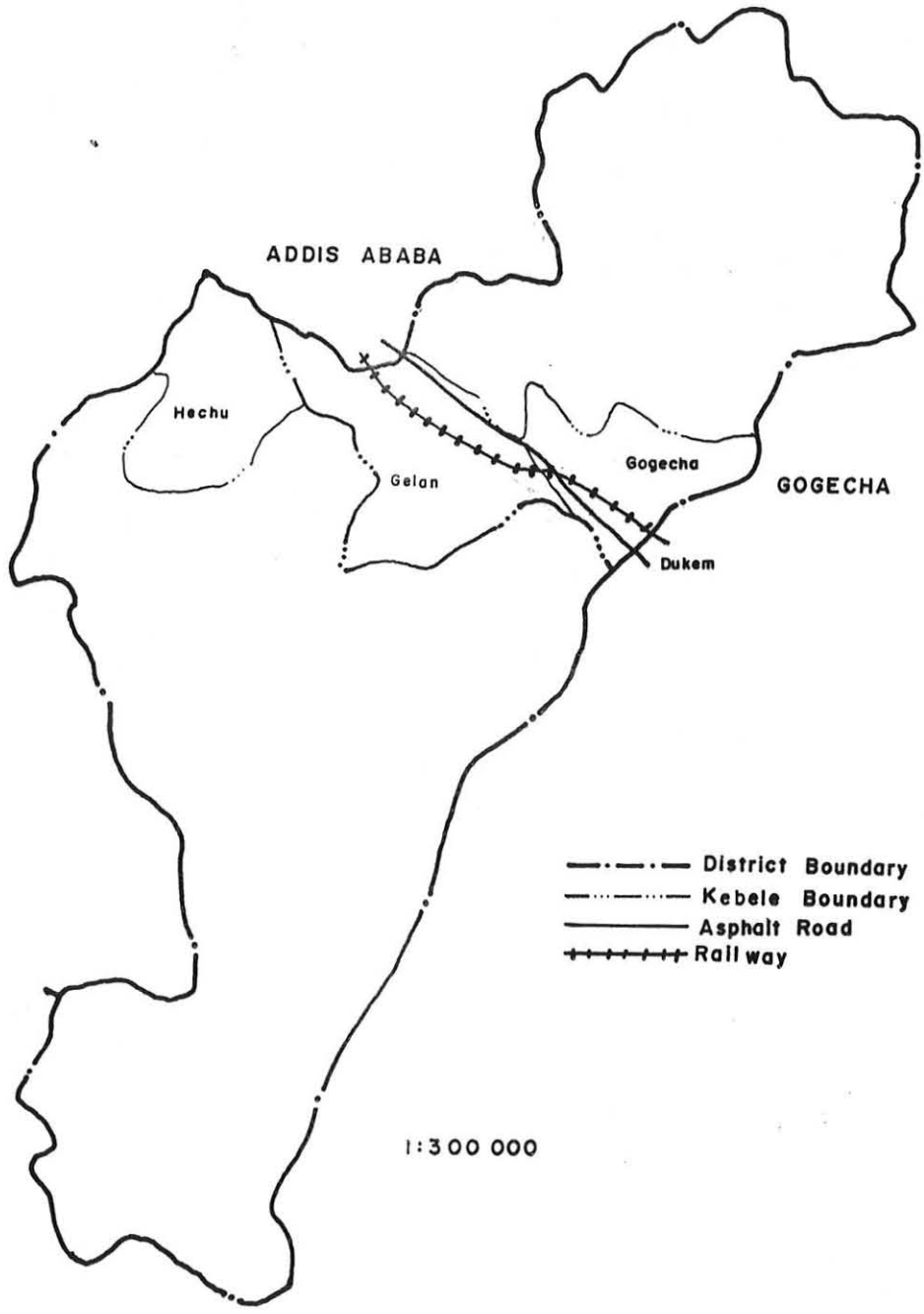
ከማ ደመቅማ
የኦሮሚያ ክልላዊ መንግሥት
ፕሬዚዳንት

3. Upon termination of the lease agreement, the lessee shall handover the land to the lessor within three months from the date of the termination of the contract.

4. The lease agreement shall be made in accordance with the directives issued by the Committee.”

3. *Effective Date*
This Proclamation shall enter into force as of the 11th day of May 1997.
Done at Finfine this 21st day of May 1997.
KUMA DEMEKSA
President of the Regional State of Oromia

AKAKI DISTRICT E/SHEWA ZONE



- . - . - District Boundary
- - - - - Kebele Boundary
- Asphalt Road
- + + + + + Rail way

1:300 000

DECLARATION

The thesis, my original work, has not been presented for a degree in only other university and that all sources of material used for the thesis have been duly acknowledged.

Name Bayehu Tadesse

Signature 

Date 02/07/02

Place Addis Ababa University

This thesis has been submitted for examination with my approval as a university advisor.

Tegegne Gebre Egziabher (Ph. D)

