

Factors influencing the propensities of private urban land investments in Kabale municipality in Uganda

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Abstract

This paper examined the effects of measures of land tenure security and landowner characteristics of economic status, access to credit, level of education, age, and gender on their propensities to develop their plots of land. Employing a logit regression model on primary empirical data obtained from Kabale Municipality, the results suggest that tenure security and the economic statuses of the landowners do positively influence their propensities to develop their plots of land while education level, credit accessibility, age, and gender do not. The results highlight the importance of land tenure security in terms of effective property rights policy and the financial capability of the landowners as critical drivers of urban land development investments in Kabale Municipality in Uganda.

Keywords: *Land tenure security, urban development, land development investment, logit model, land policy.*

Introduction

Land policy that strengthens the security of tenure appears to correlate with increased land development investments (Deininger, 2003; Roth & McCarthy, 2014; Darin-Drabkin, 1977). In urban settings, investments in commercial and social infrastructure, drive urban growth. Prevailing perspectives on urbanization now appear to acknowledge both the static efficiency benefits, and the dynamic productivity and growth potential of urbanization and agglomeration (Duranton, 2009; UN Habitat, 2018; Quigley, 2009; Henderson, 2003).



As a significant factor of production, land is instrumental in economic development (Roth & McCarthy, 2014). Its role in agricultural production, household livelihoods and food security have been highlighted by many studies, including Ghebru and Holden (2016), Deininger (2003), and UN Habitat (2018). In urban settings, land is critical in the development of commercial and social infrastructure (Duranton, 2009; Quigley, 2009). The value of land is often associated with such factors as strategic location, its physical attributes, the range of possibilities of use, access to utility and social amenities, land transforming investments, type of neighborhood, other aesthetics of the land, security of tenure, and the ease of transaction of land in the real estate market, among others (Gwamna et al., 2015; Kilic et al., 2019)

In many countries, land development investments by private landowners constitute part of the urban growth and development process (Duranton, 2009; UN Habitat, 2018). A number of factors, seem to be associated with land development investments including perceptions of the security of tenure of the plots of land, the cost of the investments, the expected return, and the ease of land transaction in the land market. Additionally, the economic statuses of landowners seem to influence their propensity to invest (Lall et al., 2017; Olayinka, 2018) and in some cases, the level of education, credit accessibility or indeed the age and gender of the land holder seem to be important factors in the investments (Cherly & Meinzen-Dick, 2020). Many of these factors are interrelated and mutually reinforcing. For instance, tenure security facilitates collateral financing possibilities, and encourages land development investments and transactions (Muinde, 2013, Schwartz, 2008).

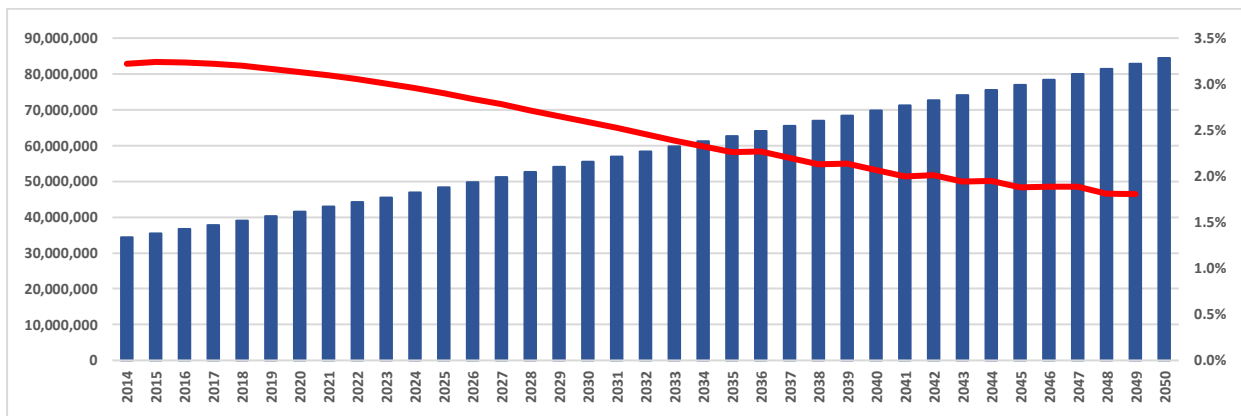
Africa is undergoing rapid urbanization, but with questionable planning. Over the next three decades, the UN projects that the developing world will see a population growth of nearly two billion and 90 percent of the world's urbanization (UN Habitat, 2018). Collier (2017) similarly observes that Africa's urban population is likely to triple by 2050. He warns that rather than spur economic development, this could easily aggravate concentrations of urban squalor and instability, unless accompanied by appropriate long-term urban planning. Properly planned, urbanization improves delivery of services to the people and seems to have positive productivity spill-overs and economic development through the "agglomeration" and "network" economies of business concentrations (Collier, 2017). The latter refers to the benefits that accrue from spatial clustering and networking of firms respectively (Quigley, 2009).

The rapid pace of population growth and urbanization in Africa, implies that the window of opportunity to ensure appropriate urban development maybe fast closing. This calls for urgent intervention to ensure appropriate urbanization. Without the proper planning and regulation of urban development, time is fast running out to avoid slums, congestion, poor drainage, and resultant problems of unemployment, homelessness and squalor in urban African communities. In view of this, proper planning and the regulation of urban development are some of the most urgent issues in Africa as in other developing countries.

Many factors drive urban growth; these include population growth and rural to urban migration (Duranton, 2009; Lewis, 1954). Uganda's population growth rate is one of the highest in the world. It has grown at over two percent since 1931, and at three percent or more since 2002. Currently estimated to be 43 million, the country's population is expected to double in the next

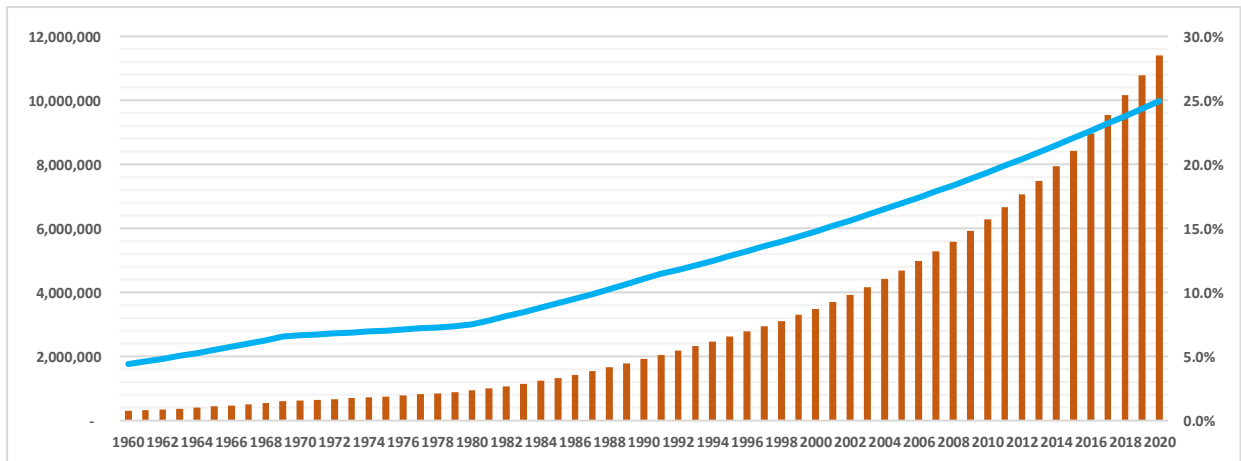
23 years. Uganda’s upward population momentum has been strong, but is expected to level off in a couple of decades (UBOS, 2021). The country may reap a demographic “dividend” driven by accelerated economic growth due to a rising stock of labor force from the population momentum, as fertility and mortality rates level off. Uganda’s rapid population growth has also been accompanied by a strong growth in the urban population (Figure 2), partly driven by the attendant rural to urban migration (UBOS, 2018). In view of this, there is a critical need for appropriate policy to ensure well-planned urban development and efficient, livable urban centers. In Uganda, the government develops the policy framework and regulatory standards to ensure appropriate urban development (the Republic of Uganda, 2013).

Figure 1: Uganda’s projected population total and growth rates, 2014-2050



Source: <https://www.ubos.org/explore-statistics/20/>

Figure 2: Uganda’s urban population (in absolute numbers and as percent of total population)



Source: World Bank (2018).

To guide urban development, Uganda has put in place a number of policy initiatives. These include the Uganda Land Policy 2013; Land Sector Strategic Plan 2013-2023; The Uganda National Urban Policy 2017; the National Land Policy Implementation Plan 2015/16-2018/19; Sustainable Urbanization and Housing Programme Implementation Action Plan FY2020/21-2024/5; National Physical Planning and Standards Guidelines 2011; and, the National

Physical Development Plan 2019. The Uganda Land Policy (Republic of Uganda, 2013) represents the official policy framework on land issues, and addresses issues such as land ownership, its acquisition and disposal, and its utilization and development in Uganda. The policy describes the existing land tenure systems, and how they guarantee ownership in the country. In line with national policy guidance, local governments and municipalities have advanced efforts to support urbanization, advocating for appropriate land development and investments. Uganda Support to Municipal Infrastructure Development, USMID 2018 has been a core tool for urban land driven investments, among other policy frameworks.

The available policy framework notwithstanding, it is imperative for policy analysts and urban authorities to understand the dynamics of urban land-related transactions. This requires research that addresses the evolving priorities of urban development in developing countries. In general, the vast majority of studies on urbanization and land issues have focused on advanced economies or on macro-level policy and patterns of urban development. This paper attempts to examine the evidence on the drivers of urban land development investments in the unique context of Uganda, with its multiple and complex land tenure systems, looking at micro-level data drawn from Kabale Municipality in the southwest.¹

Literature Review

Land development investment represents human activity that adds value to land. It includes public sector development investments in useful economic infrastructure like roads, railways, bridges and utility service networks, and investments in buildings and other commercial infrastructure undertaken by private landowners.

In general, land development investments are aimed at boosting productivity and national output, and facilitating social services delivery (Republic of Uganda, 2013; UN Habitat, 2018; Collier, 2017). Literature on private urban land related investments attribute the phenomenon to a diversity of factors including, but not limited to land policy, physical attributes, location characteristics, perceived tenure security, the utility of the investments, owner economic status, entrepreneurial capabilities, level of education of land owner, loan accessibility, environmental policy, and others (Kim et al., 2020; Collier, 2017; UN Habitat, 2018; Duranton, 2009; Quigley, 2009; Henderson, 2003).

On the other hand, the literature on Land Change Models (LCMs) perceives the underlying drivers as topography, amenity, transportation, land use, job location, location of services, and the socio-economy (Kim, Newman & Güneralp, 2020). Kim et al. (2020) focus on the distance of the piece of land to roads, coastline, forest, highways, railways, public transportation, urban centers, schools, and hospitals, as well as to job location, land use plan, property value, population density, and plan policy.

In cases where the plots of land under consideration are situated in a location such as a municipality, as is the case in Kabale, the location factors may be uniform for most of the plots

¹ Kabale Municipality is located at the coordinates of 1° 14' 31.0416" S and 29° 59' 8.2176" E. Its elevation is approximately 2,000 m above sea level. It is the headquarters of Kabale District Administration in the Kigezi sub-region of Uganda and has an estimated population of 53,200 people in 2020 (UBOS 2020). Kabale Municipality currently comprises three (3) divisions and twelve (12) wards.

of land, and not duly influence investment decisions. However, a range of other drivers such as level of land policy support, perceptions associated with tenure security, owner economic status, entrepreneurial capability, level of education of land owner, loan accessibility and other socioeconomic demographics have been hypothesized as considerations for land change investments (Collier, 2017; Deininger, 2003; UN Habitat, 2018; Fenske, 2011; Mukabayi & Musinguzi, 2015).

Capital investments in land are normally owner-driven and sensitive to economic efficiency and anticipated economic returns from the investments (Dinye, 2011; Kgoshi, 2017). Thus, land development investments are often associated with the financial capability of the landowner or their capacity to attract investors (Fenske, 2011).

The economic status of private landowners, therefore, seems to be a key factor in land development investments. Many studies highlight the importance of the landowner's economic status in urban land development investments (Tao et al., 2017). Specifically, the financial capability of the landowners enables them invest in the land and in so doing, further strengthen the security of tenure of the land by discouraging potential encroachers. So, while, land development investments tend to reflect the financial capability of the landowner, land disputes tend to discourage land development investments (Mitai, 2015).

The role of tenure security is, therefore, an important factor. Land tenure security primarily derives from legal ownership status and the availability of attesting documentation. Land Tenure Security refers to a person's ability to hold land without the risk of losing it to another person (Ghebru et al., 2016). Tenure security grants the landowner ownership rights and rights to invest on the land, or to make transactions relating to the land (Bezabih et al., 2011).

The term *land tenure system* refers to the terms and conditions governing the holding, use and transaction of land. Currently, Uganda has four types of land tenure systems as specified in Article 237 (8) of the constitution (Republic of Uganda, 1995). These are freehold, leasehold, mailo, and customary systems (Republic of Uganda, 2013; Mugambwa, 2007; Ali & Duponchel, 2018). The freehold land tenure system grants the landowner "full powers of disposition and compulsory registration of title in perpetuity." Leasehold, on the other hand, is land leased to individuals for 99 years (citizens) and 49 years (non-citizens) and may be converted into freehold or may revert to the state on behalf of the public (Republic of Uganda, 2013). The mailo system of tenure, which is largely restricted to Buganda region, is similar to freehold, but allows dual ownership for registered title holders and *bona fide* occupants. Finally, the customary system of tenure regulates nearly 75% of the total public land that has not been registered (Republic of Uganda, 2013).

The link between tenure security and private land development investments has been recognized and highlighted particularly in the African context by a number of studies (Ali et al., 2014; Mitai, 2015; Chankrajang, 2015; Boudreaux, 2016; Ghebru, et al., 2014). The possession of documented tenure rights has been shown to facilitate access to credit and land-oriented transactions (Ali et al., 2014). Mukabayi and Musinguzi (2015) found a correlation between evidence of ownership and land development in form of permanent structures in urban settings.

Conversely, Mitai (2015) indicated low property development on untitled lands. Within such a

land tenure “insecurity” framework, landowners are left with no option, but to settle for temporary structures and activities (Cotula, 2014; Mitai, 2015). Similarly, Helle et al. (2013) underscored the vital role of tenure security in land development. Mukabayi and Musinguzi (2015) also found an association between tenure security and land investments.

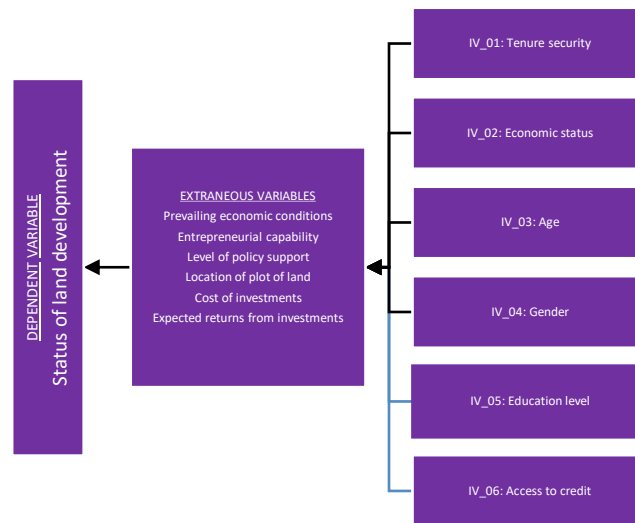
In the case of Uganda, a recent study by Muinde (2013) revealed that lack of land tenure security or its perception also constrained urban development in the capital city, Kampala. In Uganda, urban development regulators stipulate minimum standards and time frames for private land developers to comply with. These minimum standards are employed by the urban authorities to ensure appropriate urban development that is consistent with the socio-economic development objectives of the nation. Development efforts in Kampala have often been halted by either the urban authorities due to non-compliance with stipulated minimum standards, or by disputes relating to unclear or contested tenure entitlement (Helle et al, 2013).

Methodology

The paper adopts an analytical model that acknowledges the multiplicity of factors that influence land-oriented investments by private landowners in the Ugandan context (Figure 3). The *a priori* expectation is that high levels of tenure security would have a positive influence on investment; the economic capability (status) of the land owner in terms of high levels of income or wealth would also have a positive effect on investment; advancement in age could also have a positive effect on land ownership and investment; and, gender may be expected to show some bias toward men given the patriarchal cultural context of the municipality. Gender is included as a dummy variable in the model for estimation (Figure 3).

Land tenure security is reckoned in terms of the possession of the legal instruments of ownership for all four types of tenure system – freehold, leasehold, mailo or customary. This was measured on 5-point Likert scale with 1= very low level of tenure security (no formal/legal documentation/queries relating to ownership claims, and 5 = very high perception of tenure security/has all relevant legal documents/has required evidence to process documents. Economic status is reckoned in terms of the midpoints of annual income brackets as shown in Table 2. Gender is measured as a dummy variable. Age was measured in terms of the midpoints of age brackets, educational level was measured in terms of years of schooling, and access to credit on 5-point Likert scale.

Figure 3: Conceptual framework



Note: Adapted by authors from Ali et al. (2014); Mitai (2015); Chankrajang (2015); Collier (2017).

The data collection instruments were reviewed and approved by the Research Ethics Committee of the Uganda Christian University. Data quality was ensured through tests of validity and reliability of the instruments in line with Kombo and Tromp (2006). Two aspects of validity, namely, content and face validity were checked by appropriate experts. After the validity tests, the instruments were further adjusted by removing items considered irrelevant. The average CVI measure for the constructs was 0.87. The reliability of the instruments was determined through the Cronbach Alpha Coefficient (CAC) computed using the Statistical Package for Social Sciences version 23. The computed Cronbach’s alpha value was 0.81.

In the analytical model, the dependent variable function is developed from the binary outcome variable land development (LD) which is scored one (=1) when there is ongoing development activity, and zero (=0) when there is no development activity going on. The independent variables (IVs) are measures of *land tenure security*, measures of *economic status*, *gender*, *age*, *education level* and *accessibility to credit* of the land owners. The IVs are hypothesized to influence the odds of the decision to undertake or not to undertake development invests on the plot of land.

In postulating the above model, we acknowledge that, there are a number of other potential variables that may influence the propensity of landowners to develop their plots of land, but are unable to incorporate them in the present paper due to lack of good quality data on the suitable indicators. These include entrepreneurial capability, level of policy support, location of the plot of land, and others (Figure 3). Some of these potential IVs have been addressed elsewhere (Kim et al., 2020). The others, such as the level of policy support, and the proximity of the plot to social and economic amenities and other socioeconomic infrastructures, may be assumed to act fairly uniformly on the sampled plots since these are located in the same central business district of Kabale municipality. That notwithstanding, we recognize that, controlling them could have improved the model specification and validity of the conclusions.

Kabale Municipality comprises three (3) divisions and twelve (12) wards. The study canvassed all of the three (3) divisions of the municipality. From the three divisions, a sample of nine (9) wards, three (3) from each division, was drawn from a total of twelve (12) wards using stratified random sampling. From the selected nine (9) wards, a total of 108 plots of land were sampled using the multistage random sampling procedure.

Table 1: Categories of respondents sampled.

Category	Sample	Total	Sampling Technique	Response rate (%)
Landowners	98	108	Multistage random sampling	91
Municipal Council Officers	5	5	Census	100
MLHUD*	3	10	Purposive	100

Source: Primary data, 2019. *Ministry of Lands Housing and Urban Development

Primary data on Uganda’s land policy framework, including its implementation and regulation, was obtained from Kabale Municipal authorities through interviews and focus group discussions. In addition, the selected landowners were canvassed and their responses on the indicators of land tenure security, income, gender, and age bracket were scored on structured questionnaires and interviews. The sampling information is presented in Table 1.

The district land registry and map of Kabale District revealed 236 registered plots of 50 feet by 100 feet or 5,000 square feet, or more (KMC plan, 2017). The plots constituted the unit of analysis and the landowners, the unit of inquiry. The information provided was verified by officials in Kabale Municipal Council, Kabale Municipal Zonal Office, and officials at Ministry of Lands, Housing and Urban Development (MLHUD) headquarters. By June 2019, a total of 150 plots were categorized as having “no active development” (Kabale Ministerial Zonal Office, 2019).

The development statuses of the plots (LD) were investigated using both observations and interviews of the landowners. These were categorized into “ongoing active development, LD=1” or “no ongoing active development, LD=0” forming the binary choice outcome for the estimation model. The level of tenure security was measured using a 5-point Likert scale ranging from no ownership of legal documentation (=1), to full ownership of documentation or uncontested evidence for processing the documentation (=5), regardless of the type of tenure. The level of education was measured on a ten-point Likert scale with no formal education = 1 and PhD = 10. Access to credit is measured on 5-point Likert scale with no access to credit = 1 and easy access to credit = 5. Economic status and age were measured as ratio data using the midpoints of the respective income and age groups. The implicit function to be estimated is therefore of the form:

$$LD = f(LTS, OES, AGE, GEN, EDU, ATC) \quad (1)$$

The analytical model comprised a logit model formulated in the framework of decision theory to gauge the effect of the four predictor variables on land development in the municipality. The dependent variable is the logarithm of the odds of investing on the land (logit). The log odds of investment

are modeled as a function of the explanatory factors – tenure security (LTS); owner’s economic status (OES); the gender of the owner (GEN); level of education (EDU); access to credit (ATC), and, the age of the owner (AGE). Thus, letting “ p ” represent the probability of undertaking investment activity, then “ $1 - p$ ” is the probability of not undertaking any investment activity on the land. Hence $p/(1 - p)$ then represents the odds of land development investment. A logit model was adopted to operationalize the functional relationship giving the following estimation model,

$$\log\left(\frac{p}{1-p}\right) = \beta_0 + \beta_1LTS + \beta_2OES + \beta_3AGE + \beta_4GEN + \beta_5EDU + \beta_6ATC \quad (2)$$

The model was used to test the following null hypotheses:

- H₀₁:** There is no statistically significant relationship between Land Tenure Security and land development.
- H₀₂:** There is no statistically significant relationship between the landowner economic status and land development.
- H₀₃:** There is no statistically significant relationship between the age bracket of landowners and land development.
- H₀₄:** There is no statistically significant relationship between the gender of the landowner and land development.
- H₀₅:** There is no statistically significant relationship between owner’s level of education and land development.
- H₀₆** There is no statistically significant relationship between owner’s access to credit and land development.

Empirical Results and Interpretation

A description of the respondents is presented in Table 2. The random sample captured more male than female landowners (Table 2), possibly reflective of land ownership distribution by gender in the general population of the municipality. This may be the result of the prevailing cultural land ownership distribution. The ratio of male to female landowners in the sample was approximately 7:3. Table 2 also shows the income brackets of the respondents sampled. The distribution of the incomes is close to normal though slightly skewed to the right.

One of the cultural principles that seem to account for the skewed ratio may be due to the fact that women do not assume land ownership unless they are widows, business persons, or family heads or where they directly inherit land from parents, husbands, or other relatives.

Table 2: Demographics of the Respondents

Variable	Number	Percent
Gender of landowners		
Male	69	70.4
Female	29	29.6
Age (years)		
< 20	01	1.0
21-30	21	21.4
31-40	39	39.8
41-50	19	19.4
> 50	18	18.4
Income Brackets (UGX)		
< 10 m	55	56.1
10m - 150m	32	32.6
> 150m	8	8.2
Tenure Systems		
Freehold	130	55.1
Leasehold	82	34.7
Customary	24	10.2
Status		
Active development	86	36.4
No active development	150	63.6

Source: Primary data, 2019.

It was hypothesized that the variable “age” would play a role in predicting land development capability given it usually takes time for a person to accumulate enough financial resources to purchase a parcel or parcels of land and develop it. The age structure of the respondents is presented in Table 2.

The modal age bracket of land ownership is 31-40, representing 39.8% of the sampled landowners. The least active age bracket is that under 20 years. Additional observational information suggests that in the majority cases, many landowners start land development at about 50 years. This observation is, however, further examined through the inclusion of age as a predictor variable in the model.

Kabale District has three of the four types of land tenure systems in Uganda: Freehold, Customary, and Leasehold. The relative proportions of these three types of tenure in the sample drawn from Kabale Municipality are 10%, 35% and 55% respectively. The Freehold system is fully private and associated with maximum freedom in the use and disposal of the land compared to leasehold and customary tenure systems. Leaseholds, on the other hand, are associated with restrictions, for example, the duration of ownership is 49 years, and regulated by Kabale Municipal Council. Of all the plots in the municipality, the relative proportion of the plot with active development is approximately 24%, while those without active development activity are approximately 74%.

According to the Kabale Municipal Council Development Plan 2010-2018, landowners must initiate development on plots of land in the municipality within five years of acquisition. The survey also found that many landowners benefited from a 5-year grace period by KMC before the sanction of compulsory development of plots. In a number of cases, however, freehold landowners seem to prioritize the acquisition of more land rather than developing their existing plots. This would suggest that the aims of the landowner in acquiring the plots may be real estate

speculation rather than development.

The idle plots were found to be characterized by bushy fields, grazing animals, abandoned structures and unused heaps of sand. Focus group discussions held in 2019 revealed some typical reasons why development had not commenced. These included delays in approving development plans by the municipal authorities (50%), low motivation to develop the land (27%), limitation of financial resources to develop the plots (17%), and to a lesser degree, ownership contestation and other factors (6%).

Table 3 shows the results of the binary logistic regression using SPSS. The dependent variable was the log of the odds (logit) of investment activity as a function of the predictor variables: land tenure security (LTS), owner economic status (OES), Age (AGE), gender (GEN), level of education (EDU), and access to credit (ATC). The estimated model is equation 2, here restated:

$$\log\left(\frac{p}{1-p}\right) = \beta_0 + \beta_1LTS + \beta_2OES + \beta_3AGE + \beta_4GEN + \beta_5EDU + \beta_6ATC \quad (2)$$

Where β_0 is the intercept term and $\beta_1, \beta_2, \beta_3,$ and β_4 are the slope coefficients of the land ownership status, owner economic status, age, gender (dummy variable), education, and access to credit, respectively.

The estimated equation becomes:

$$\log\left(\frac{p}{1-p}\right) = -7.097 + 0.578LTS + 1.953OES + 0.161AGE + 0.074GEN + 0.101EDU - 0.068ATC \quad (3)$$

The first null hypothesis tested was: land tenure security does not influence land development, that is, $\beta_1 = 0$. The results in Table 3 show that $\beta_1 = .578$, therefore $\neq 0$ and statistically significant at 5% ($p = 0.037$). Thus, we reject the null hypothesis that land ownership status has no effect on land development, and accept the alternative hypothesis that land tenure security influences land development efforts. Specifically, a unit positive change in land tenure security raises the odds of development investment activity on the plot by $\exp(\beta_1) = 1.783$, or 78%. The positive value of β_1 shows that an improvement in the measure of tenure security increases the odds that the owner undertakes development activity on the plot of land.

Table 3: Results of the logistic regression

	B	S.E.	Wald	df	Sig.	Exp(B)
GEN	.074	.697	.011	1	.915	1.077
AGE	.161	.295	.299	1	.585	1.175
LTS	.578	.277	4.352	1	.037	1.783
OES	1.953	.617	10.020	1	.002	7.053
ATC	-.068	.168	.163	1	.687	.934
EDU	.101	.151	.442	1	.506	1.106
Constant	-7.097	2.047	12.014	1	.001	.001

Source: The authors' computations.

The second hypothesis relates to the effect of the landowner's economic status on land development captured by the slope coefficient β_2 . The analysis returned the estimated value of β_2 as 1.953; therefore, $\neq 0$ but also statistically significant ($p=0.002$). Similarly, we reject the null hypothesis that there is no relationship between economic status and land development effort, and accept the alternative hypothesis, that the owner's economic status influences the odds of land development. Thus, a unit increase in the land owner's economic status increases the odds that the owner undertakes investments to develop the plot of land. It is important to note that tenure security and economic status are complementary. A land title without finances does not lead to investments and vice-versa. The results dovetail with Boudreaux (2016), Mohammed et al. (2014), and others.

On the other hand, age, gender, educational attainment, and credit accessibility turned out to be statistically insignificant implying they do not influence the odds of the investment decision in the selected sample. However, the lower representation of women landowners (30%) in the random sample may be indicative of possible lower proportion of women landowners in the population of the Municipality, something that may be rooted in gender related cultural practices of land acquisition and inheritance.

As mentioned earlier, the Land Act Cap 227, the National Land Policy 2013, the Physical Planning Act 2010, the Building Control Act 2014 comprise Uganda's legal framework governing land use and urban development. These findings underscore the complementarity between policies that strengthen tenure security and the facilitation of land-oriented investments but also the use of land as collateral in financing (Schwartz, 2008). All these tend to be realized without any constraints in a freehold tenure system. Focus group discussions also revealed the preference for freehold tenure among the majority of participants. Hence, where possible, the land policy framework should facilitate the transition to freehold in order to enhance the associated property rights, the security of tenure, and land-based transactions.

Interviews of the landowners and focus groups in 2019 revealed the key reasons for the sub-optimal rate of private land development activity. These included the landowners' inadequate financial resources, non-compliance of development plans of the landowners with the standards of urban development, lingering ownership queries and contestations, the uncompleted process of acquiring ownership documentation, inadequate legal instruments to enforce appropriate policy, corruption in land offices and bureaucratic inefficiencies, and delays by the urban authorities.

Another challenge that emerged in the interviews and focus group discussions was the unplanned urban expansion by private players that had already taken place. This problem is not restricted to Kabale Municipality, but widespread throughout the country including Kampala city. Municipalities and cities have already expanded in an unplanned manner with characteristically narrow roads, streets and substandard buildings. The challenge is, therefore, to redesign and redevelop the municipalities and cities in line with their infrastructure master plans. This will require appropriate additional legislation to give effect to Article 26 of Uganda's Constitution aimed at the compulsory acquisition of land by government for priority government

development programs and projects after prompt, fair and adequate compensation of the affected persons.

Conclusions and Policy Recommendations

The empirical results show that tenure security and economic capability of private land owners positively influence private land development investments in Kabale Municipality, Uganda for the selected sample of land owners. These findings are largely consistent with the conclusions from studies like Deininger (2003), Mitai (2015), and Hosaena et al. (2013). The variables, age and gender turned out to be statistically insignificant for the same sample of landowners suggesting that, there is no inherent age or gender bias in land-oriented investment activity per se.

The main policy implication is the need for government to strengthen property rights and tenure security and ensure transparent, reliable and comprehensive land registration and proper land record keeping. This represents an important part of building a dependable system of property rights and tenure security, and should build confidence in the land registration process and address the question of delays in information processing, malpractices and corruption in land offices. The government has already initiated steps toward proper land registration and digitization. However, this needs to be fully implemented and operationalized transparently.

Focus group discussions further revealed that the freehold tenure system is the preferred system of land tenure since it enables ownership in perpetuity and the full range of land-related transactions. It is important to note that tenure security and economic status are complementary. Land title without finances does not lead to investments and vice-versa. Thus, to further enhance private investment, it is advisable for the government to put in place the necessary policies and legislation to transition tenure systems to the freehold system where feasible.

Another important finding of the study is that there is a relatively strong policy framework for governing land issues and implementing and regulating the process of urban development at both the national and local levels. The main challenges appear to be with implementation and regulation. In a number of cases, there are still delays in processing land titles and approvals of housing plans. These delays can be addressed by the policy of comprehensive and transparent land registration, digitization and record maintenance, and reforms in the management of land development plan approvals.

Findings also revealed that in a number of cases, unplanned expansion of the Municipality (and indeed other Municipalities and cities in the country) has already taken place outside the urban development and infrastructure master plans. In such cases, there is a need to invoke article 26 of Uganda's Constitution that permits the compulsory land acquisition by the government to redress the discrepancies from appropriate urban development. There is, however, a need to safeguard against the possible abuse of this provision. The exceptional nature of the proposed acquisitions and the conditions and type of projects and programs that are eligible should be made unambiguous. Additionally, affected persons need to be promptly, fairly and adequately compensated before the said acquisitions take place.

The rapid pace of urbanization and the limited window of opportunity for preventing urban slums and squalor means there is urgent need for a strong and timely policy guidance to encourage private land development activity. Policies should ensure that urban development, overall, is organized, inclusive, productive, and sustainable.

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