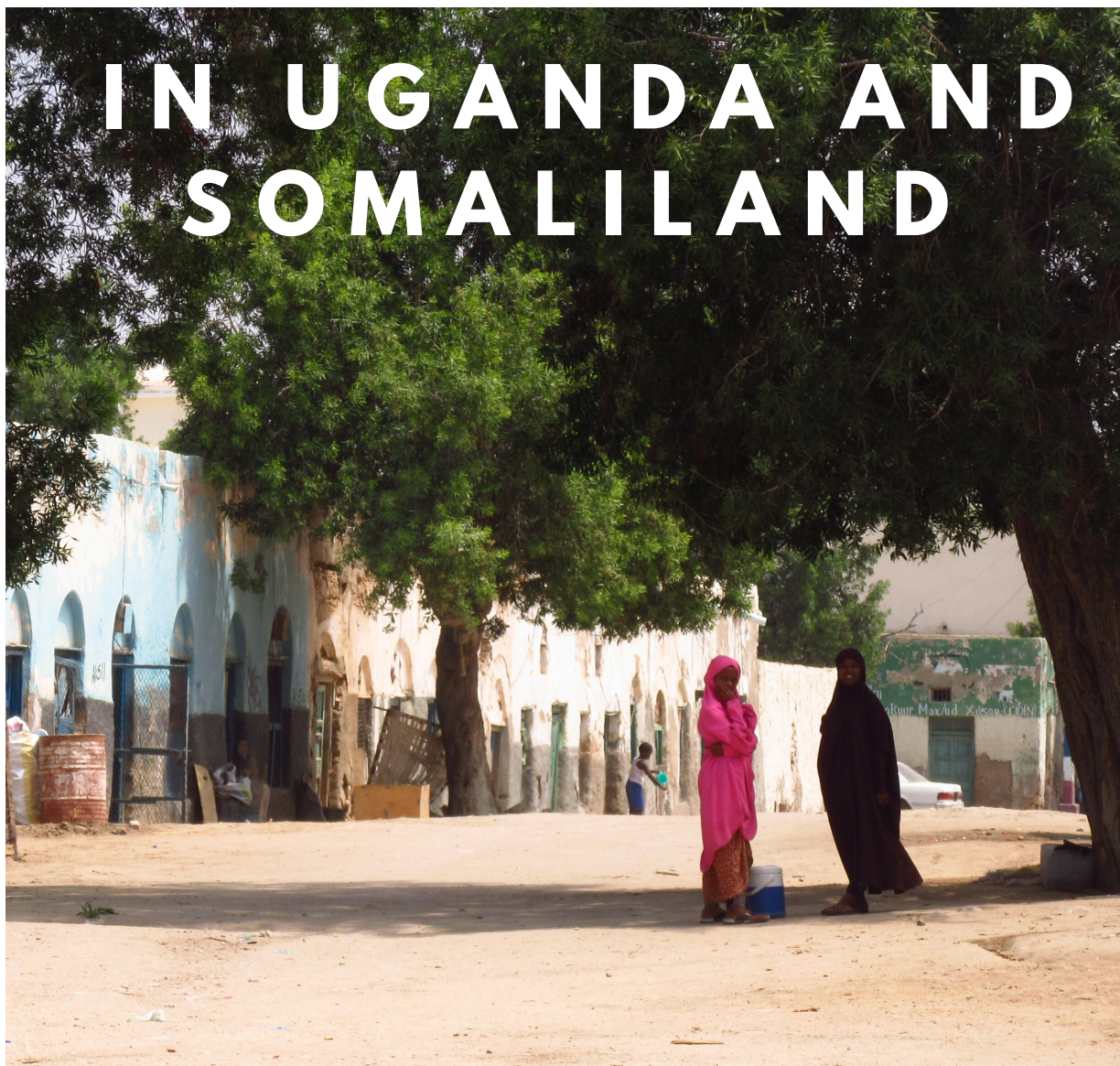


SPATIAL INEQUALITY IN TIMES OF URBAN TRANSITION

OVERARCHING SYNTHESIS REPORT

COMPLEX LAND MARKETS



Complex land markets in Uganda and Somaliland

Overarching Synthesis Report

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DISCLAIMER

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SUMMARY OF THE REPORT

East Africa is experiencing an urban transition involving social, spatial and economic transformations. Population growth and rapid urbanisation have influenced land markets and overall development of all the cities under research. Secondary cities that present a high potential for growth, have land markets that are not shielded from the impacts of urbanisation. These transformations, which also include housing and infrastructure provision, relate directly to land tenure and the manner in which land transactions occur. Land is a scarce commodity and in high demand. However, it can be observed that in the context of urban migration and rapid urbanisation, poorer segments of society also feature as active stakeholders in markets, such as farmers as sellers and the urban poor as buyers of land, but with little influence on the transaction process itself. It is noteworthy that the existing complex land markets in these cities are shaped by power relationships and imbalances between different actors, trading all land that is marketable, and selling the best plots at the highest prices, which monetises assets as well as the location's spatial aspects, such as centrality, social integration etc.

Complex land markets offer a framework within which there are processes and aspects of transactions that can simultaneously promote spatial justice and injustice. That is, the same processes can have both positive and negative consequences for spatial justice. By implication, policy interventions need to be considered on an incremental basis allowing sufficient time for evaluation of multiple lines of consequences. In the absence of a well-functioning land market, and where transactions are managed in a largely non-transparent manner by intermediaries (i.e. brokers) however, prices can fluctuate wildly according to buyers and sellers' circumstances and lack of market information, benefiting the few to the detriment of the many. Hence, the emphasis given throughout this research on understanding the individual motivation and 'registers of meaning' within the context of spatial justice and exploring in depth the processes involved.

The concept of spatial justice informs the urban processes and dynamics in the land markets that produce and reproduce spatial injustices. In adopting a spatial justice approach to assess land markets in Eastern Africa, our conceptions of justice operate along the principle of equity and fairness and emphasise both the procedural and distributive aspects of justice. While acknowledging the impossibility of achieving perfectly just urban development (Soja 2010; Dikec 2009; Marcuse 2009), we also recognise significant scope for improvements in spatial justice in the cities researched. Spatial inequality is created by private investments in some areas, or rather the lack of public ones in others.

This also means that spatial inequalities can only be localised to a limited extent, as these are distorted by privately initiated upgrading. These inequalities are further aggravated by an imbalance of public urban development that gives preference to safe and central areas, which ultimately benefit the less vulnerable groups. In this understanding, spatial justice primarily serves for assessing the performance of the public sector, assuming its responsibility for having spatial justice as a central principle.

KEY FINDINGS

A) The cities under research are experiencing rapid urbanisation. A high population growth is driving land transactions, urban expansion and infrastructure development. Land parcels are therefore being subdivided into smaller and smaller pieces to accommodate the population influx leading to increased conversion of agricultural land to urban land.

B) The privatisation of land markets has increased speculation and access to land on the urban periphery is more difficult for the poor. Significantly more land is being transacted for “business” purposes than before, either for residential or commercial use.

C) Land transactions are complex and intricate social processes. In these processes there are numerous ways in which land markets are invoked and hence performed. Social factors distinguish the land markets and land ownership transfers and transactions involve a social trust-based system built on witnesses of purchase and a countersigning of agreement by a reputable guarantor and notary registration in Somaliland and by the Local Council (LC) in Uganda.

D) Pluralistic tenure regimes exist especially in the primary cities of Kampala and Hargeysa, presenting overlapping rights and conflicts over the same parcel of land as well as complex tenure systems that create an enabling environment for land speculation and hence a distortion of the market.

E) A common phenomenon in Kampala, Arua and Hargeysa is the lack of control of state authorities of the urban land market. This manifests itself primarily in the lack of information about land transactions (due to inadequate systems and/or fraudulent practices) and in the inability of public institutions to better guide the land market for public benefit (for example, through land value capture to facilitate infrastructure). In Berbera, the municipality has an extensive and well-managed land administration archive and registration and land property taxation work effectively.

F) Land is highly gendered across all the four cities. A common feature presented in the primary cities (Kampala and Hargeysa) is that home-ownership is more common among female headed households than in male headed households, however, the research did not take into account intra-household power relations and absent adult male heads who may ultimately claim land ownership in a patriarchal society.

G) Rental is an important means of access to land in all cities; it is the predominant tenure type and represents the majority of households in low-income areas. There is a significant correlation between tenure type (owning/renting) and year of last move for all cities, alluding to a higher residential mobility of people who rent than owner occupiers.

H) The complexity and size of the land markets make it very difficult to perceive a single land market for any of the cities apart from Berbera (because of the small size and control exercised by the local authority over the land administration and even there, there are distinctive areas of the city with associated land values). Nevertheless, people still invoke notions of land markets to inform different aspects of transactions.

I) There are clear differences between potential rental incomes of areas - and clear evidence in monetary terms that higher-income residents (the 'elite') have captured more value from the land.

RECOMMENDATIONS

- Firstly, there is a need to acknowledge the value of diversity of land transactions within each city. Working with different actors within transaction types will broaden the knowledge of different elements of the land market across different actors.
- Stimulating public debate on the implication of information asymmetries in different types of land transactions will not only provide valuable information on land values to buyers who wish to engage in the land market but will also benefit sellers in different parts of the city to gain an understanding of different 'market' values of their land.
- Ensure land policy and regulation reflect the social and cultural dimensions of land markets and land transactions by enhancing the transparency of land policies and prioritizing deprived neighbourhoods.
- Monitor trends and dynamics in the spatial development of cities by working with the private real-estate sector to get a better understanding of land supply and with land/home owners and their tenants to understand demand for land.
- Develop and integrate land management, urban planning and housing policies as part of a longer-term strategy to address spatial injustice and imbalances in access to urban land and housing.

INTRODUCTION

This report synthesises the analysis of our research on “Spatial Inequalities in Times of Urban Transitions” that was executed from December 2017 to September 2019 in four cities in Uganda and Somaliland. Based on a systemic view of land markets and integrated with a political settlement analysis it is meant to help in understanding and eventually overcoming constraints to the ways that land markets can contribute to spatial justice. Here, we draw on an understanding of political settlements as a way of understanding how varieties of clientelism through in/formal interfaces manifest themselves in cities and how the materialities and resources of cities shape and afford possibilities for clientelism (Goodfellow, 2017).

Our analysis builds on three key points. First, that the four cities are slightly different in terms of the land market systems and hence, their relations to (national) political settlements work through different processes. This means that the possibilities for supportive interventions need to be considered on a city-by-city basis. Second, that the complexity arising from actors, transactions or property rights simultaneously having multiple roles across different sub-systems of land markets means that any intervention can have both progressive and regressive implications, and this simultaneously at different scales. This makes it very difficult to relate land markets to encompassing notions of spatial justice. Third, that state actors are deeply engaged in land markets contrary to a popular view that markets are autonomous economic phenomena beyond the operations and control of the state and deeply intertwined with ‘informal’ land markets contrary to a common perception that ‘informal land markets’ are independent, autonomous economic phenomena. Taken together, the report can only identify some of the ways in which land markets relate to spatial justice.

There is a long history of policy making drawing on ideas of land markets as systems and associating this to the interests of elite groups, even if this has not been within the explicit terminology of ‘cities-as-systems’ and ‘political settlements’. One example would be the scholarly and policy work that makes a distinction between formal and informal land markets and analyses the ‘systemic’ relation between the two: typically that the formal land market structures are a significant factor in generating informal land markets (Marx 2009, Lwasa 2010). Another is the maintenance of the in/formal distinctions in order to sustain the interests of political elites, usually to the disadvantage of poorer and marginalised groups when they are evicted due to changes in designations of in/formality (Kombe 2010). Our research builds on this and, using cities-as-systems and political settlements more explicitly, points to new dynamics that constitute land markets (McGranahan 2017).

Our research has understood land markets in a way that seeks to avoid predetermining what a land market is in an attempt to allow for the specificity of what counts as land markets, in the different cities, to emerge. This understanding is important because 'western' neo-classical economic understandings of land markets assume that what counts as a market is settled and it is necessary only to go and observe them. The implications are that there is very little that local actors can offer about what actually constitutes land markets and very little that the local context can say 'back' to theorisations of land markets. The first perpetuates the 'western' colonisation of knowledge and the second stunts the development of new knowledge. Both issues need to be tackled to develop knowledge that can inform appropriate policy interventions in East African cities.

The aim of this report is to suggest forms of support to policy development and policy interventions that can enable East African cities to offer greater opportunities to poor and marginalised urban groups. It does this by offering a brief overview of how the research operates with concepts of 'cities-as-systems' and 'political settlements'. In a context where there are multiple interpretations of both concepts, this brief overview provides a framing for the presentation of results (Part A). The results are framed in terms of key contextual issues to locate the findings within the region (Part B). Part C presents similar outcomes and trends of land markets emerging from all the four cities. The fourth section (Part D) presents the disaggregated outcomes per country and city and finally Part E presents new ideas on overarching issues in each city based on the current findings from all the research components and associated policy recommendations. This report should be read in conjunction with the associated Final Research Summary Report and Policy Briefing.

PART A: FRAMING CONCEPTS

In this part, we briefly outline the conceptualisation of 'cities-as-systems' and 'political settlements' that provide an overall framing for the research. We begin with 'cities-as-systems'. Here we use systems thinking as a heuristic to identify the relations between different elements, the nature of the relations and stakeholders engaged in these relations, their interactions and their combined and emergent effects. In this way, we see the city as constitutive of 'the systems' as much as the systems are constitutive of 'the city'. There are two 'levels' at which this research operates. First, at the level of the city where 'the city' is an open system producing emergent features through the interaction of its components. The second level is focused on urban-land-markets-as-systems. There is a strong interaction between these two 'levels' and we show the implications of urban-land-markets-as-systems are significant for broader management of city transitions.

We adopt a view of 'political settlements' as agreements between national-level ruling elite and ruling coalitions to use control of 'off-budget' resources to promote political stability that serve the political agenda of the ruling elite, be this progressive and/or regressive. Control of land, often through manipulation of in/formal distinctions, is identified as a prime example of an 'off-budget' resource available to ruling elites to shore up political stability in sustaining other political agendas.

Eschewing a reading of the political settlement as simply a reflection of the distribution of resources and/or cohesion of powerful political groups ruling elite, we see land market activity (in this instance) as constitutive of political settlements. That is, land markets are not simply the outcome of political settlements but also condition the possibilities of contributing to the viability of political settlements. In broad terms, the research built from two hypothetical relations between land markets and political settlements. First, that land markets are an integral, and somewhat naturalised way ("it's just the market after all"), of powerful actors gaining disproportionate access to urban land. And, from the perspective of the land market, that they are constantly being made to work in particular ways to service such political interests. Second, that markets accommodate poorer, disadvantaged groups by offering land at a range of prices and thus, in facilitating their access to the resources of the city, provide a safety valve to release the social pressures that would accumulate if people were denied (easy) access to cities. But, that, similarly to the first point, such an accommodative role creates its own dynamics for the broader operation of urban land markets that may be at odds with the interests of powerful groups.

PART B: KEY CONTEXTUAL ISSUES

Urbanisation is generally explained by the complexity of social and economic transitions, population growth and migration patterns. However these are only the factors of (the 'what') that make the urban transition necessary and irreversible. More importantly for a sound explanatory framework for urbanisation processes, we are required to look at the agents active in these processes, in order to explain 'how' urban transitions are managed, steered or self-organized.

Urbanisation is not 'happening'- it is the result of the active engagement of a multitude of actors and leads to intended, but even more so, to numerous unintended impacts. The urbanisation of poverty, informal housing and labour markets, and scarcity of urban services are prominent examples of the impacts of badly managed urban growth - which result from the actions and decisions of the stakeholders involved. The position and actions of these stakeholders and their networks need to be scrutinized, and their interactions better explained, to be able to better manage the urban transition and its impacts.

Over the past decade, many cities in sub-Saharan Africa have witnessed rapid urbanisation and increased population growth that has supervened upon the existing resources, particularly urban land. The increase in population growth coupled with rapid urbanisation has resulted in land fragmentation to meet the growing demand for land for both commercial and residential purposes. Resultant with these rapid changes has been the emergence of a multiple layered land market emanating from pluralistic legal tenure systems with complex interrelationships between statutorily-regulated and customary authority-regulated land. This results in socially constructed structures that govern the process of acquisition and produce both equalities and inequalities in access to land.

For example, the Land Sector Strategy Plan of Uganda (2013-2023) recognizes the importance of an efficient and open land registry with an objective of increasing the availability, accessibility and affordability of land information for planning and development. However, the inadequacy of the fragmented institutionalisation of authorities governing land acquisition has resulted in overlapping claims to property and challenges in urban development.

B.1 LAND AND GENDER

Noteworthy is the fact that land is highly gendered across all the four cities. In Uganda, land sector reforms have made attempts to address gender bias. The Land Sector Strategic plan promotes the availability of information on land to women and Section 40 of the Land Act (Cap 277) specifically encourages the effective participation of women in the land sector by promoting professional and technical training to reduce gender disparities in access to land. The Succession (Amendment) Decree of 1972 formally regulates inheritance and provides for women's rights to inherit land from their husbands and fathers, and the rights of all male or female children to inherit from their parents. This seems to have a positive trajectory, especially for the case of Kampala where, a larger proportion of land owners (52%) were constituted by female-headed households while 48% were male-headed households. In Arua, however, there are disproportionate figures in terms of land ownership where a greater majority of land owners, 72% are male while 28% are female. This however did not take into account intra-household power relations and claims to land as well as adult male absenteeism who may ultimately claim land ownership.

In Somaliland, the pluralistic legal, cultural, and historical influences that have shaped the overall structure of land tenure can similarly be used to understand women's relation to the land. Traditionally, Somali society has had distinct gender roles, although Article 31 of the Constitution explicitly confirms the right of all Somaliland citizens, regardless of gender, to own property on a personal basis. The long civil war has been particularly damaging for women, eroding some of the protections they enjoyed under the formal and traditional clan systems, although the picture is complex. In some respects, customary clan structures constrain women's right to property, with Islam providing greater scope for gender equality, while in other instances, the reverse is true. Conflict disturbed many of these patterns, with consequently diverse and sometimes contradictory outcomes. While many women today, and in particular those with some wealth, argue that the situation is significantly improved on the past, some, and in particular poorer women, face greater obstacles as a result of the considerable weakening in state authority. Today there are signs that women are finding ways to assert their voices, creating roles for themselves in the business world and, in some cases, using Islam to claim their rights and to demand a larger role within Somali society. Women have begun increasing their role in the economy by becoming more involved in business affairs to increasing their economic power and eventually claiming a larger role in decisions regarding land (Burman et al., 2014: 13-14). Although our research showed distinct bias towards women in land ownership with 60% of female-headed households in Hargeysa, this did not take into account intra-household power relations and claims to land as well as adult male absenteeism who may ultimately claim land ownership in a patriarchal society. This was further confirmed in a 2016 report on women land rights and minority groups in Somaliland, conducted by the Somaliland Nagaad Network in conjunction with FAO where although women make up about 60% of the population in Somaliland, less than 2% of the land is female-owned.

B.2 TENURE

It is understood that pluralistic tenure regimes exist especially in the primary cities of Kampala and Hargeysa, present overlapping rights and conflicts over the same parcel of land as well as complex tenure systems that create an enabling environment for land speculation and hence a distortion of the market. This is dominant particularly in Kampala where different tenure types are legally constituted resulting in a land development impasse especially on mailo land between the occupant and the registered owner, due to overlapping rights over the same piece of land. The protections and checks and balances in this system diminishes the financial investment value over the land for the registered land owner (but not necessarily for the occupant). Nkurunziza (2006) points out that interactions between government, Buganda Land Board and informal systems are characterised by conflict and accommodation, resulting in a complicated land property rights system with contradictory and overlapping interests. This is highlighted in the household survey where 51% of the respondents owning land in Kampala have unregistered land titles. Kampala also has a larger percentage of respondents that hold claims to land that are not immediately enforceable through the state.

In Arua, land tenure is different from Kampala with a large proportion of land falling under customary tenure. There is tighter regulation over land under the jurisdiction of municipal authorities, however, the prevalence of customary and informal land markets outside the municipal boundaries results from an absence of tight regulation. The ability of the state to shape the land market appears to lie in the possibility of managing the distribution of social services and provision of infrastructure guided by the Strategic Plan (Arua Municipal Council, 2015: 51).

In Somaliland, land policy is relatively new and still underdeveloped. Land markets are fragmented and largely characterized by informal institutional arrangements in which many unregistered or partially formalised land brokers bridge the gap between potential buyers and sellers. Unless land is purchased for immediate development, most land transactions are not registered with the local municipality's registry office. Land ownership transfers and transactions instead involve a social trust-based system built on witnesses of purchase and a countersigning of agreement by a reputable guarantor and notary registration.

The tendency to pause before automatically registering a notarised transaction with the local state produces challenges in data management for land ownership for the Hargeysa authorities. The legal framework for Somalia's land tenure system is a mix of secular, sharia, and customary Xeer law. This legal pluralism has left grey areas within which conflicts ensue. Land conflicts in Hargeysa are common in the city as vacant land is contested by extended families of people who fled the city, newcomers to the city, and opportunists. A common means of laying claim to a land parcel is to build an enclosing wall, sometimes followed by an attempt to 'legalise' or formalise ownership by registering the wall as a building (Barry and Bruyas, 2007).

In Berbera, land market activity is currently undergoing a new period of vibrancy after years of stagnation as a result of expected developments in the port area, with newly visible and extensive demarcation of plots. Property taxes are identified as an important source of local revenue for Berbera, which are enabled by the existence and continued

maintenance of a land registration system. In contrast to Hargeysa, the land information system stores basic data describing properties and allows the local government to tax land transactions, generating significant income for the local council. In this regard, Berbera stands out across the continent as one of the few cities with a viable, functioning and integrated land administration system.

B.3 CITIES AND INFRASTRUCTURE GROWTH

It is undisputed that population growth and rapid urbanisation influence land market activity and overall development of cities. Secondary cities that present a high potential for growth have land markets that are not shielded from the impacts of urbanisation. This has been witnessed through our research in the cities of Arua and Berbera where, although the local governments of both cities hold some tight regulation of land markets, informal and covert land acquisition processes are emergent. This creates an enabling environment for land speculation as these cities exhibit potential for future development and expansion.

The imminent expansion of Arua's municipal boundary under the Strategic Plan of Arua (2015-2020) has influenced infrastructure development and city growth which has increased interest in property with 30% of land owners having acquired property in the past 5 years. In Berbera, the prospects of development of the port by DP World has similarly raised interest in land ownership with 43% of land owners having acquired land within the past 5 years. Additionally, to support the widely-held perception that land speculation is increasing in all cities, our results show that 23% of current land-owners in Berbera and 30% in Arua having acquired vacant land without developing it.

Also of note is the influence of land markets on fragmentation in all the four cities, evidenced over the past decade, more prominently in the primary cities of Kampala and Hargeysa through the subdivision of plots/land parcels to accommodate a growing population and various forms of land market activity including owner occupation, 'build-to-let', and speculative practices.

PART C: CROSS-CUTTING FINDINGS

C.1 STAKEHOLDERS

In principle, land markets in the four cities involve similar actors. That is, buyers and sellers as parties to the transaction, facilitators of the transaction, people or institutions that witness and/or record the transaction, institutions that register the transaction and institutions that enforce the transaction. However, there are significant differences between cities within the same country as well as between countries. Drawing on the analysis across the Land Market Assessment and the Land Transaction Biographies, the following section describes the stakeholders active in the different types of transactions in the different cities.

KAMPALA

In Kampala, we identify four different types of transactions relating to residential land use:

- Where the seller's previous transaction is registered with a recognised local figure of authority (LC1 Chairperson) and may/not be registered in the deeds or archive office and the buyer may/not intend (at some point in the future) to register the transaction with the deeds or archive office. In effect, there are no reasons why the registration will not be registrable in the deeds office or Buganda Land Board registry.
- Where the transaction is always framed in terms of the state's deeds office system; The land is already registered with the state and the buyer will immediately register the transaction in the state's deed office.
- Where the buyer can only register the transaction with the LC1 Chairperson because some feature of the land (location, size, the transaction itself, or requirements of the registering agency cannot be met) makes it impossible to proceed with other forms of registration even if the buyer wishes to do so.
- Where people access land (as housing) through tenancy agreements.

Each of these land markets have a particular set of stakeholders that may overlap with practices and processes in other land markets.

ARUA

In Arua, we identify four different types of land transactions in relation to residential land use:

- Transactions registered at a local level or customary system and have the possibility of registering the land with other agencies such as the District Land Board or deeds office.
- Transactions where the land is always within the frame of the state land registration system.
- Transactions where there is no intention/possibility to register beyond local/customary system
- Transactions based on tenancy agreements (expressed through a need for housing).

HARGEYSA

In Hargeysa, there appears to be three types of land transactions due to greater conformity around plot sizes in multiples of 12m x 24m and standardisation of the land transaction process. Differentiation in land transactions appear to relate to whether the buyer registers the land transaction with the state and then pays building tax. Given the extensive demarcation of land visible from the spatial assessment and interviews conducted through the land market assessment, a discernible driver of land market activity is speculative investment in land. This is driven either by diasporic investment or locals looking for a safe place to invest their money. Moreover, given the extensive rates of tenancy in Hargeysa, it is conceivable that a fair proportion of land transactions are investments for rental and housing tenancies represent the third type of land transaction. One exception to this would be the informal settlements within the city where land parcels do not appear to conform to standards and where it is not clear what form of record keeping is occurring. It is highly likely that there is localised record keeping but our research did not generate enough data to draw any firm conclusions.

BERBERA

In Berbera, there appears to be two types of land transactions. The first is where all land transactions are registered. This is because the local authority has control over the land registration system. Given the extensive demarcation of land visible from the spatial assessment and the interviews from the land market assessment, a discernible driver of land market activity is speculative investment in land deriving from anticipated investments in the port. This is driven either by diasporic investment or locals looking for a safe place to invest their money in the absence of other opportunities. The second type of land transaction works through tenancy agreements with landlords. Given the extensive rates of tenancy in Berbera, it is conceivable that a fair proportion of land transactions relate to investments for rental housing.

ALL CITIES

Relating to these local types of transactions are national and international policy makers concerned with land administration, the regulation of brokers and notaries, planning and taxation. Engaged in shaping land transactions at the city level are urban planners who use policy and regulatory measures in attempting to plan for the city growth. These interactions facilitate (or constrain) transactions through the designation, preparation and enforcement of land for particular uses. From a political settlements point of view, we could theoretically also add ruling elites as indirect stakeholders in the overall existence and operation of the different land transactions.

These issues start to point to the complexity of land market transactions in terms of land being part of multiple calculations, some actors being operative in different land transactions, buyers and sellers being differentially able to translate their motivations across different land transactions and the same transaction having potential to be translated into different land markets (such as rental). The data in the table 1 below suggests that:

- 1)** There is the scope for the same actors to operate in different types of land transactions. Certainly the role of LCI Chairpersons in Uganda is critical in facilitating transaction activity in both Kampala and Arua.
- 2)** Some land parcels can play different roles in the same transaction. For example, land that is potentially registrable with the deeds/archive office can become so. Land that is registered in the deeds/archive office can be informally subdivided into either parcels that can be registered in the deeds office or fall into the category that can never be registered.
- 3)** There is a mix of formal and informal actors in each land transaction and it is inaccurate to describe land markets as either formal or informal.
- 4)** Landowners in any of the land transaction also operate as landlords although from the research, wealthier and more educated landowners are more likely to be a landlord.
- 5)** Tenants have great flexibility but also very little protection associated with publicly registered tenancies that can be enforced.

Given this complexity, the land transactions in both countries seem beyond the control of planners and policy makers and they state as much. That is, they are not amenable to control within a political settlement except at the broadest level of analysis. Caught in a (neoliberal) narrative that the market transactions are separate from the state and should be free to operate, leaves little space for policy makers to intervene in land markets. In reality there are a number of ways in which the actions of states (both formal and informal actions) directly affect land markets.

TRANSACTION TYPE	FACILITATE	WITNESS/RECORD	REGISTER	ENFORCE
KAMPALA				
Registered with deeds office or Buganda Land Board	Informal brokers	Notary	District Land Office/ Buganda Land Board	Courts
Potential to register beyond local level	Informal brokers	LC1 Chairman & Secretary, Neighbours, Buyer's confidant, Seller's confidant		LC1 Chairman & Secretary, Neighbours, Buyer's confidant, Seller's confidant
Unable to register beyond local level	Informal brokers	LC1 Chairman & Secretary, Neighbours, Buyer's confidant, Seller's confidant		LC1 Chairman & Secretary, Neighbours, Buyer's confidant, Seller's confidant
Rental	Social networks/ informal brokers	Registered with deeds		
ARUA				
Registered beyond the local level	Informal brokers	Notary	District Land Committee	Courts
Potential to register beyond the local level	Friendship/ kin networks	LC1 Chairman & Secretary, Neighbours, Buyer's confidant, Seller's confidant		
Unable to register beyond local level	Friendship/ kin networks	LC1 Chairman & Secretary, Neighbours, Buyer's confidant, Seller's confidant		
Rental	Friendship/ kin networks	Notary		Friendship/ kin networks
HARGEYSA				
Registered with Archive Office	(Informal) broker	Notary and buyer and seller's witnesses	Municipal Land Office	Land tribunal courts
Non-registered with Archive office	(Informal) broker	Notary and buyer and seller's witnesses		Clan system
Rental	Social/clan networks	Landlord		Social or clan networks
BERBERA				
Registered with Archive Office	(Informal) broker	Notary and witnesses	Municipal Land Office	Courts
Rental	Social/clan networks	Landlord		C

Table 1: Actors for land transactions on land already declared 'urban' in SITU target cities

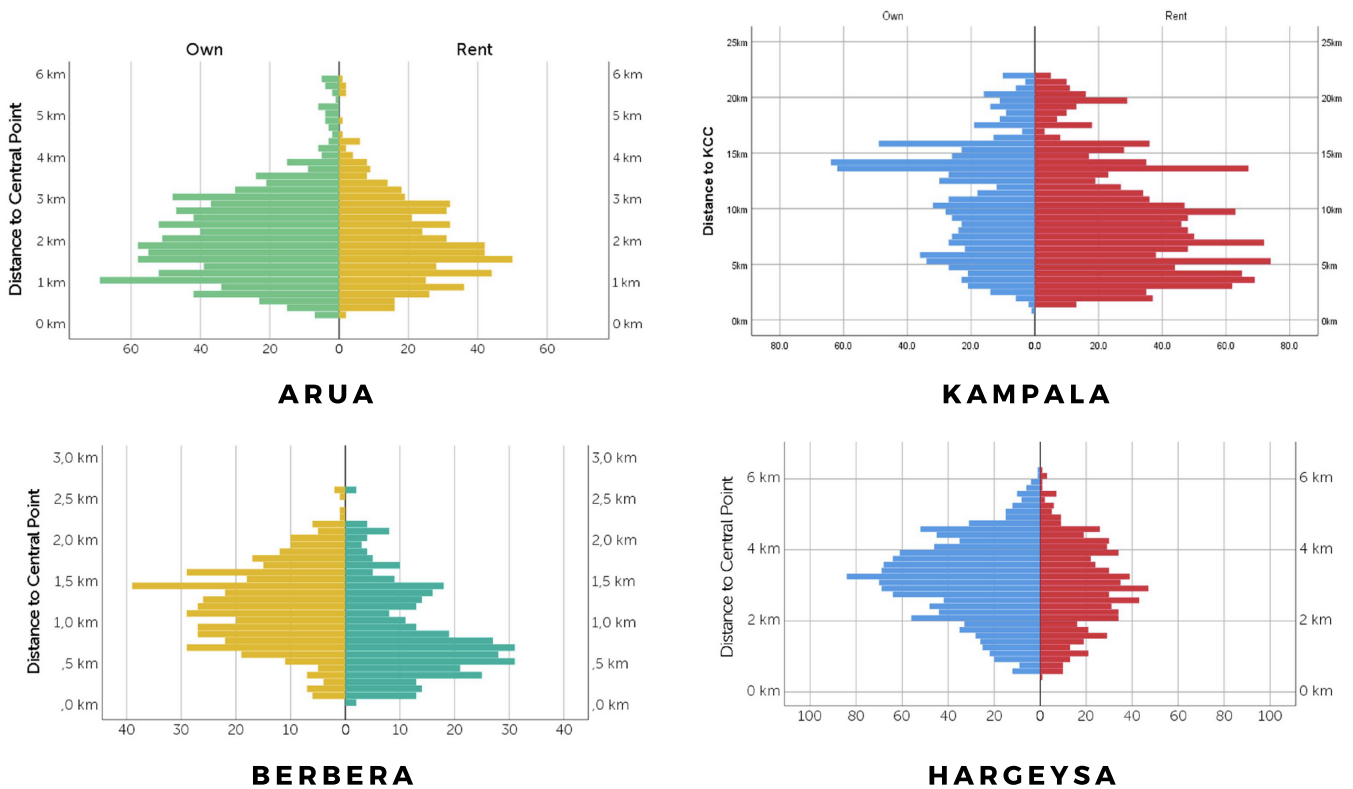


Figure 1: Distribution of owners/renters by city according to distance from the city centre.
Note: The city centre was chosen somewhat arbitrarily to represent the geometric centre as far as possible though this often coincided with a key feature such as the central market (Arua); bus park (Kampala); government buildings (Hargeysa).

C.2 ACCESS TO LAND THROUGH TENANCY

Access to land through rental housing was prevalent across all four cities. The prevalence of this form of accessing land could reflect a number of things:

- Land markets are exclusionary - putting land ownership beyond the reach of many people (in the context of their desired location in the city).
- Rental is the preferred form of housing tenure for some people/certain groups - linked to affordability/trade-offs made vis-a-vis the desire/ability to own land in one location over renting land/housing in another and that people may own land in another part of the city/country
- Relative to the total urban population, a small proportion of people own more land to rent out as an investment strategy.

One thing was clear from the household interview survey, there were no strong correlations between location (when measured as distance from the centre of the city) and tenure (rental or ownership). Put differently, households in all four cities were just as likely to access land through renting housing close to the centre of each city as renting on the periphery. A similar pattern was observed for those owning land. What may be true though is that land values fall and average plot sizes rise as one travels from the centre of each city as per the classic bid-rent, urban economic model. There are, however, some limitations in our data to support further analysis to confirm this assumption.

C.3 THE SPATIAL DIMENSION OF LAND MARKETS

Several questions were asked to bring together an understanding of the spatial form the urban transition took in relation to land markets. Which dynamics are driving the subdivision and intensification of land use and which are driving the extension of the city? Can we tell? Can we link these dynamics to land markets? This is working from the assumption that densification/ intensification (and the desire to be closer to the centre) may be driven by different motivations to urban expansion (acquiring/developing land on the periphery).

Spatially, all four cities exhibit a fragmented pattern of land use. This is clearly exhibited through the identification of 3-4 distinct settlement types in each city developed with no uniform spatial pattern and little evidence of anything resembling coordinated residential development at scale. In short, most urban land activity occurs on small plots/ parcels of land. There was some evidence of these settlement types being distinct to specific core versus periphery locations. In Kampala the highest density, lowest-income settlements were observed close to the core of the city which may indicate a need to rationalise on space in order to offset the higher costs of land/housing in central areas. This may be consistent with the classic urban economic/bid-rent theory though it does not explain why people choose to locate centrally.

The intensification of land-use may in part be driven by out-dated, unresponsive regulations. For example, in Kampala high minimum plot sizes for residential use required by city planning regulations lend themselves towards lower-density, villa-style housing. This will likely increase the cost of developing formal plots for housing, pushing many to seek other forms of housing - usually smaller dwellings, on smaller plots, developed somewhat 'informally'. This in turn tends to result in the sub-division of larger plots overtime to accommodate many smaller plots with housing built at a higher density. This study estimates that around 60% of the population of Kampala can be categorised as the poorest residents of the city but this group live on only 25% of the land. Elsewhere it is observed that a significant proportion of this informal housing has been constructed contrary to environmental planning standards (Karolien et al, 2012).

The expansion of cities, as evidenced through the dynamics of increased land consumption of the four target cities, can be largely explained by the following distinct motivations (notably of the buyer):

- 1) A desire to own land and that people prefer (or can afford only) to buy vacant land to build houses on the urban periphery-a typical pattern for urban sprawl. This was confirmed through focus group discussion in Kampala. Markets reflect this demand and feature unserviced, vacant land at the edge of the city. There are clear indications that real estate brokers are active in the transformation of farm land into subdivided land for residential purposes.

- 2) Buying land and constructing houses as an investment that could be rented out. In Kampala, for example, many people that own land a fair distance from the city centre, try to rent it out and then become tenants themselves in the core areas.

3) Those migrating to the city from elsewhere, may find the urban periphery geographically convenient (proximate) to their point of origin. This is particularly true for those with a transient relationship with their places of origin and destination (see Evidence Box below).

Although evidence of commodification of land for urban uses was found in all four study cities, the scale and intensity of this was most clearly reflected in the expansive urban form of the Somaliland cities. In Hargeysa for example, over 60km² of land was found to have been 'prepared' for development, with street blocks or plots marked out and enclosed with low boundary walls. There were clear patterns to this activity with plots marked in regular sizes in grid layouts up to 20 kilometres from the city centre. The regular form of this extension to Hargeysa and Somaliland implies that the state (or some other socio-cultural institution) is cognisant and engaged in different ways. The same may be true of Ugandan cities, though the irregular, organic pattern of development and topography in these cities, particularly on the urban periphery, gives the impression that extension and expansion was less 'coordinated'.

Despite evidence of significant urban expansion, average population densities remain higher in Somaliland than in Ugandan Cities. Specifically, Hargeysa has higher average densities than Kampala; and Berbera higher than Arua. There are several possible (and likely interconnected) reasons for this: i) the cost of acquiring/ preparing land i.e. financial, social or otherwise; ii) the cost of construction; iii) the cost of transportation; iv) the scope, extent and enforcement of rules and norms (formal and informal regulations governing land-use, including socio-cultural preferences for particular types of dwelling); v) average household sizes in Somaliland are in excess of those in Uganda (i.e. +6 persons per household in Hargeysa, against 3-4 persons per household in Kampala).

At its simplest though the ranges of density experienced across and between each city and spatial form (the range of settlement types) likely reflect greater inequalities in income. Put differently, income inequalities reflect the difference in preferences exhibited by individual households engaging urban land /housing markets in East African cities and the resulting spatial form of each city. These preferences in some cases reflect trade-offs in terms of where a household chooses to locate, though in other cases and in some groups represent a form of social exclusion resulting from a broader form of political settlement i.e. elites capturing more value from urban land at a city-wide scale - better access, better services, more decent housing etc. giving rise to greater deprivation to other social groups elsewhere in the city. The relationship between spatial form and spatial inequality and access to various types of land (and housing) markets is logical though often complex.

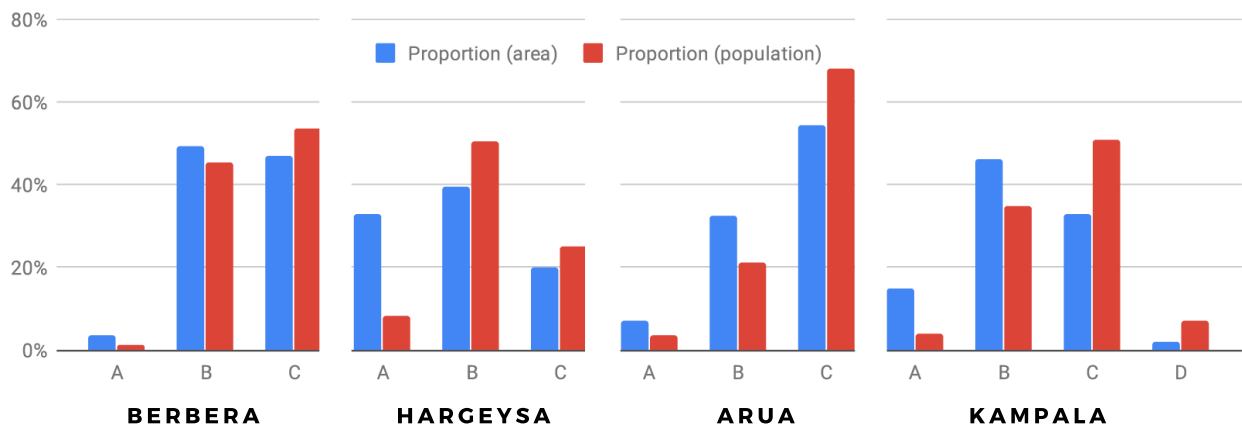


Figure 2: Relative proportions of the population occupying different settlement types.

Note: The specific physical characteristics of housing typologies are not directly comparable between cities where there was, particularly between countries, variation in the form of housing found in each city. Settlement type does provide a useful unit of analysis for examining the relative variation in and concentration of land, buildings and people found in each city.

EVIDENCE BOX: MIGRATION AND MOBILITY PATTERNS

Information collected on past moves is varied across the cities. In Uganda 27% and 26% moved from outside Kampala and Arua respectively. A higher percentage of those migrating from outside the country was evident in Arua than in Kampala due to the proximity to bordering countries of South Sudan and Democratic Republic of Congo. In Kampala, half of the respondents moved to their current location within the last 5 years, the majority being households who rent property. While almost a third of the respondents (31%) have never moved in their life or moved before 1988, another third of the population last moved in 2015 or later (Figure 3). Households who rent, on average, have moved more recently as shown in Figure 4 below.



Figure 3: Location prior to moving - Uganda

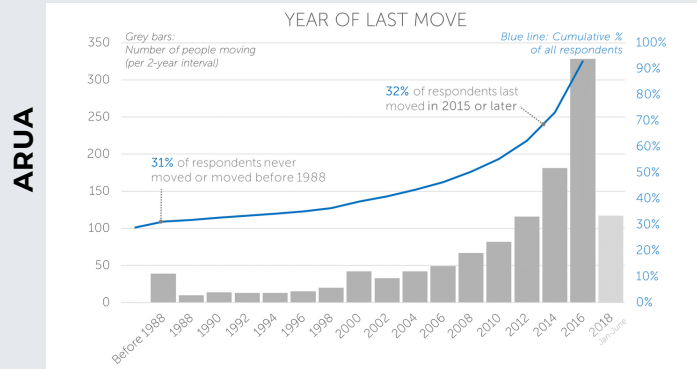
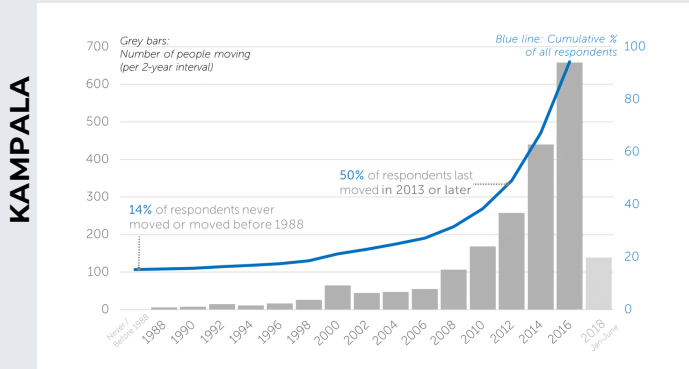
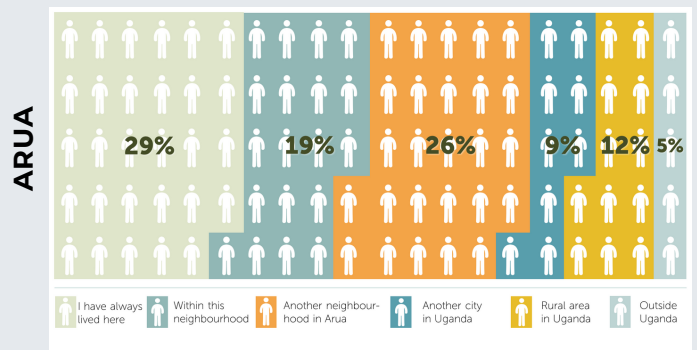


Figure 4: Year of last move - Uganda

In Somaliland, 10% and 14% moved from outside Hargeysa and Berbera respectively. In Hargeysa, the number of those moving into the city from outside the country is higher than in Berbera, Hargeysa having a more prominent economic role for Somaliland and attracting the diaspora population. In Hargeysa, a quarter of the respondents moved to their current location within the last 4 years, whereas 46% of respondents have either always lived in Hargeysa or moved before 1988 as shown in Figure 5. People renting have moved to their current location more recently. A similar pattern is observed in Berbera where 1 in 4 of the respondents moved to their current location in the past 4 years and households renting property on average have moved more recently as shown in Figure 6 below.

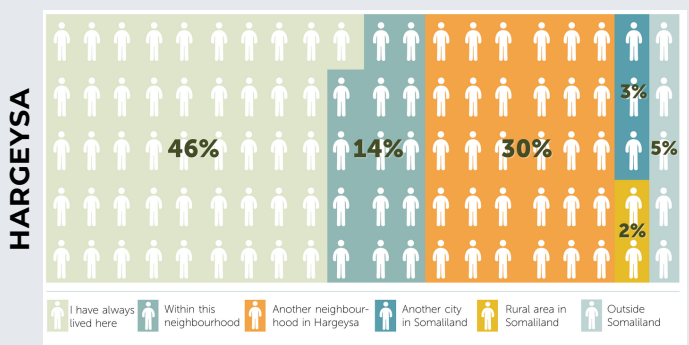


Figure 5 Location prior to moving - Somaliland

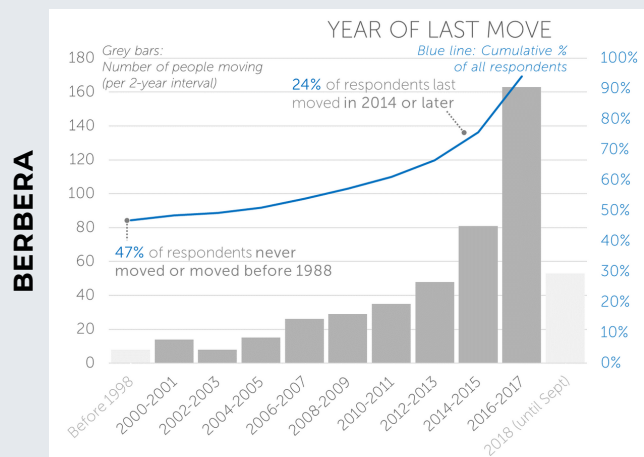
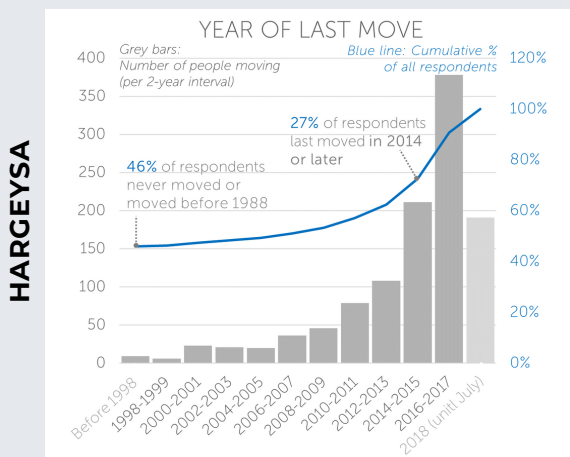
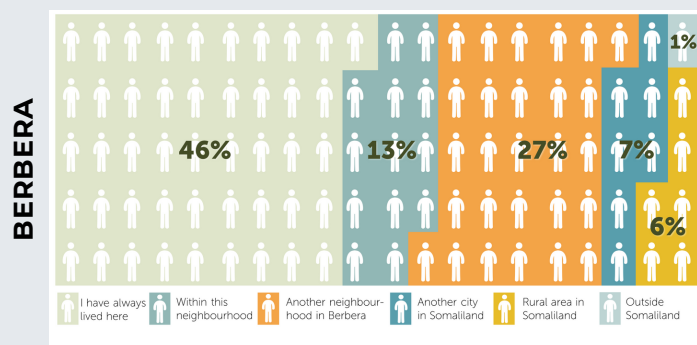


Figure 6: Year of last move - Somaliland

C.4 UNDERSTANDING COMPLEX LAND MARKETS

We make a further distinction between simple and complex land markets in order to elaborate a 'land-markets-as-systems' analysis. In systems terms, 'simple land markets' can be identified as having a narrow range of possibilities of the five elements that we conceptualised as characterising transactions (registers of meaning through which to understand demand and supply, legal systems to define and enforce property rights, social networks to make buyers and sellers meaningful to each other, systems for delimiting the time and space that matter to market actors, and systems for making different transactions commensurable and aggregable). Typically (but not necessarily), a simple land market will operate at a small-scale (and even within a settlement type), the land rights being exchanged are relatively homogenous (and within a land market type identified above), the people are relatively homogenous, the motivation for the purchase is commonly understood and appreciated and the transactions are conducted in a relatively similar way. In the context of our research, simple land markets exist when the type of land market and settlement type coincide within a neighbourhood.

The simplicity comes in two forms. First, the land right that is being transacted remains stable in one form. Second, the transaction is referential only (or primarily) to the local system and is not open to multiplication through interactions with other logics, motivations or transactional processes. We could characterise simple land markets as relatively closed systems. In these terms, they offer the possibility for targeted interventions as the relations and interactions between the elements (motivations, rights, etc.) are predictable due to their linearity. Theoretically speaking in political settlement terms, because of their predictability, simple land markets would lend themselves to being a mechanism available to elites to operate through to informally secure the desired distribution of resources.

Complex land markets are much less predictable and thus amenable to channeling/securing off-budget resources from a political settlement perspective. The complexity arises for four different reasons. First, notwithstanding the intentions or desires of buyers and sellers of land, the same parcel of land can simultaneously be understood in many ways as an asset, right, source of identity and belonging, inheritance, investment and so on. Each of these understandings entangles the land in different processes. Second, complexity arises because different people can desire different outcomes from the transaction itself. Thirdly, because the same actors can be part of different transactions thus introducing different sets of information, different logics and different people into a new context and lastly, because it is uncommon to find definite borders around simple markets and different land markets overlap spatially making it relatively easy for substitutions of motivations, rights, etc. to be achievable. Straightforward examples would be that in Kampala, the 1900 Buganda Agreement is still determinative of some land transactions and in Hargeysa, the destruction of the city in 1988 continues to resonate in land transactions in 2019.

Geographic clustering of the various settlement types in each city (visually easy to identify as 'neighbourhoods') did suggest that households living in similar types of housing shared other socio-economic characteristics, and/or that the land they occupy was acquired through a similar type of transaction. At a neighbourhood scale, the decisions of individual

households with regards to land transactions (i.e. price, quality, trade-offs in amenity) could be seen to be reflected in the physical form and location of the land they occupy. Interestingly, in the Somaliland cities, at a more local scale there was evidence of significant mixing of forms of housing within the same broad morphological area. This emphasises that simple land markets are perhaps less directly observable in broad categories of urban morphology, land markets being spatially fragmented at the sub-neighbourhood scale and even individual plots. This brings further credence to the idea that it is harder to understand land markets in simple terms, with distinct markets/sub-markets for land overlapping in space and time.

The research shows that any transaction in almost any location can have multiple relations to the 'market' where the 'market' is a notional space of transacting extending over a geographically defined area. One example is provided in Kampala where the seller determined the selling price of an informally subdivided land parcel based on her health expenses while the calculation by the buyer was worth three times as much within the 'open market' despite it falling into the category of the transaction never being registrable beyond the local level. Thus, some transactions are framed in relation to 'the market' others are considered to be 'the market'. Others are deliberately and consciously not the market. The market exists as some idealised space where someone (a stranger) can, or is willing, to pay a price for engaging in a land use activity. They may be able to use the land differently to the current occupier/user/owner because of different resources they have, different networks they are part of or because they can see different potentials in the land. However, this does not mean anybody can make any decisions, as land purchasers face many differentiated constraints.

The notional success of the market depends on people coming into contact with each other as strangers. However, as soon as people come together, they are no longer strangers and it takes a different set of factors (often linked to identity, social networks, etc.) to determine how the transaction is made. It is clear that a particular version of the market comes into view in the calculation about whether the qualities of land (size, location, services) will bear the costs of investing in it.'

When land (as location) is commodified (e.g. as a source of rent) then reference to a 'market' will arise. The more the value that can be realised from land, the higher the willingness to pay or invest in/for the land). In this way land gains value in other registers of meaning that has very little to do with the land itself. If the land is merely used for self-build housing (shelter) there is very little relation to other calculi apart from the total cost of the house (i.e. costs of acquiring land plus construction) built to the individual's specifications. The nature of these activities and interactions may influence the eventual form of the city, and systematically continue to do so through a feedback loop, where the role or control of formal institutions has been shown to be weak - see LMA findings on absence of state control.

PART D: DISAGGREGATED FINDINGS BY COUNTRY/CITY

The household survey and land transaction biographies provided a knowledge base of household's participation in complex urban land markets. Two clear components of complex land markets can be understood from this (a) the determinants for participating in the market - the actors motivations and means of access to the market and (b) the specific spatially-determined features of the location and its context. These components combine to deliver varied outcomes (in spatial justice terms) in each city. The determinants of participation in the market involves a wide range of players, from the urban poor, the middle and upper class and migrants with varying means, motivations, and interactions for acquiring land/ property.

Research and analysis on each city provides a unique window to explore complex land markets in the context of cities as systems - with recognition that land markets represent complex systems. For example, the household survey allows for a better understanding of the various choices households make as agents in city-systems. The extent to which individual households are able to maximise their utility through engaging with land markets and, in aggregate, the combined decision-making of numerous households when combined with the location-choices made by firms represents a city system i.e. agglomeration economy (which may or may not be operating at full efficiency). Further with a recognition that the decisions of these agents (households and firms) are interdependent i.e. they influence one another.

However we recognise that economic (market) analysis is performative (i.e., that economics as a discipline does not describe a world that already exists but brings it into being through the way it models and theorizes the world) offers a way to distinguish the interaction of ideas and practices. In actually-existing land markets, our research has illustrated the wide diversity of practices and social relations that make market transactions possible but which cannot be accommodated in a simple model of the market. Nevertheless, people draw on their understanding of the market in transactions, even if not completely (or even rarely) framing the exchange in these terms. The difference between theoretical notions and those that are actually existing offers the chance to examine the relationships between theoretical and actually-existing land markets

D.1 NATURE OF CLAIM ON PROPERTY

Claims to land could be understood in terms of simple definitions of tenure: ownership or rental. The proportion of ownership and rental market varies across all the cities as shown below with Kampala having a dominant rental market over ownership. Of the 2,468 households interviewed in Kampala, more than 50% access land through housing rental, 25% being property owners and 14% as caretakers.

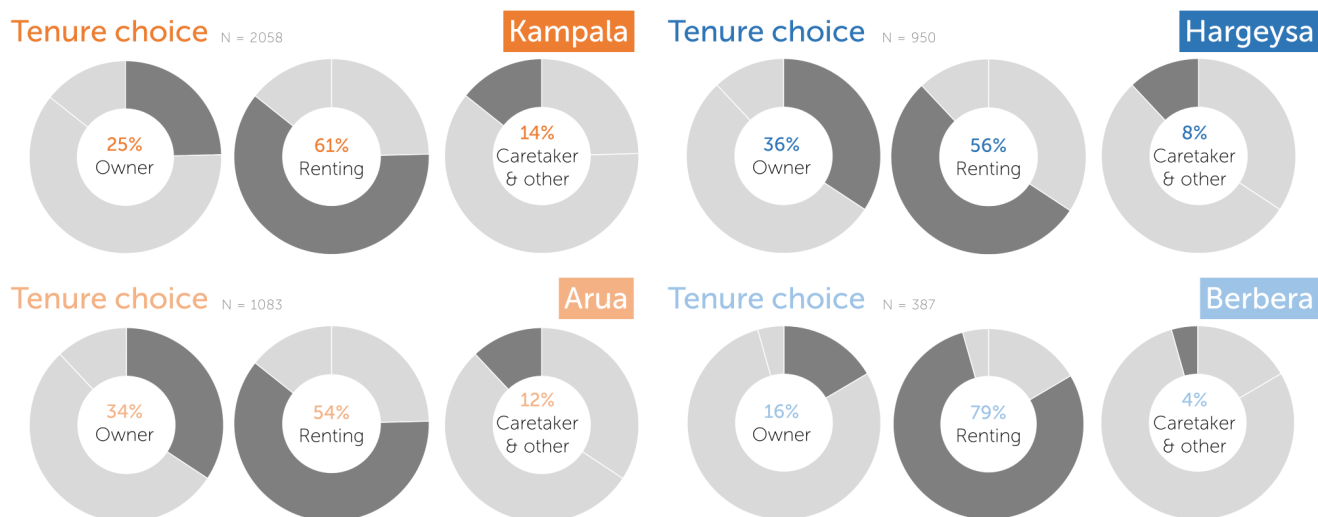


Figure 6: Proportion of property ownership and rental

The rental market is dominated by relatively younger household heads (below age 35). It is worth noting that young people comprise the majority of the urban population especially in Sub-Saharan Africa. According to the 2015 United Nations World Population Prospects, over 50% of the population in Sub-Saharan Africa is under the age of 20. Additionally, the WorldBank 2013 report on Africa Development Indicators revealed that Uganda had the highest dependency ratio in Sub-Saharan Africa. With this, it is crucial to investigate the impact of rapid urbanisation on the young population and particularly for this research, their participation in land markets.

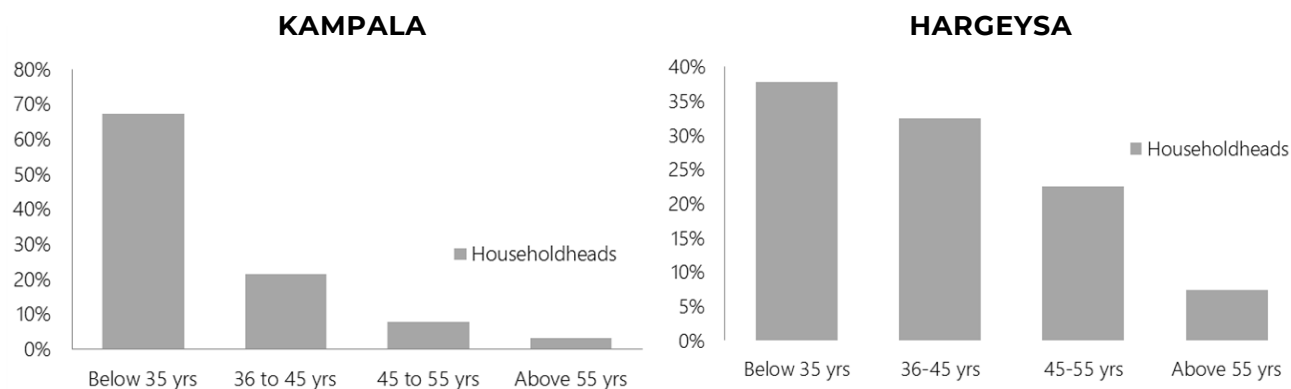


Figure 7: Age profile of rental market in primary cities

In all four study cities, a majority of the households surveyed were headed by individuals below the age of 35. Further, this group, particularly in Kampala and Hargeysa, are more likely to rent (see Figure 7 above) and stayed in their current place of residence for less than 5 years. The majority of this group, however, expressed willingness and aspirations of acquiring ownership of land if they could afford especially in Kampala as shown in Figure 8 below.

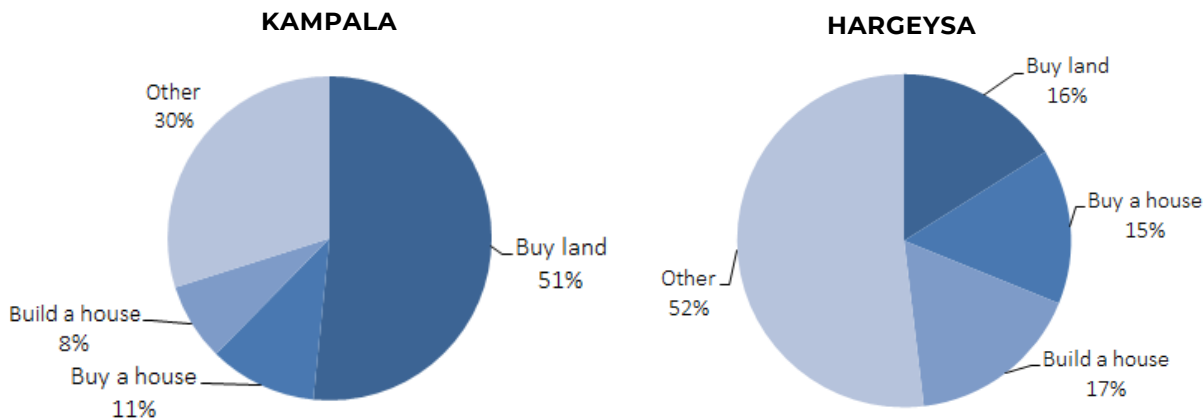
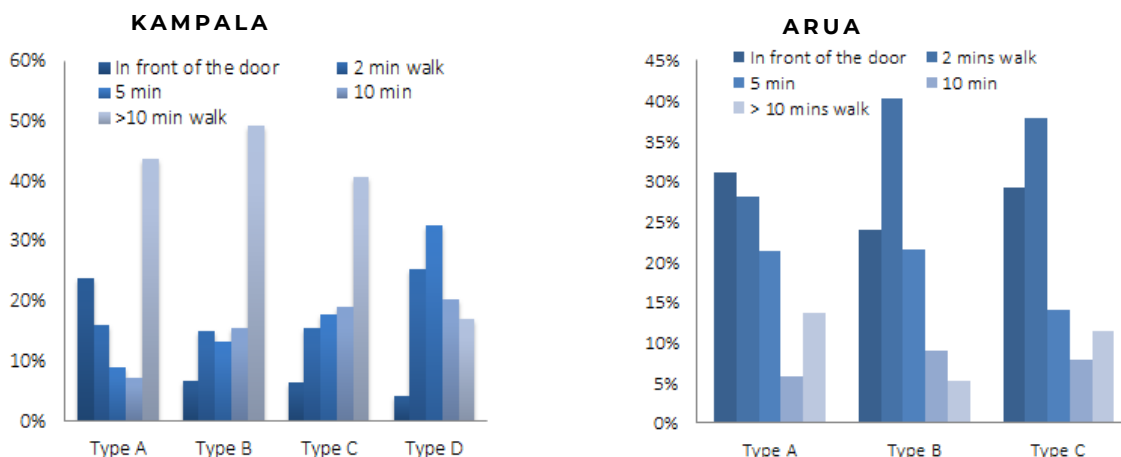


Figure 8: Aspiration to own property (Household heads <35 years renting)

D.2 CONNECTIVITY AND ACCESS

Accessibility is often considered to be one of the defining qualities of location, particularly in the context of decisions taken by agents on where to acquire land. Spatial justice, in relation to transport refers to the ability of an individual to access opportunities and services that are necessary for improvement of one’s well-being and the prioritisation of the transport means most commonly used by the least advantaged groups in society (Preston & Rajé 2007; Jeekel & Martens 2017; Olvera et al. 2003). As a proxy for accessibility, it can be observed that in primary cities, the number of households living relatively further from a paved road is much higher than in secondary cities. Approximately 56% of the households in Kampala and 38% of households in Hargeysa live more than 10 minutes walk to the nearest paved road. In general, those living in higher density, lower-income settlements were more likely to walk longer to a paved road (and by inference public transport) as shown in Figure 9 below. Focus Group Discussions held in Kampala confirmed that households prefer to live in areas closer to a paved road over living within close proximity to the city center.



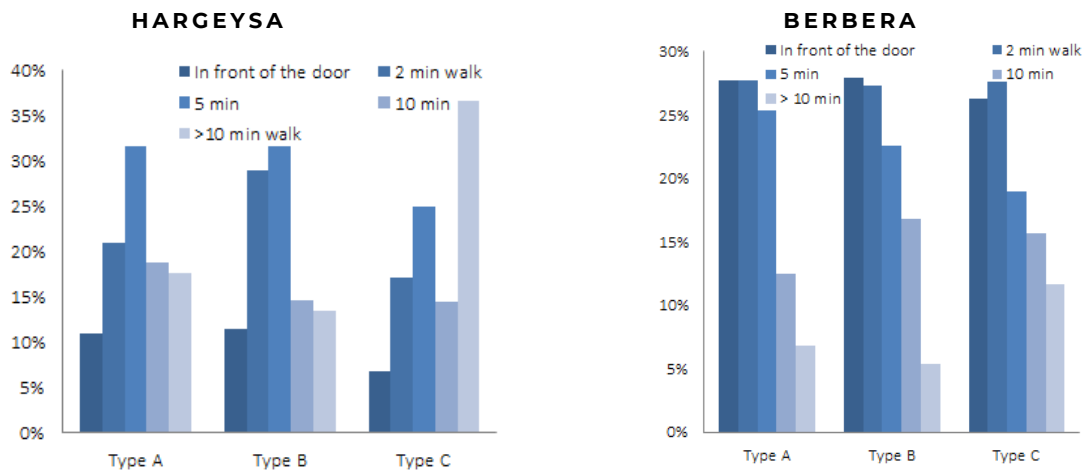


Figure 9: Proximity to paved road per housing typology

D.3 ASSETS AND SPATIAL CHARACTERISTICS

Urban agglomeration theory suggests that firms and households maximise their utility by locating in close proximity to one another to easily exchange goods, services and ideas hence making ‘Location’ of paramount importance for shaping the individual decision of various agents. This plays out in the level of services or amenities that households are willing to accept. Put differently, inequalities in access to amenities was observed among different settlement types across all cities. Levels of services and amenities perhaps also reflect the households ability or willingness to make improvements, provide their own connections to services etc.

Within the framework of spatial justice, the interdependence between individual household development versus (publicly driven) urban development is most perceivable in underserved areas where private investments substitute public ones, e.g. by building a pit latrine as an on-site solution for the lack of proper sewerage connection. The collective for individual upgrading measures eventually lift the standard of the whole area. We found that areas with similar standards in terms of public infrastructure and services can be quite different from each other, depending widely on the social strata that would have settled there. This reflects on the ‘socio-spatial dialectic’ postulated by Soja (2009), where “the spatial shapes the social as much as the social shapes the spatial”.

Spatial inequality in our understanding of this research is created by private investments in some areas, or rather the lack of public ones in others. This also means that spatial inequalities can only be localised to a limited extent, as these are distorted by privately initiated upgrading. This is an inherent feature of urban development and should not be problematized here. The issue is, that the real estate market (in a narrow understanding of it being the institution where demand and offer are brought together and transactions are negotiated) does not distribute the benefits and burdens equally. It does not therefore contribute progressively to overall development, but rather filters and markets the emergent benefits from this process. We conclude therefore that these inequalities are further aggravated by an imbalance of public urban development which gives preference to safe and central areas, which ultimately benefit the less vulnerable groups - the most vulnerable being those who mostly lack the means to protect themselves against hazards or risks.

Within a city there can be different coping strategies in locations with similar features. The concept of a spatial justice (and its measurement) is, therefore, set in this research, to illustrate the level of injustice that is bound to a specific area, but also relate these to the coping strategies of the individual households residing in the particular area and their resultant efforts to resolve spatial differences. We understand Spatial Justice by considering the public and self-provided services, taking into account the capacity of the household to improve the encountered conditions. From a market perspective it is also relevant to assess how difficult it proves for a household to access land. The vast majority of those renting property tended to rent 'housing' as opposed to land in all of the study cities - though nearly 10% of households in Arua rented vacant land.

In Kampala, over 70% of land owners purchased vacant land i.e. unserviced, unimproved parcels of land. Households in the lower-income settlement types in (Type C and D) typically had poorer access to water and sewerage connections when compared to the households in higher-income housing (Type A). Similarly in Arua, respondents moving to housing in higher-income settlements (Type A) were more likely to have access to services and amenities when compared to those living in lower-income settlements (Type C) as observed in Figures 10 below.

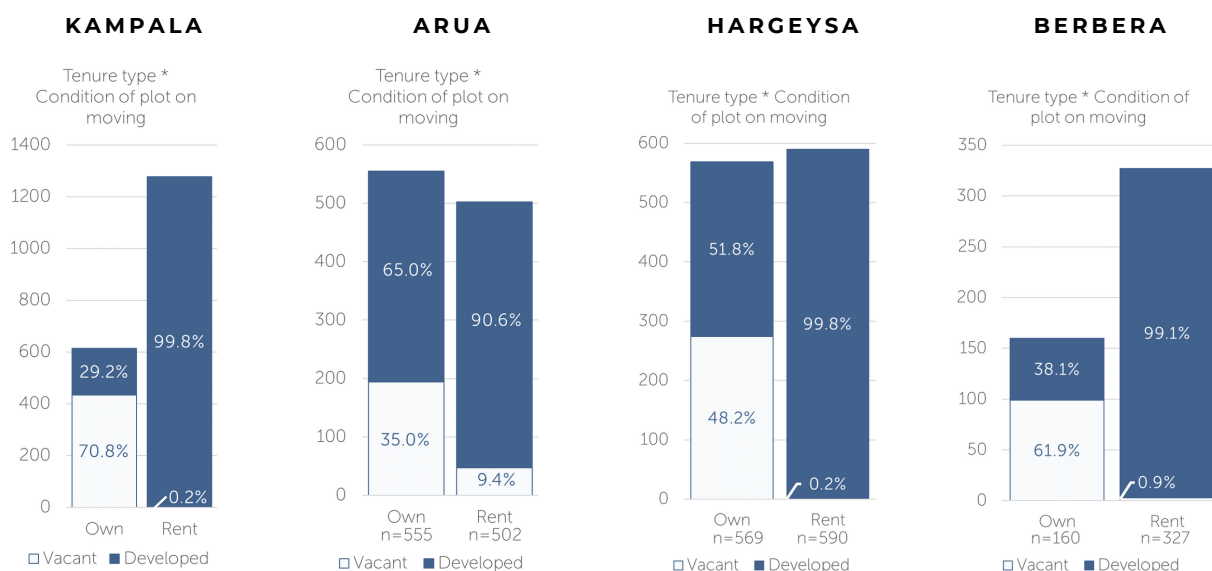


Figure 10: Percentage of vacant and developed land upon relocation - Uganda and Somaliland

In Somaliland, a higher percentage of households purchased vacant land in Berbera, 62%, compared to Hargeysa, 48% as shown in Figure 10 above, perhaps due to the level of underdevelopment in Berbera relative to Hargeysa. There are also inequalities in access to amenities where households in lower-income settlements (Type C) have poorer access to amenities, particularly electricity, when compared to households in higher-income housing (Type A). Access to water seems to be constrained across all settlement types with a slightly higher proportion of households in the settlement Type B having access compared to other settlement types. In Berbera, more households in middle-income housing (Type B) have better access to amenities compared to other settlement types. Households in higher-income settlements (Type A) appear to have the poorest access to amenities but this could be attributed to the relative age of this settlement type - having been more recently developed and as such currently unserviced.

D.4 PROCESS OF TRANSACTING

The process of transaction, as understood in this research, involves six sequential but not necessarily linear stages of property acquisition that are similar, in principle, in each city but with varied outcomes. The stages include finding, recognizing, valuing, calculating, contracting and holding.

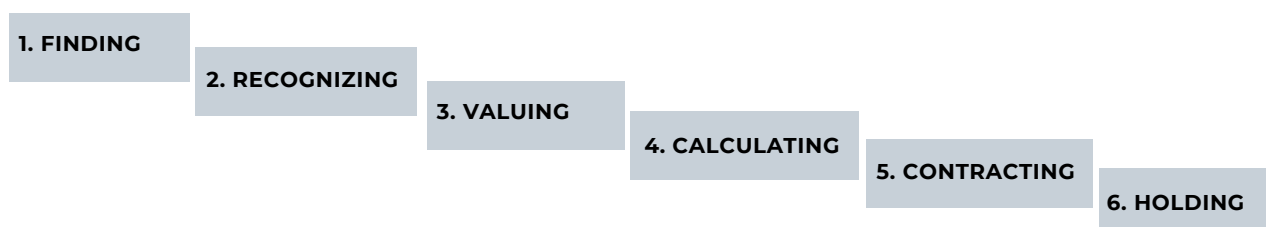


Figure 11: Steps in land transaction

A distinct feature in the acquisition process is the number of stakeholders involved in each stage of transaction. For the case of Ugandan cities, the inevitable consultation with multiple individuals and the intricacy of layered markets makes the process both work, because of the diversity of options it affords, and lengthy. Additionally, the agencement of institutions that govern the property acquisition processes vary across all the four cities, producing different levels of complexity. Notably, there are significant social and cultural functions and values that are embedded in the process of land acquisition particularly in Arua, Hargeysa and Berbera.

PROCESS OF TRANSACTING: KAMPALA

Finding - This initial stage involves consultations with a broker. Brokers are crucial in bridging the gap between the seller and the buyer. The brokers operate within their own network to find property for an interested buyer and also a willing buyer for the seller.

Recognising - In this stage, the broker first verifies the seller's credentials and claim to the land before looking for a buyer. The verification involves checking the authenticity of the ownership documents, usually the sale agreement, liaising with the Local Committee (LC), neighbours and previous owner about the seller's rightful claim to the property. The broker then goes in search for a prospective buyer.

Valuing - The value of the property is pegged to a number of spatial conditions which include its location within the city, proximity to the main road and to essential services, nearby developments and the potential to develop the land for commercial and residential purposes.

Calculating - The sale price of the property is reached through negotiations between the buyer, seller and broker. The price is determined based on the initial purchase price of the seller, prices of surrounding plots, negotiation capacity, seller motivation and the brokers' fee. The brokers are paid a transaction fee by both the seller and the buyer.

Contracting - This takes the form of a sale agreement which is usually drafted by the LC chairman in the presence of the buyer, seller, the brokers who act as witnesses and other witnesses, including neighbours, brought by the buyer and seller. The drafting of the sale agreement also involves a visit to the plot to take measurements of the plot size and mark boundaries.

Holding - Upon completion of payment, the buyer retains the original newly drafted sale agreement and the seller hands over the previous original sale agreement to the buyer as an indication that the seller has no further entitlement to the property. A copy of the sale agreement is kept at the LC office. In the case of Freehold land, the buyer introduces himself/herself to the 'rightful owner' of the land to pay tunic fee and ground rent. In Mailo land, the buyer sources for the King's representative to also pay tunic fee and ground rent.



PROCESS OF TRANSACTING: ARUA

Finding – Unlike in Kampala, brokers are not usually involved in the transaction process. The buyers and sellers rely on their social networks of family and friends to make connections. Social proximity and reciprocity at this stage appear to be important in reducing transaction costs, given the absence of brokers' fee, and in creating trust between buyer and seller.

Recognising – once the actors have been identified through social channels, confirmation of ownership as well as absence of disputes/ownership over the land commences. This involves verification of the sale agreement by the buyer and consultations with friends, elders, neighbours and LC1. For customary land, the LC and the elders have to verify that all the family members support the sale of the property.

Valuing – Distance to the city center, proximity to a main road, nearby developments, flood-free area, proximity to services and the development potential for residential and commercial purposes are among the factors valued by potential buyers when looking for land. The seller mostly values the trustworthiness and purchasing ability of the buyer. Foreigners are highly valued as buyers because of their ability to pay more for land.

Calculating – the sale price emerges from the negotiations between buyer and seller and is based on the prices of nearby plots, the ability to negotiate, motivation of seller (distress sale) and the size of the plot.

Contracting – This takes the form of a land agreement. Agreement form is collected by LC2 from sub-county and filled in the plot. The signing of the agreement takes place in the presence of the buyer, the seller, LC2, LC1, elders, witnesses, and neighbours. Payment, in most cases is done in instalments. Land measurements are taken and boundaries are demarcated upon payment of the final instalment. The final agreement is signed by all the members present and stamped by LC1.

Holding – The buyer keeps the original agreement and the seller hands original of previous sale agreement (if existing) to buyer. The seller and LCs retain copies of the agreement. The buyer is then free to occupy the plot, construct and/or cultivate it.



PROCESS OF TRANSACTING: HARGEYSA AND BERBERA

The process of land transaction is similar in the cities, with the very notable exception that land is almost always formally registered and taxed in Berbera, but much more rarely so in Hargeysa.

Finding - brokers are used in some cases but transactions mainly rely on social connections and family relations to link a buyer to a seller. It is also common-place for both the buyer and seller to link directly. While use of brokers is prevalent in both cities, it is near universal in Hargeysa, and slightly less so in Berbera.

Recognising - guarantors are consulted in verification of the claim of ownership of the seller. They are also mandatory when a seller needs to transact property and are usually an elder who is respected within the sub-clan. Notaries are widely used for sale of property. In Berbera, almost all land is registered, so registration documents are required to establish ownership. In Hargeysa, a notary document is often accepted in place of full registration.

Valuing - values are widely discussed and cultural openness leads to wide awareness of going rates, so while negotiation is usual, the movement in price that occurs as a result is relatively less than is the case in Uganda, and the variations in price paid for different plots is also less.

Calculating - Brokers/witnesses are paid fairly established fee rates, though there is some negotiation. Witnesses are rarely paid for that function but brokers usually act as witnesses, and they are paid for their brokerage services, so it is reasonable to consider the broker/witness function to be seen as a package, performed by the same people and paid for together. Taxes are almost always paid and in Berbera, as the municipality controls registration tightly and charges higher rates than in Hargeysa.

Holding - While contracts tend to be formalized, conflict can arise due to unrelated deals within the same narrow clan group. Conflict occurs for reasons other than relating to the formality of transaction (eg non-payment of taxes). The uncertainty and variation in practices regarding land registration in Hargeysa tend to mean that disputes over land ownership are more common there than in Berbera.



PART E: NEW IDEAS ON OVERARCHING ISSUES

In this section, we identify a series of findings that build up to an overarching analysis of land markets in the four study cities. In considering the context in which this analysis takes place we set-out below a number of key policy recommendations and reflect on who are the key players in shaping land markets and what actions specific actors may undertake to deliver on these recommendations. Our overarching finding is that an expanded understanding of the land transactions facilitates an analysis of a series of dynamics that can be accommodated by, and incorporated into, market mechanisms. By remaining with an understanding of land transactions as defined by statutorily-defined transactions mediating a financial logic of demand and supply, it is very difficult to understand the actual dynamics shaping the four cities and their relationships to political settlements.

In the absence of state capacity, and in the light of economic rhetoric that market operations should be only lightly regulated by the state, land markets appear as a very important structuring force of African cities. We would have to conclude that the land markets are, at least in some ways, related to the problems evident in African cities of fragmented and inefficient land-use, congestion, unequal distribution of resources and infrastructure. Given their importance and relationship to these problems interventions in land markets would appear to offer a significant, if complicated, lever to policy makers wishing to create more equal, productive cities. Much work on urban land markets has focused on 'getting the incentives right'. However, as Bassett (2019, 3) observes in Kenya's recent experience of land reforms, "incentivising behaviour however, is extremely complicated in a sector as complex, dynamic and profitable as the land sector, which is characterised by multiple stakeholders who have diverse and even conflicting objectives relative to land." The key message is that interventions have to be designed slowly and incrementally.

E.1 MULTIPLE TYPES OF TRANSACTIONS

There is a diverse range of transactions within the land market in each city. This diversity goes beyond conventional distinctions of in/formal land markets. The clearest, although by no means defining feature, of different land transactions is reflected in the different types of 'ownership' documents that people transact over. What these different land markets have in common is that the allocation of land (understood as room to afford the required activities and location) works through a mechanism that allows demand and supply to be understood by different parties. Importantly, buyers and sellers do not need to have the same understanding for a transaction to occur within a market. For example, a seller may value a piece of land in terms of how she understands the demand/supply for that land

based on a residential function while the buyer understands the demand/supply as an investment opportunity that will yield a long-term financial return (Land Biography Case Study 3 Kampala).

Through the land market assessment we could determine that there is wide variation in how buyers and sellers can interpret demand and supply. However, it does appear that localised factors emerge to give some sense of coherence to land transactions. Key factors here relate to the form of tenure that is being exchanged (and the possibility of converting this into some other tenure form), current (and potential) land use, and 'social factors'. We consider each in turn.

The form of tenure that is being exchanged appears to be a key factor in shaping a commonly-held sense of what constitutes 'the (local¹) market'. Current tenure² sits at the nexus of the predominant legal system (in contexts of legal pluralism) that shapes how property rights are understood in themselves and in relation to definitions in other legal systems, the authorities that legitimate and sustain interpretations of that tenure, and the ability to enforce rights to land.

The current (and potential) land use, is a second key factor distinguishing different land transactions with a market. Land transactions that provide room and location for residential activities (and the various sub-types of residential land use) operate with different features to land transactions for large-scale commercial or industrial activities. There are, of course, different levels of investment in residential activities. Our research identified four different levels associated with settlement types, such that urban form could also be interpreted as reflecting different types of transactions for land used for housing. Larger dwellings and big plots built at lower-densities would necessarily appeal to a particular market segment of the land/housing market as would more basic and smaller housing found on small plots. Of course, the nature and characteristics of land transactions themselves is clearly more complicated than the clustering of physical characteristics of buildings and streets. The market itself is likely fragmented further according to renters, owners, or more diverse forms of land-use i.e shop-houses; in addition to any underlying rules and norms, and motivations and behaviour of those interacting in the market on both the supply and demand-side.

There are different options at play in the four cities. Use of land for self-built housing offers a particular valuation of land that people will engage in the land market for. Where the self-building process is likely to be conducted over many years, the valuation of the land is likely to be low. Use of land for creating rental opportunities, introduces a different logic to the transaction and opens up the transaction to a comparison of other surrounding land values. Use of land for a specialised residential use, such as a hotel, may open the transaction to an even wider set of considerations of land value and whether the purchase price bears any relation to the potential investment yield.

1 Where 'local' can refer to a spatially defined area or a set of commonly held social beliefs.

2 There are three points to make about 'current tenure'. First, it may or may not be different to other underlying interpretations or systems of tenure. For example, in Kampala it is common to find informal ownership on top of customary tenancy rights on top of statutorily-defined private mailo ownership. Second, different tenure forms have varying potentials to be converted into other forms. Sometimes, this is highly restricted and the current tenure cannot be converted into some other form without excessive amounts of money or violence. In other times, there are precisely defined (if not always precisely followed) steps to convert one tenure into another. The conversion of customary land tenure to statutorily-defined tenure is a good example. Third, the (small) size of a parcel of land can be strongly influential in the operative tenure system. For example, if a subdivided parcel of land falls below the statutorily-defined minimum standards, it is unlikely to ever be converted from an informal tenure into statutorily-defined forms of tenure unless the law changes.

Social factors' are the third key element distinguishing transactions within land markets. Examples of such factors that are used to screen and interpret the motivations and actors of others in land markets include: religion (Hargeysa, Berbera), ethnicity (Kampala, Arua), nationality (Arua).

The implications for policy are that the more policy-makers try to delegitimize the diversity of land transactions, the less vibrancy there is likely to be and the more it is likely that land markets will favour those actors that are wealthy as they will be the only ones that can operate in different parts of the city. However, the diversity of land markets tends to be fragmented across the city. On one hand, this makes it easier for control to be exercised over processes by actors with very localised remits and authority. On the other, it means that people moving into new areas are faced with having to come to grips with localised systems. This perhaps explains why brokers are so important in Kampala as they help mediate the differences in systems between areas.

RECOMMENDATION: ACKNOWLEDGE THE DIVERSITY OF LAND/HOUSING TRANSACTIONS AND TENURE FORMS WITHIN EACH CITY, AS A WAY TO SUPPORT A WIDER RANGE OF LAND/HOUSING ACCESS MODALITIES FOR THE URBAN POOR

SUB-REC	ACTION	ACTOR	ROLE	CONSTRAINTS	OUTCOMES	
					DESIRED OUTCOMES	RISKS
Document different actors within transaction types	Research and log different actors	National Ministry of Land	Facilitator above the city level	Actors within the National Ministry of Land may have their scope of action curtailed by the political settlement	Improved data on land transaction processes and actors	Data may be co-opted by some actors and/or not shared
Work with newly identified actors to promote transparent local markets	Develop in-depth understanding of the role and impacts of different actors	All involved actors, local authorities, National Ministry of Land	Active participants of stronger collaboration	The same actors have different interests in different types of transactions	Harmonize outcomes by balancing different interests	Complexity in different types of transactions may prevail
Convene a city-based land market summit	Broaden knowledge of different elements of the land market across different actors	National Ministry of Land; city authorities	Facilitator	Difficulty in getting broad and balanced representation	Expose the rent seeking that already occurs	Exacerbate the potential to rent seek from information asymmetries in a context of power imbalances
Seek to understand better the valuation of land and housing ownership and rental among various urban populations	From housing rental survey analysis: Data collection to better understand the basis on which owners value their properties, the different factors that can affect the range of rentals that are charged, and whatever independent evidence that might exist to support such valuations	Housing research institutions	Data collection	Comprehensive household survey is required	Understanding valuation of land/housing ownership and rental	Inadequate data collection may lead to biased results
Build support for a phased land and housing policy for the urban poor	Advocacy, advisory and capacity development efforts to build awareness within government	Donors, universities and advisory organizations, working with national government	Advisory	Low capacities within the government sector and lack of political will to design land/housing policies for the poor	Expose the rent seeking that From housing rental survey analysis: Short-term, medium-term and longer-term phased land/housing policy, focused on incremental approaches, providing access to land and financial support for self-build solutions, defending the rights of those living in informal settlements, protecting them from forced eviction and unwanted resettlement, improving their security of tenure and living conditions through slum upgrading occurs	Lack of political will and patience in government to develop a phased approach

BUSINESS AS USUAL SCENARIO/[NO ACTION TAKEN]

There is evidently multiple land markets in each city with multiple actors involved in the transaction process. The current functioning of the land market is such that some of the actors within the process benefit from the lack of information over others. The crucial role played by certain actors in the process, particularly land brokers, makes it difficult for the buyer to directly connect with the seller. In the absence of a well-functioning land market where the role and linkages of different actors within the transactions process are managed in a largely transparent manner, the lack of market information will continue to benefit the few to the detriment of the many.

E.2 MARKETS ‘WORK’

At one level, the diversity of transactions means that the land market in each city ‘works’. High percentages of respondents in each city (Kampala 71%), (Arua 63%), (Hargeysa 74%) and slightly less in (Berbera 44%) reported that they found it easy to obtain land and to find a place to stay⁴. For the most part, in the household survey, we understand the buyers’ perspective. With multiple land markets we find the ability to transact within the land market to suit the financial/ social means of each household. Buyers are presumably as satisfied as they can be with the land they bought otherwise they would not have proceeded with the purchase. Thus, it emerges that there are certain trade-offs within markets that households must make between benefits and costs.

For example, pursuing land further from jobs which is more plentiful and therefore priced lower versus land in central and/or well-serviced locations that is relatively scarce and therefore more expensive, in short adjusting consumption in land for housing to live within one's means. Concluding a purchase within a land market may appear to be a just outcome for the same socio-economic strata, if it is more or less what that socio-economic strata can afford across the city. Of course, although at a household-level there may be some acceptance that land markets work (from the perspective of matching buyers to sellers), land markets clearly work better for some than others. The overall level of efficiency in terms of allocating scarce resources and more importantly protecting public goods is likely suboptimal. At the neighbourhood and city-level then the aggregate outcome of land markets deliver few public benefits (i.e. common social infrastructure or sound environmental stewardship). Rather, investment in public infrastructure by the state will likely reward those who own land who benefit from the appreciation in value of the land they hold, captured as economic rent.

⁴ A limitation of the study was that, because we are focused on people on the land, we do not have information on those for whom the market did not ‘work’.

However, it is likely that it will be more difficult for buyers to compare different land markets across socio-economic classes and their respective offers and outcomes. If they could they might see the injustice of relatively cheaper land, that is fully serviced, reserved for higher socio-economic groups, whilst the poor pay comparatively more for smaller parcels and lesser services. Increasing the visibility of the costs and benefits to the city of various forms of market activity across multiple markets would be a first step to addressing injustices that arise.

RECOMMENDATION: TACKLE INFORMATION ASYMMETRIES IN DIFFERENT TYPES OF LAND TRANSACTIONS

SUB-REC	ACTION	ACTOR	ROLE	CONSTRAINTS	OUTCOMES	
					DESIRED OUTCOMES	RISKS
Highlight asymmetries of information facing individuals	Improve individuals' ability to obtain price information on comparable sales more easily	National Ministry of Land, in cooperation with brokers and other land market agencies; universities	Develop more robust and reliable land transaction data that is more freely available, provide incentives to bring 'brokers' knowledge forward	Resources - financial, IT systems and staff	Sellers in different parts of the city gain an understanding of different 'market' values of their land	The calculations of and value that currently allow poorer people to purchase land may be reduced, incentives for brokers to match supply and demand may be reduced
Highlight structural asymmetries of information	Improve individuals' ability to compare land sales in different parts of the city/housing typologies	Local authorities; land register; brokers; land valuers; universities	Map predominant land values across the city	Resources - financial, IT systems and staff		Incentives of developers weakened, market activity shifts away from land /housing delivery
Convene a city-based land market summit	Broaden knowledge of different elements of the land market across different actors	National Ministry of Land; city authorities	Facilitator	Difficulty in getting broad and balanced representation	Expose the rent seeking that already occurs	Exacerbate the potential to rent seek from information asymmetries in a context of power imbalances
Systemic asymmetries	Improve individual's ability to know about the future development of public infrastructure	National Ministry of Land	Make local authority plans more freely available	Rent seeking from obtaining information could be linked to wider political settlements	Sellers may not be deceived about the future value of their land	Groups that are already powerful could take advantage more quickly of possible increases in land values
From housing rental survey analysis: Address the need for improved, regularly collected household survey data and recording, mapping and disseminating real estate data	Data collected, dissemination and updating	Cadaster office, or (other) private body in the public interest	Data collection and updating, and making data accessible to the public	Technical capacity; political will to collect and release data	Household survey data and real estate data, regularly updated. All such data should be mapped to indicate geographical variations across the urban area and be publicly accessible.	Data is not released and shared by "gatekeepers"

E.3 CAPTURING VALUE FROM LAND USED AS AN INVESTMENT

Land ownership appears as a good investment particularly in Uganda where a significant number of landowners (more than 80% in both Arua and Kampala) postulate the value of their property has increased two-fold. In Somaliland, certainly more than half of land owners (64% in Hargeysa and 54% in Berbera) are of the opinion that the land prices have at least doubled in value since the initial purchase. Our initial conclusion is that the lower proportion of land-owning households perceiving an increase in values in Somaliland may reflect a more mature investment market where speculation in land has been prevalent for a long time. With the consequence that the resultant competition is mitigating pressure on land prices, if only slightly. Evidence from the spatial assessment points to more systematic preparation of land for development in Somaliland perhaps resulting in greater supply of land for housing, also mitigating price increases. This particularly where land on the urban periphery in Somaliland is much less commonly cultivated than that in cities in Uganda.

Land functions as an investment in cities where formal banking is expensive and/or distant and where the range of options available to support saving for old age or infirmity are limited. In a context where there are high and strong rates of population growth, buying land to rent out (particularly for housing) is a relatively safe investment because demand is continually growing. However as a perfectly inelastic good, supply constraints will see land values rise. In an urban setting where rapid and sustained population growth and income inequality coincide, affordability will be impacted for an increasing proportion of the population.

The investment/security approach mostly works in favour of better-off middle class and upper class households who also benefit from avoiding ongoing and rising rental costs. As such in many east African cities land held as an investment will likely be concentrated in the hands of a smaller, more privileged group. In Kampala, for example, more than 50% of the households in our research rent property, the majority of whom are considered to fall within the lower-income group. For this group then land ownership may remain a distant prospect despite the majority of households in our study cities aspiring towards land ownership.

Over time with economic growth and overall growth in the potential of the cities to generate revenue through property taxation and development land value capture, local (and national) governments will have a corresponding progressively growing capability to deliver subsidised formal social and low-cost housing solutions to meet the needs of those on low incomes. However, in order to capture the increasing value of land a thorough understanding of the land market is required, including information on land and property prices.

RECOMMENDATION: STIMULATE PUBLIC DEBATE ON DIFFERENT FORMS OF LAND VALUE CREATION AND CAPTURE

SUB-REC	ACTION	ACTOR	ROLE	CONSTRAINTS	OUTCOMES	
					DESIRED OUTCOMES	RISKS
Investigate land control as a form of investment generating returns and as an investment saving expenses	Conduct research on saving options. Calculate financial yields from land and 'savings' from ownership	National Treasury and National Ministry of Land	Lead process and disseminate results	Difficult to cost out different options	Provides evidence on the cost-benefits relations of land tenureship and successive development	Creates greater demand for land among higher income groups that prices out poorer households
Attribute increases in value to different factors	Create platforms to debate the capture and distribution of land value uplift	National Treasury and National Ministry of Land Local authorities	Lead process and facilitate debate	Those benefiting most from the (private) capture of land value uplift will not support	Debate generated on who should benefit from land value uplift in a context where land value increases are important	Alternative mechanisms that exist for redistributing wealth gained through land value uplift will be damaged

BUSINESS AS USUAL SCENARIO/[NO ACTION TAKEN]

Currently, the historical trend for elites to capture most of the value from urban land, particularly in Uganda, persists and the impact on spatial injustice is, in many ways, intensified, as growing numbers of those on low incomes live in poor housing conditions with no incentive for private landlords to improve living conditions. The resulting injustice in terms of access to decent housing can be rebalanced through land value capture to support the supply of affordable housing.

E.4 MARKETS ARE SOCIALLY-EMBEDDED

This is most evident in Arua, Hargeysa and Berbera. In Arua, participation in the market is seen through notions of social status. Land holding is a matter of social standing and selling land is considered an option of last resort as the “buyer always wins” and once the money obtained from the sale is spent, people have to start paying rent and facing ongoing costs. Conduct in the transaction is an opportunity to show good neighbourliness and people can demonstrate a form of belonging through land ownership. A good example of this is in the Somaliland cities where over 30% of respondents live within close proximity to relatives. Social networks also operate within neighbourhoods. For example, when people move, a significant proportion move within the neighbourhood and proximity to family and social networks also came out as a motivation for relocation for households in all study cities (see figure 12 below).

<i>Reason for initial relocation</i>	Kampala		Hargeysa		Arua		Berbera	
	<i>n</i>	<i>%</i>	<i>n</i>	<i>%</i>	<i>n</i>	<i>%</i>	<i>n</i>	<i>%</i>
Family/social network	324	15.3	132	11.9	175	14.9	33	7.2
Financial	993	46.8	664	59.9	478	40.7	318	69.7
Job/economic	637	30	172	15.5	253	21.6	63	13.8
Quality of life	152	7.2	88	7.9	170	14.5	37	8.1
Other	15	0.7	53	4.8	98	8.4	5	1.1
Total	2121	100	1109	100	1174	100	456	100

Figure 12: Motivation for past and future relocation

Trust is a key issue for transactions to occur. All parties in the transaction are required to trust and establish trust in different ways. Institutionally, key actors or procedures create different kinds of trust. From the Focus Group Discussions (FGD) in Kampala, both trust and knowledge seemed to be less important for the decision making processes than one would actually assume. Experts and locals similarly stated that land brokers are needed for the transaction process, but that they are not really helpful - and not very trustworthy. Although trust seems to be lacking, it appears that people are continually having to take extra steps to try and achieve trust - even if it is often broken, misplaced or absent. This can perhaps be explained by the outcome of the household survey where 21% of the land owners consulted relatives or family friends when interested in acquiring property against 22% who consulted with a broker. There seems to be less appreciation for brokers in Kampala yet it is a crucial role for transaction.

From the research, it is unclear how much people really “know” - in the sense of having undertaken or having access to an analytical assessment of land values, current market developments, existing purchase opportunities etc - and how much they would be willing to study these aspects. Buying land is mostly considered as a “once in a lifetime action” or, if you are unlucky: twice. This means that the majority of clients are inexperienced and ignorant of the broader picture and its implications. They might “trust” - as in: blindly follow others’ advice - but they would either build stronger ties (deepen the trust) with stakeholders or acquire the knowledge needed to reach an “informed decision”.

RECOMMENDATION: ENSURE LAND POLICY AND REGULATION REFLECT THE SOCIAL AND CULTURAL DIMENSIONS OF LAND MARKETS AND TRANSACTIONS

SUB-REC	ACTION	ACTOR	ROLE	CONSTRAINTS	OUTCOMES	
					DESIRED OUTCOMES	RISKS
Develop the evidence base on what influences market activity locally	Profile social and cultural dimensions to better understand how this affects buyer/seller behaviour	Donors, universities and other advisors, with National Ministry of Land/Housing; Local/City Authorities	Lead engagement process and facilitate debate	Qualitative nature of evidence may be hard to translate into policy	Greater awareness amongst buyers and sellers that alternative means of market information exist	Qualitative nature of evidence may be treated with skepticism by policy officials, and therefore under-valued
Enhance the transparency of policies and monitor their impact with stakeholders	Assess the outcomes of land administration (policies, tools) from a socio-cultural perspective, including gender	Policy makers (national level, local councils); Community groups, local and traditional authorities Local authorities	Provide and discuss feedback and information made available	Cultural bias and taboos, different perceptions of the dimensions	Establishment of policy circles where policies are amended based on evidence	Abuse of outcomes and their use for a biased narrative with cultural arguments (e.g. "women are unfit to own land")
Visualize deprived neighbourhoods and indicate these for priority action	Indication where spatial inequalities prevail and for which groups	City authorities/ local stakeholders Local authorities	Steer development towards deprived areas	Budget constraints	Increased responsiveness to demands of marginalized population	Increase in land prices due to upgrading, gentrification

BUSINESS AS USUAL SCENARIO/[NO ACTION TAKEN]

The existing land use planning system is widely regarded as dysfunctional and while this is the case, particularly in the areas of Greater Kampala outside the jurisdiction of KCCA, insufficient progress will be made in addressing the underlying land market and the process of transaction. However, while the Government is in the process of reviewing existing policies and legislation on land use planning and regulation and exploring ways of ensuring “the implementation of land use plans and that regulations are enforced” the longstanding restrictions that existing regulation place on making land supply more pro-poor and the existing of socio-cultural influence on the land transaction process require immediate attention

E.5 SPATIAL STRUCTURE OF CITIES

The conventional view of the spatial structure of African cities is that they are fragmented leading to inefficient use of land and higher costs for people because the costs of moving are higher, costs of providing infrastructure are higher. Fragmentation is probably true of the larger more mature cities, particularly Kampala and perhaps Hargeysa. This is likely a result of a lack of coordination in infrastructure investment-resulting in ad-hoc development of land parcels/blocks; inadequate or inappropriate regulation in planning and construction that has required the (formal) development of large plots that are unsuited to local demand for land and housing, and therefore subsequent, informal subdivision; and/or weak enforcement such that land encroachment has occurred. Equally, as urban land becomes more scarce, land prices escalate which result in the average size of the standard plot falling.

To be sure, the geophysical endowments of cities also determine their structure where topography, such as the many hills in Kampala, determine where development occurs or does not; or, who can afford to develop in certain areas and who cannot given variance in the cost of development and construction. Socially and culturally there is also much evidence, particularly in post-colonial Africa, to explain the spatial structure of cities - often reflected in settlement types, plot sizes, street and housing density - which may have followed lines of racial/ethnic segregation.

The spatial structure of cities is also in part determined by the fragmentation of land markets such that the rich may outbid the poor, consuming more land and securing a greater range of benefits - access to jobs and urban services. The spatial structure may indicate levels of inequality present in cities. That is, where changes and levels of inequality in urban household income fragments markets for land. In smaller, secondary cities these patterns of fragmentation may have yet to emerge, though evidence presented in this study provides a snapshot of the market sorting that is occurring in terms of the choices households make regarding matching income-levels to land (for housing) consumption. As such, monitoring the physical form and spatial structure of cities at the neighbourhood scale provides evidence on which policy makers can better plan for meeting specific land and housing needs in their city.

RECOMMENDATION: MONITOR TRENDS AND DYNAMICS IN THE SPATIAL DEVELOPMENT OF CITIES

SUB-REC	ACTION	ACTOR	ROLE	CONSTRAINTS	OUTCOMES	
					DESIRED OUTCOMES	RISKS
Establish a system for monitoring trends in land consumption	Design and resource an appropriate system to capture and monitor key indicators	Donors, universities and other advisors, for/with city/local authorities	Technical delivery (operation) and analysis of data	Skills, capacities and capabilities of government staff	Better matching of supply of housing to demand	May highlight the informal nature of occupation of land resulting in harmful/inappropriate evictions
Work with the private real-estate sector to better understand supply-side factors	Establish developer forums to reflect on supply-side constraints and motivations	Donors, universities and other advisors, for/with city/local authorities Local authorities	Facilitator	Unwillingness of private-sector to provide market information	Private-sector play a more positive role in shaping land and housing policy	Fora are captured by vested interests who influence policy which distorts market incentives
Work with land/ home owners and their tenants to understand demand-side factors	Undertake regular profiles of housing demand	Donors, universities and other advisors, for/with city/local authorities	Facilitation and engagement	High-costs of conducting regular surveys	Better evidence informs reforms to land and housing policy to meet the needs of a wider range of stakeholders	

BUSINESS AS USUAL SCENARIO/[NO ACTION TAKEN]

The land-use planning system, if used effectively, with the participation of communities and key stakeholders, can play a central role in addressing spatial justice issues through facilitating more intensive use of urban land to increase housing supply and bringing more of the land that is currently being provided to supply the prime residential market within reach of those in the low-income tier. This is already happening to a degree on its own, though will be far from sufficient to meet the growing housing needs of the poor unless accompanied by a range of pro-poor land and housing policies.



E.6 VALUE OF RESIDENTIAL LAND

The complex dynamics of urban land markets and the resulting impact on spatial justice cannot be understood without analysis of data on land-use, location, the intensity of development and built form and housing characteristics; taken together with an analysis of the economic development pressures driven by those elite sections of the population with access to finance, and as manifested in reliable real estate market data.

There are clear differences between potential rental incomes of areas - and clear evidence in monetary terms that higher-income residents (the 'elite') have captured more value from the land. Much housing is self-built for owner-occupation with rooms and backyard extensions on properties rented out to help generate additional income and/or pay back loans. Rents that are charged are limited to what tenants with very low incomes can afford to pay. Often in areas where properties are mainly rented out, dwellings are typically rudimentary and investment in infrastructure and services largely absent. Further research is needed to better understand the basis on which owners value their properties, the different factors that can affect the range of rentals that are charged, and whatever independent evidence that might exist to support such valuations. In this respect, however, anecdotally there is little evidence of an active secondary housing market in Arua, particularly in lower-income areas/districts.

Understanding what determines prevailing land market prices is key to policy makers ability to intervene in the land market. Urban land is largely a finite resource, determined by accessibility to key urban assets and services, with prices determined by demand and supply of land in a given location for a given use. However, in east Africa cities there is a general lack of comprehensive land market information. In particular, there is a lack of data on how prices vary between neighbourhoods characterised by different land uses, types of housing, formally and informally developed, and intensity of development and geographical location, particularly proximity to the city centre.

4 Secondary housing market refers to the sub-market where already built houses are being sold and purchased in a particular area.

5 This can be best explained by the bid rent theory of land value (Alonso 1964) drawing on the earlier geographical models of urban structure developed by Burgess in Chicago in the 1920s, Hoyt (1939) and Harris and Ullman (1945).



RECOMMENDATION: DEVELOP AND INTEGRATE LAND MANAGEMENT, URBAN PLANNING AND HOUSING POLICIES AS PART OF A LONGER-TERM STRATEGY TO ADDRESS SPATIAL INJUSTICE AND IMBALANCES IN ACCESS TO URBAN LAND AND HOUSING

SUB-REC	ACTION	ACTOR	ROLE	CONSTRAINTS	OUTCOMES	
					DESIRED OUTCOMES	RISKS
Strengthen the role of urban spatial/land use planning and regulatory framework and adopt pro-poor planning policies	Strengthen institutions for the efficient management of urban land management: build capacity across GKMA physical planning departments; introduce more flexible regulatory standards that accommodate the housing needs of those on low-incomes; implement strategic spatial planning and sustainable development frameworks to meet the SDGs; use urban design as a feasibility tool to explore equitable and innovative solutions to development and redevelopment in socially and environmentally sensitive areas	National Government/ City/ Local Authorities	Develop relevant regulatory, legal and policy guidance and standards; capacity building	Skills, capacities and capabilities of government staff	Better spatial planning to assist in reducing spatial inequality and improve access to well-located high-quality affordable housing for all, especially the urban poor.	Revised standards and guidance are over-prescriptive, deterring investment in urban land and affordable housing
Work with the private real-estate sector to better Coordinate improved land management and spatial planning with a range of appropriate partnership-based affordable housing policies supply-side factors	Develop and support alternative affordable housing modes for low-income dwellers	National Government/City/Local Authorities/ real estate developers/ major landlords/ civil society actors Local authorities	Facilitator Develop policies, legislation and partnership-based programmes	Unwillingness of private-sector to provide market information	Integrated land and housing policies; private-sector and civil society play a more positive role in shaping land and housing policy	Programmes are captured by vested interests who influence policy distorting market incentives
Address the need for improved real estate property, land market and socio-economic information (particularly from low-income areas)	Undertake regular profiling of housing demand – drawing on the use of proven and innovative sources of data; ensure access to information is equitable i.e. in the public domain and accessible to all	National Government/City/Local Authorities/ real estate professionals	Develop the technical capacity to manage and facilitate data collection and sharing effectively	Relatively high costs of collecting micro/transaction data	Better evidence informs reforms to land and housing policy to meet the needs of a wider range of stakeholders	Individual households are put at risk of eviction, expropriation of their land, where data security is not observed.

BUSINESS AS USUAL SCENARIO/[NO ACTION TAKEN]

Currently, the governments play little role and the private sector provides most of the formal housing supply. Additionally, the disconnect between land market and government regulation produces challenges in financing public infrastructure and creates more unjust social and environmental consequences through the continuing growth of slum settlements which are cheap to build, maintain, and a good enough return for landlords to rent but lacks proper services and amenities. Inequalities are likely to be further aggravated if public urban development continues to be prioritized in safe and central areas, ultimately benefiting the less vulnerable with a continued sufferance for the urban poor.

CONCLUSION

Under conditions of rapid urbanisation and increased population growth, land markets, in the cities under research have been presented as complex, diverse and multi-layered systems driven by pluralistic legal tenure systems that promote multiple land uses. Additionally, rising income levels lead to increased demand for land/ property resulting in a continuous price increase until land becomes unaffordable for the average household. The market option hence shifts to rental contracts, at various scales: renting out houses/apartments/rooms to meet actual demand, but also renting land (for example in slum areas).

The existence of significant proportions of tenancies in each city means that land ownership is concentrated in a smaller segment of the population. This is most pronounced in Kampala. The extent of rental property, the possibilities it offers people to access the city (and maintain residential mobility) and possibility of ensuring a yield to the owner make this an important land market dynamic. Interesting in this context is that the diversified real estate market provides different options and sub-markets (from rental, purchase, lease, co-ownership) but with each option, a limited locational choice. This enables the majority of the population to access a form of shelter, but does not yet ensure that they can fully enjoy their "Right to the City", due to insufficient social and basic services, that come along with the location. As seen, markets have a role in distributing inequalities, where privileged locations are given to the economically affluent.

The process of land acquisition being socially constituted stresses the importance of certain stakeholders and their interests throughout the acquisition process. The crucial role played by certain stakeholders in the process, particularly land brokers, makes it difficult for the buyer to directly connect with the seller. This comes at a cost to the buyer and the seller hence increasing the actual monetary value of the land and restricting it only to those who can afford to purchase it.

The diversity of land transactions is part of the success enabling people to access land in cities but is also part of the problem of trying to achieve coherence and complementarity between different markets. This diversity both enables rent-seeking activities by actors aligned with powerful groups in a political settlement and poorer people to access the city. As indicated in this report, land markets currently constitute certain obstacles for

enhancing spatial justice, for social and economic development and for urban sustainability in East Africa where spatial inequality is created by private investments in some areas or rather the lack of public ones in others hence localizing, to a limited extent, the spatial inequalities. These can be turned into opportunities if their dynamics are taken into account and the government can accomplish its monitoring and facilitating role and balance the different interests.

Land markets are, at least in some ways, related to the problems evident in East African cities of fragmented and inefficient land-use, congestion, unequal distribution of resources and infrastructure. Given their importance and relationship to these problems interventions in land markets would appear to offer an advantage to policy makers wishing to create more equal productive cities. Interventions, however, will have to be designed slowly and incrementally.

The land-use planning system, if used effectively, with the participation of communities and key stakeholders, can play a central role in addressing spatial justice issues through facilitating more intensive use of urban land to increase housing supply and bringing more of the land that is currently being provided to supply the prime residential market within reach of those lower down the rungs of the income ladder. This is already happening to a degree on its own, though will be far from sufficient to meet the growing housing needs of the poor unless accompanied by a range of pro-poor land and housing policies.

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