

Endline evaluation findings for USAID’s responsible land-based investment pilot in Mozambique

Abstract:

Mozambique’s revised land law of 1997 has been lauded for its approach to recognizing customary and community land rights, while also aiming to facilitate growing private investment and development in the country. The law establishes “the right of land use and benefit”, commonly known as a DUAT right¹, which may be obtained through customary occupancy or certified through a DUAT title document. Although the state retains ownership of land throughout Mozambique, DUAT titles can be sold or transferred between individuals to allow for investment, clarification of tenure, and inheritance.²

In practice, however, many rural smallholder farmers are unfamiliar with the land laws and regulations for securing their land tenure rights, and the majority of smallholders operate under undocumented customary arrangements.³ The institutional capacity of local authorities to address DUAT title applications and conduct the associated land survey is often limited, with varied understanding of how to interpret, enforce, and facilitate implementation of land regulations.⁴ This situation, along with institutional financial constraints, can also leave individuals in local communities, including women and other vulnerable populations, at particular risk for outright land expropriation and rent-seeking behavior by officials within the titling bureaucracy, or otherwise introduce barriers for community members to effectively assert their land claims and obtain a DUAT title.⁵ Despite the country’s laudable efforts to recognize customary land rights, government, foreign, and elite expropriation of land under customary use is a growing concern.

This paper presents the evaluation results of an innovative USAID-funded private-sector partnership to strengthen land tenure security and minimize tenure, supply chain and reputational risks associated with large-scale agricultural investments in Mozambique. The Responsible Investment Project in Mozambique aimed to help Illovo Sugar Africa Ltd.’s suppliers adopt global best practices by implementing elements of the Analytical Framework for Land-Based Investments in African Agriculture (AF) to address land tenure risks. The AF consolidates existing guidance on responsible land-based investment into a succinct framework and provides guidance for companies to align with international best practices while reducing potential risks to their investments. Covered activities include: land rights clarification, informed consent, transparent negotiations, substantive involvement of a wide range of community members rather than a focus only on community leaders, and (where applicable) fair compensation for land loss or displacement as a result of land-based investment (Schoneveld, German et al. 2011, German, Schoneveld et al. 2013, Aha and Ayitey 2017).

The USAID pilot project in Mozambique was implemented in 2017-2018. It supported a participatory mapping process for 1,849 parcels in areas surrounding the sugar estate, delivered cooperative-issued certificates of documented land rights to 1,642 customary land users, facilitated the application process for formal DUAT title documents for the same individuals, and developed a grievance mechanism for the company to address land-related and other concerns among local community members and sugarcane outgrowers. In addition, the project aimed to align with the Government of Mozambique’s ambitious Terra Segura initiative, which seeks to register 5 million parcels and map 4,000 community boundaries during 2015-2020.

The Mozambique Pilot involved a collaboration among USAID implementing partners and Illovo Sugar Limited through its local subsidiary Maragra Açúcar Limited. Maragra, with European Union support, rehabilitated a floodplain area near to its core sugarcane estate, on land that is highly suitable for sugarcane production. The

¹ Tanner, Christopher. “Law-Making in an African Context: the 1997 Mozambican Land Law.” FAO Legal Papers Online #26. March 2002.

² *Land Tenure, Housing Rights and Gender in Mozambique*. United Nations Human Settlements Programme (UN-HABITAT), 2005.

³ *Mozambique—Property Rights and Resource Governance Profile*. USAID. 2011.

⁴ Van Den Brin, Rogier J. E. “Land Reform in Mozambique.” World Bank Agriculture & Rural Development Notes, Issue 43, World Bank, Washington, DC, December 2008.

⁵ International Federation for Human Rights, *Women’s Rights in Mozambique: Duty to end illegal practices*, May 2007, no. 474/2, available at: <http://www.refworld.org/docid/46f146890.html> [accessed 17 July 2017]. Also, *Mozambique—Property Rights and Resource Governance Profile*. USAID. 2011.

estate sought to expand sugarcane production by outgrowers on this rehabilitated land, while also ensuring that outgrower contracts are made with individuals who hold legitimate claims to the land. USAID expects investor application of the AF to lead to outcomes for individuals and communities affected by land-based investments that are more inclusive and positive, including eventual improved tenure security and lower perceived risk of land expropriation by individuals within affected communities, as well as reduced land disputes. This includes a focus on investment decision-making and operational planning, land rights, tenure security, and firm relations in affected communities.

The evaluation of the Mozambique Pilot used a qualitative pre-post design, coupled with a 500 person telephone survey of pilot participants at endline, to examine how the pilot activities affect community perceptions and actions as they relate to land management, tenure security, and local community views of and engagement with private sector investors. Qualitative data collection consisted of group discussions held at baseline and endline with 110 customary land users in rehabilitated floodplain zones surrounding the nucleus sugarcane estate, and included pilot participants and non-participants. A quantitative computer assisted telephone interview survey was also implemented at endline to collect broader data on land disputes and tenure security, pilot coverage, and outgrower participation from a larger set of pilot participants.

At baseline, pilot participants overwhelmingly had no formal land documentation, expressed a fairly high level of perceived tenure insecurity, and were either cautiously optimistic regarding anticipated livelihoods benefits from sugar outgrowing, or had little expectation of outgrowing engagement due to concerns on income smoothing or insufficient information. Endline data suggest that the AF-guided intervention strengthened perceptions of tenure security among beneficiaries within the period of study. Participants expressed increased confidence in their ability to mitigate or avoid land disputes as a result of the project's parcel-mapping and land rights certification activities, with women reporting greater equity in the strength and potential uses of the certificates. There is little indication of the certification activity having increased beneficiaries' opportunity to engage as sugar cane outgrowers in the short time period post-project, with participants pointing to technical knowledge and skills, capital support, labor requirements, and information uncertainties as larger barriers.

Endline data also provided actionable lessons for future interventions that may set-up similar certification schemes. For example, many respondents did not differentiate between the Pilot-issued certificate and formal government-issued DUAT title documents, which may have implications for sustained tenure gains if the cooperative-issued certificates are unevenly recognized in different legal or land dispute contexts, or the perceived validity changes over time. Overall, the endline data underscore the high relevancy of the Pilot activities, and the evaluation's ability to provide important learning on how implementation of the AF and innovative private-sector partnerships may help to reduce tenure insecurity and strengthen land governance and development outcomes in contested land contexts, while also contributing to community self-reliance and sustainability of private sector investment. Findings add to the limited evidence on the effects of land mapping and certification as part of the private sector-focused Analytical Framework.

Works Cited

Aha, B. and J. Z. Ayitey (2017). "Biofuels and the hazards of land grabbing: Tenure (in)security and indigenous farmers' investment decisions in Ghana." *Land Use Policy* **60**: 48-59.

German, L., G. Schoneveld and E. Mwangi (2013). "Contemporary Processes of Large-Scale Land Acquisition in Sub-Saharan Africa: Legal Deficiency or Elite Capture of the Rule of Law?" *World Development* **48**: 1-18.

Schoneveld, G. C. (2014). "The geographic and sectoral patterns of large-scale farmland investments in sub-Saharan Africa." *Food Policy* **48**: 34-50.