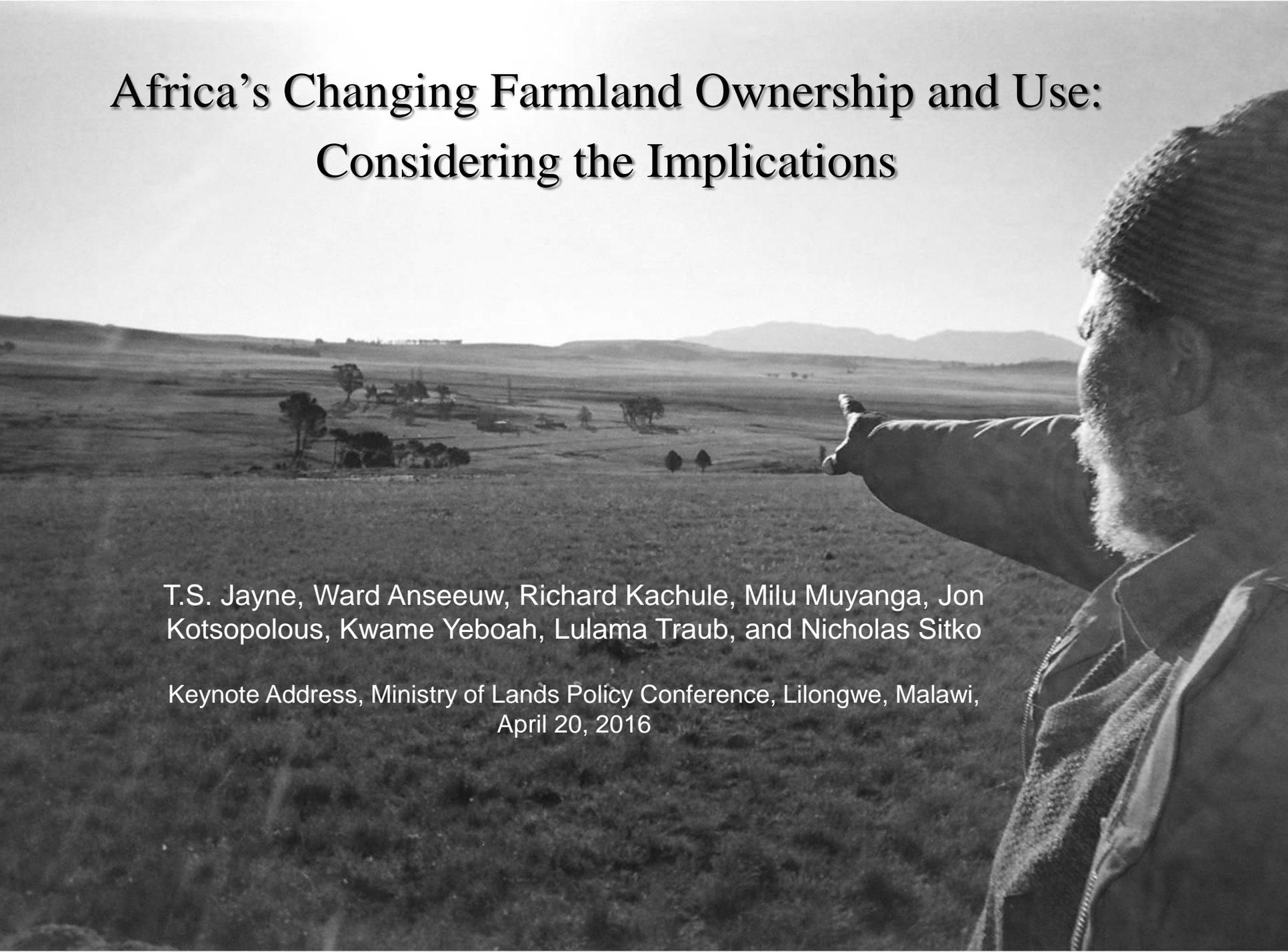


Africa's Changing Farmland Ownership and Use: Considering the Implications



T.S. Jayne, Ward Anseeuw, Richard Kachule, Milu Muyanga, Jon Kotsopolous, Kwame Yeboah, Lulama Traub, and Nicholas Sitko

Keynote Address, Ministry of Lands Policy Conference, Lilongwe, Malawi,
April 20, 2016

FOUR EMERGING TRENDS

1. Rising rural populations in Africa till at least 2050 → increasing land scarcity
2. Rising land prices and “commodification” of land
 - *May* encourage intensification, consolidation, productivity growth, and employment growth depending on land tenure rights and behaviors of govt and traditional authorities
3. Conversion of land from customary to statutory land
4. Important changes in farmland ownership
 - Rising share of agricultural land under medium-scale farms
 - Driven by “emergent investor” farmers
 - Urban-based households own a rising share of national arable land

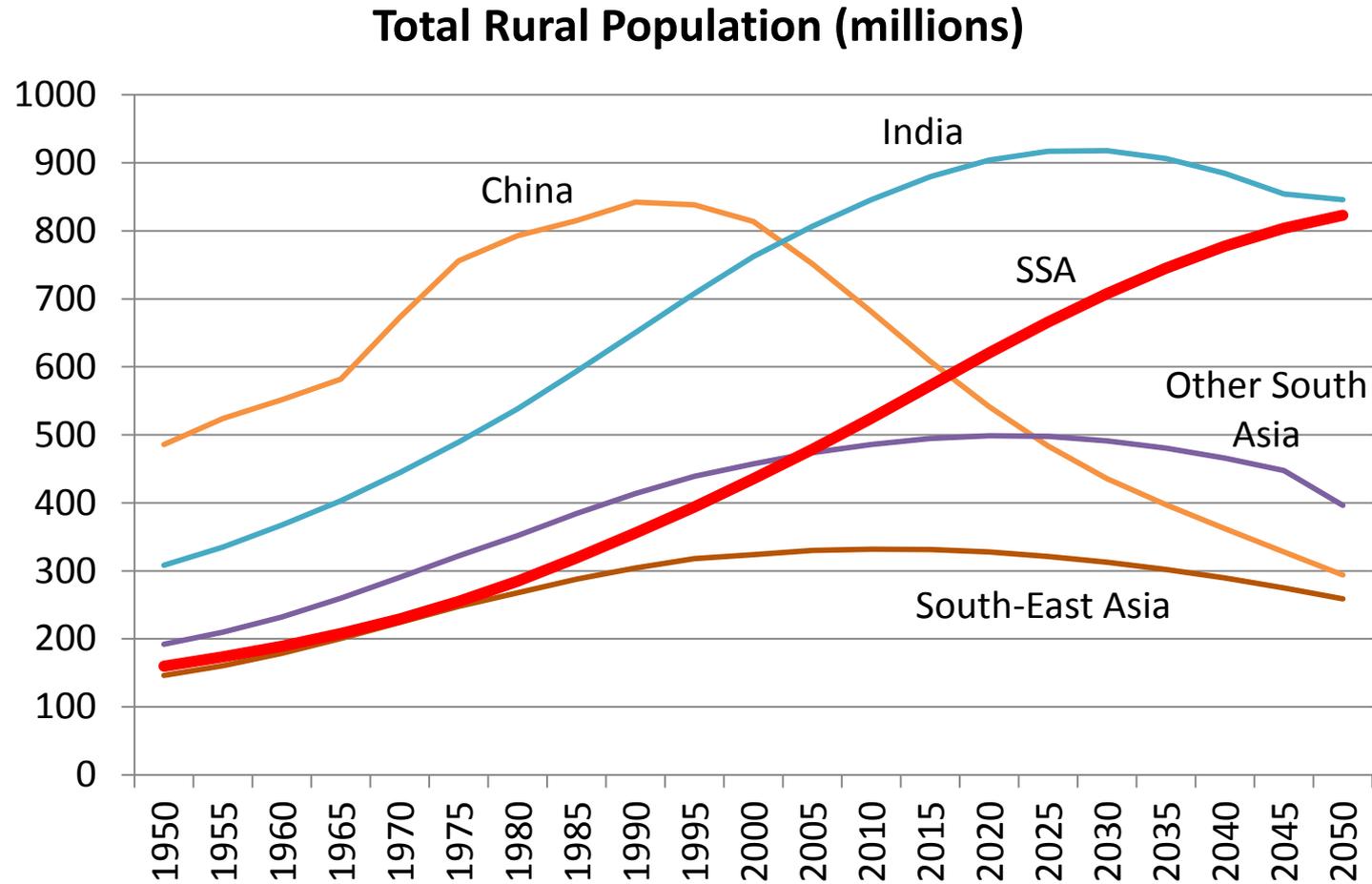
POLICY QUESTIONS EMERGING FROM THESE TRENDS

1. How is the rise of MS farms affecting national policy objectives? (e.g., food security, ag productivity, employment growth)
2. How is changing farm structure affecting the potential for land expansion within the small-scale farm sector?
 - Does it matter?
 - If so, why

Trend #1

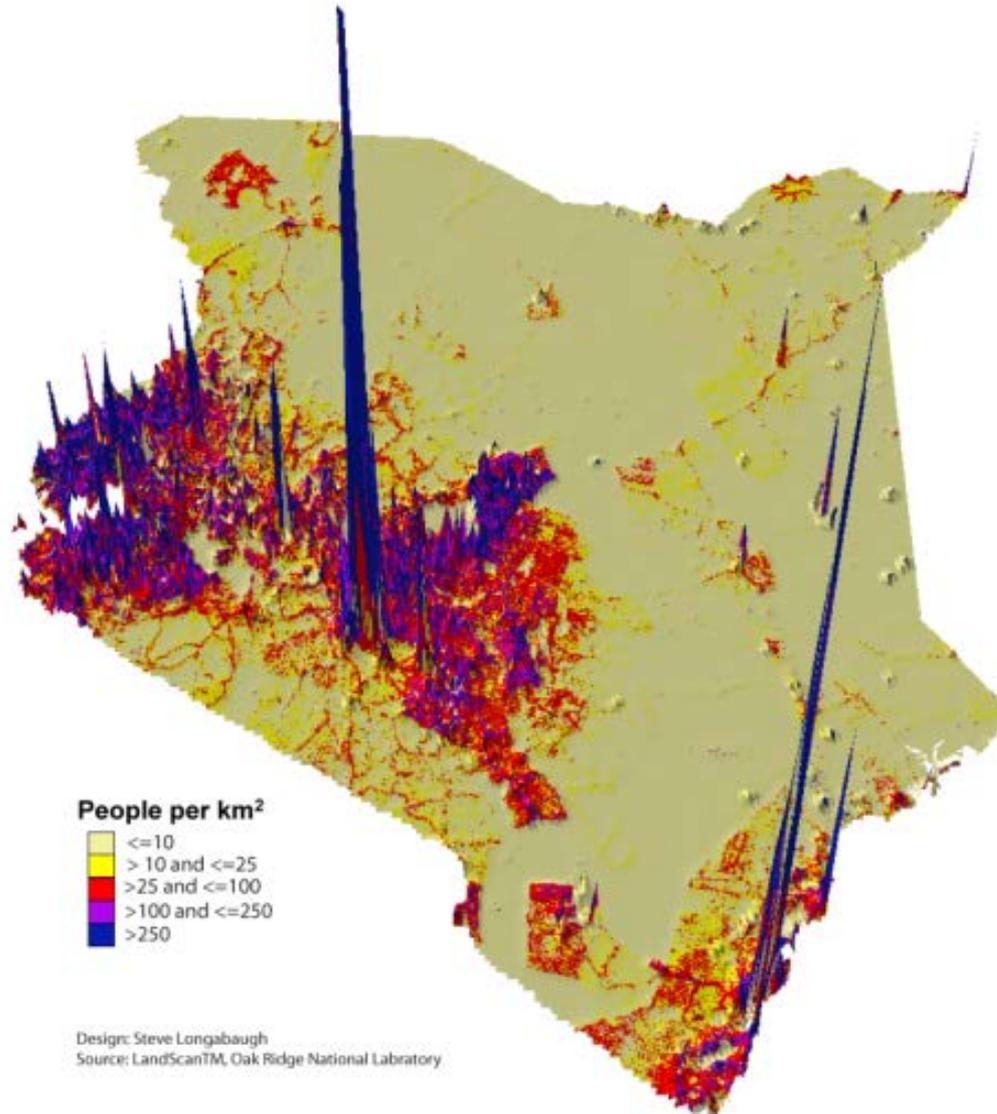
**Rising rural populations
in Africa**

Looming rural employment challenge in SSA



Source: UN 2013

Clustering of rural populations: Kenya



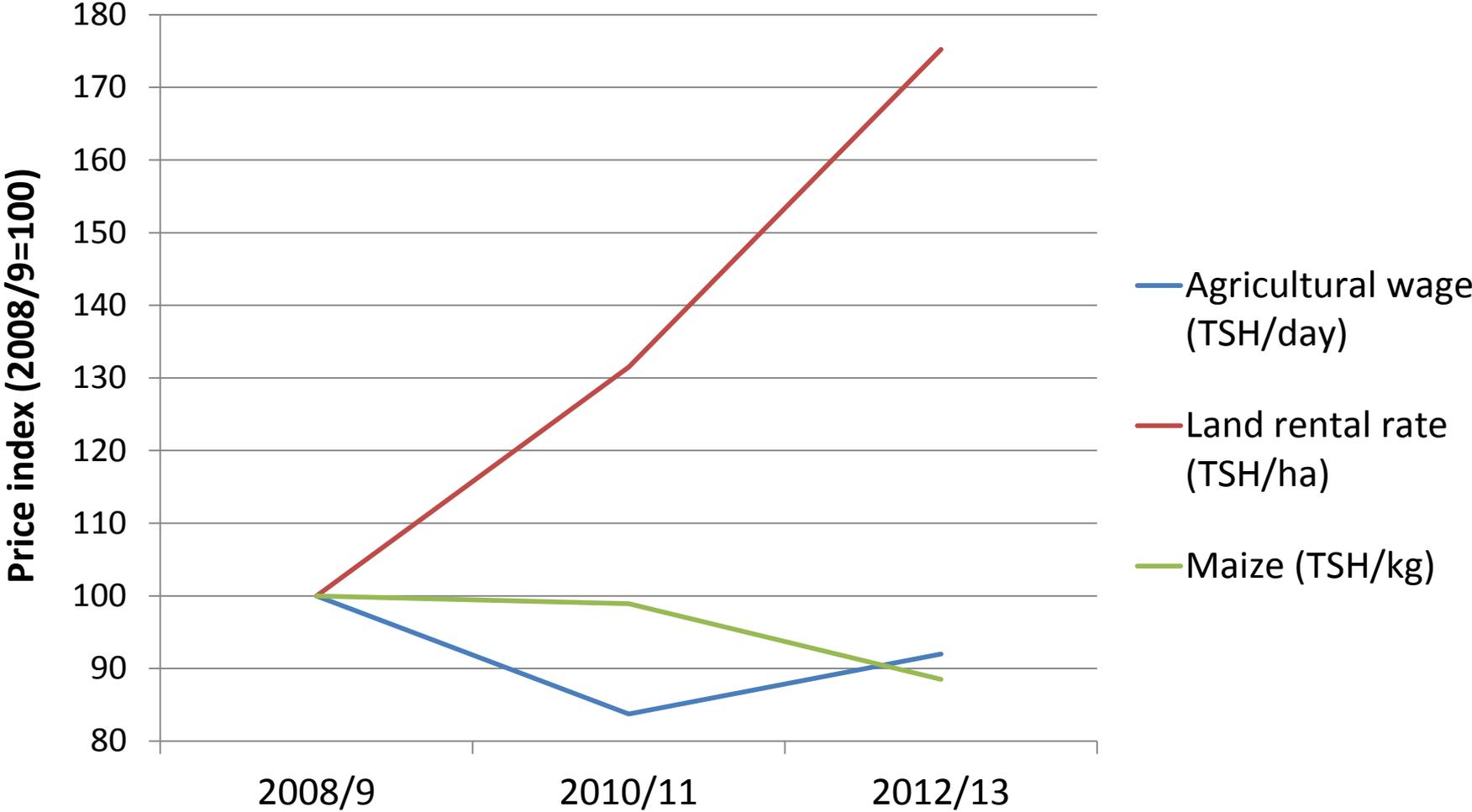
Nine countries contain 90% of Africa's unutilized arable land

	Non-forested unutilized land ¹ (million ha)	Proportion	Cumulative Proportion
DRC	84.8	46.5%	46.5%
Angola	18.9	10.4%	56.9%
Congo	12.9	7.1%	63.9%
Zambia	10.8	5.9%	69.9%
Cameroon	10.5	5.7%	75.6%
Mozambique	9.0	4.9%	80.5%
CAR	7.1	3.9%	84.4%
Gabon	6.5	3.6%	88.0%
Sudan	5.8	3.2%	91.2%
Rest of Africa (n=45)		8.8%	100.0%

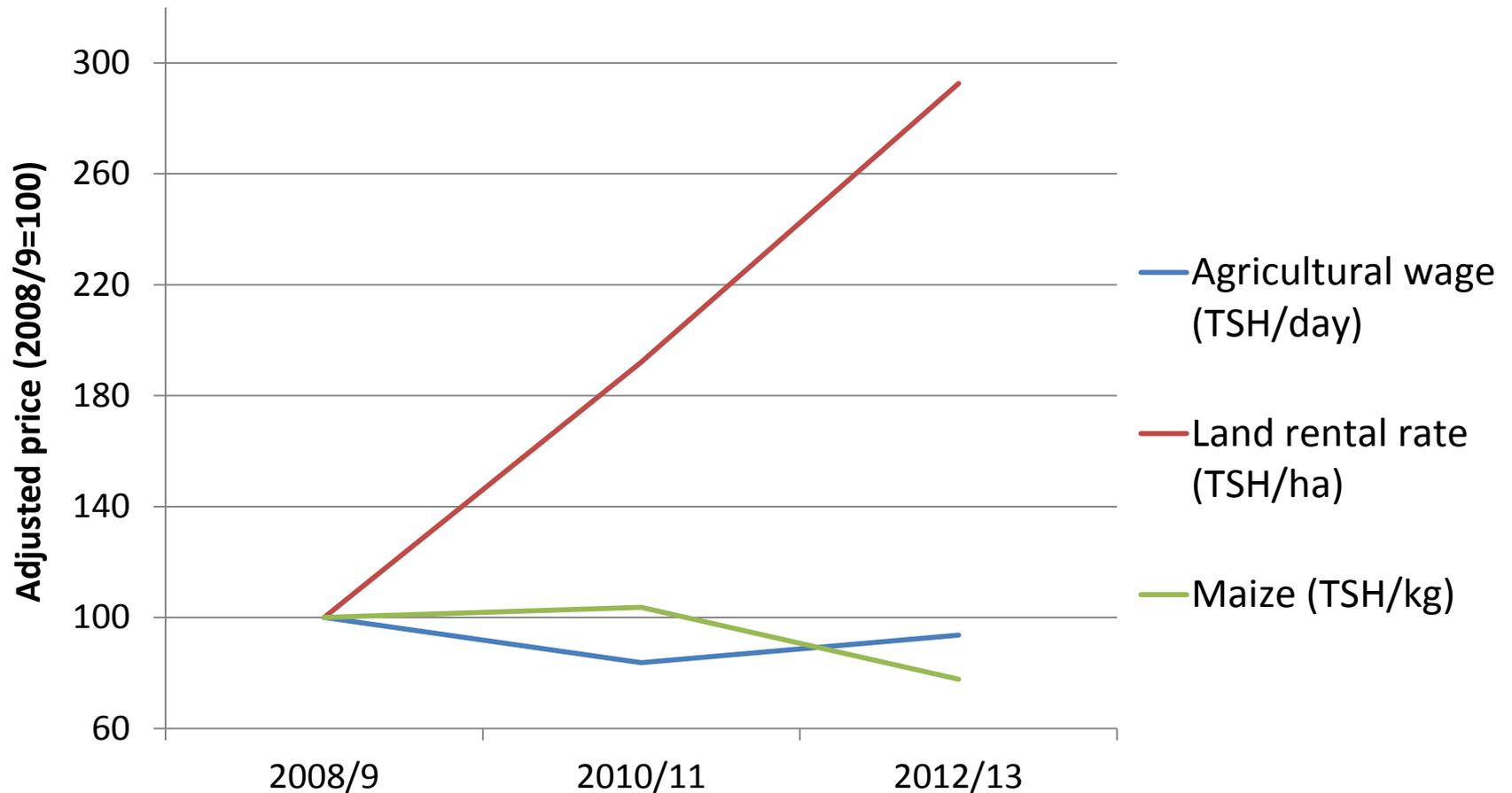
Trend #2

Rising land prices

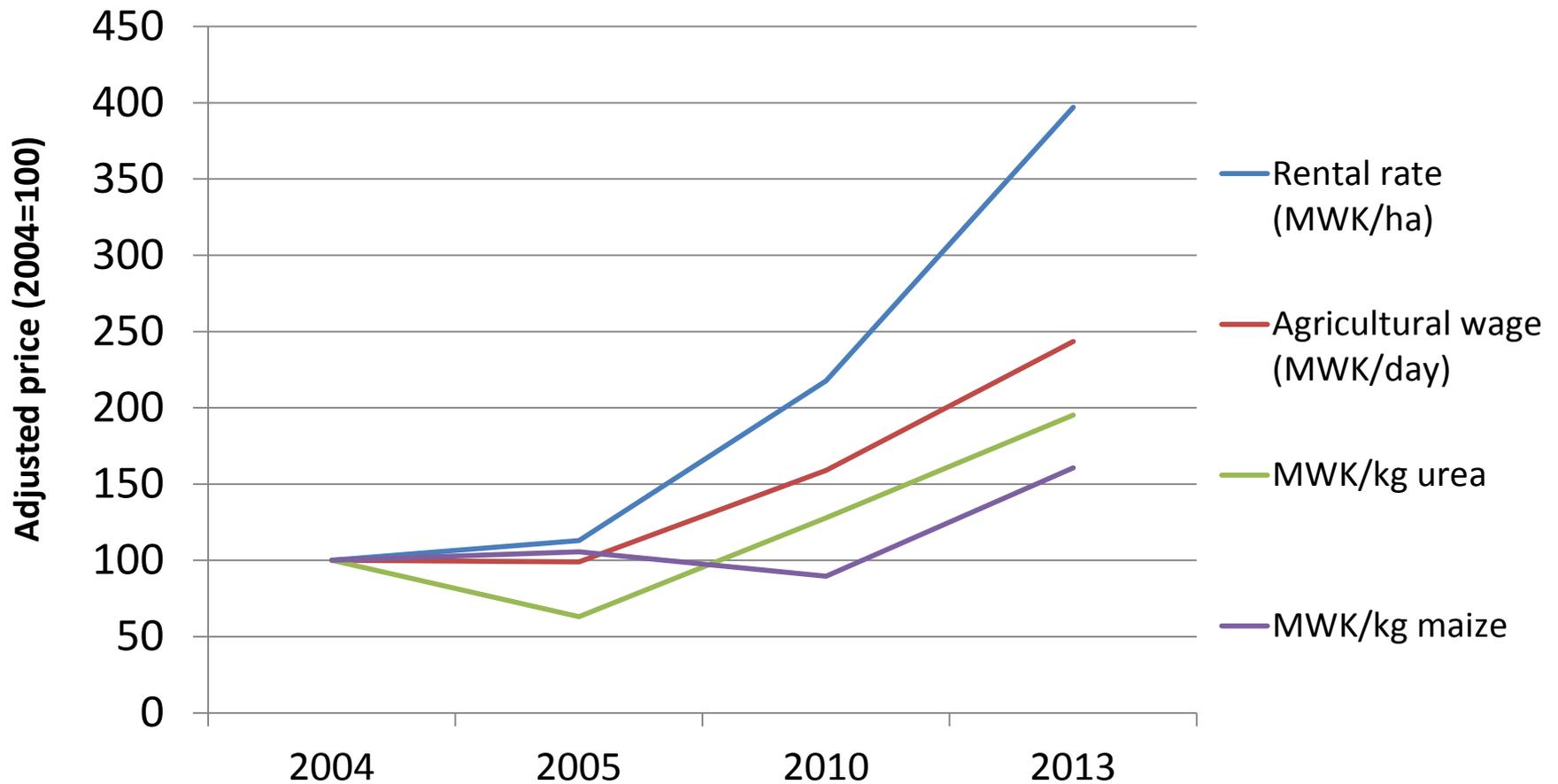
Output and factor price indices, northern Tanzania



Output and factor price indices, western Tanzania



Output and factor price indices, rural Malawi, 2004-2013



Sources: IHS for land and wages; FEWSNET for urea and maize

Trend #3

**Rising share of agricultural land
under MS farms**

Rise of medium-scale farmers - Ghana

	Number of farms		% growth in number of farms	% of total cultivated area	
	1992	2005			
Ghana					
0-2 ha	1,458,540	1,725,024	18.3		
2-5 ha	578,890	957,722	65.4		
5-10 ha	116,800	256,620	119.7		
10-20 ha	38,690	110,076	184.5		
20-100 ha	18,980	46,143	143.1		
>100 ha	--	6,958	388.6*		
Total	2,211,900	3,102,543			

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5-10 ha	116,800	256,620	119.7	17.2	14.6
10-20 ha	38,690	110,076	184.5	11	12.0
20-100 ha	18,980	46,143	143.1	11.1	11.7
>100 ha	--	6,958	388.6*	--	25.0
Total	2,211,900	3,102,543		100	100

48.7%

Rise of medium-scale farmers - Zambia

	Number of farms		% growth in number of farms	% of total cultivated area		
	2001	2012		2001	2012	
Zambia						
0 – 2 ha	638,118	748,771	17.3	34.1	16.2	
2 – 5 ha	159,039	418,544	163.2	45	31.7	
5 – 10 ha	20,832	165,129	692.6	14.3	25.0	
10 – 20 ha	2,352	53,454	2272.7	6.6	15.1	27.1%
20 – 100 ha	--	13,839	∞	--	12.0	
Total	820,341	1,399,737		100	100	

Categories of MS farmers

- Type A: Investor Farmer

	Mode of entry into medium-scale farming status	
	----- Zambia -----	----- Kenya -----
	Acquisition of land from non-farm employment	Acquisition of land from non-farm employment
	(n=164)	(n=180)
% of cases	58	60
% men	91.4	80
Year of birth	1960	1947
Years of education of head	11	12.7
Have held a job other than as a farmer (%)	100	83.3
Formerly or currently employed by the public sector (%)	59.6	56.7
Initial landholding size when started farming (ha)	106.6	22.6
Current landholding size (ha)	74.9	50.1
% of land currently under cultivation	24.7	46.6
Decade when land was acquired		
1969 or earlier	1.1	6
1970-79	5.1	18
1980-89	7.4	20
1990-99	23.8	32
2000 or later	63.4	25

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Source: MSU, UP, and ReNAPRI Retrospective Life History Surveys, 2015

Categories of MS farmers

Type B: Rural-based

	Mode of entry into medium-scale farming status	
	----- Zambia -----	----- Kenya -----
	Expansion of rural elite	Expansion of rural elite
	(n=118)	(n=120)
% of cases	42	40
% men	92.9	82.5
Year of birth	1966	1945
Years of education of head	8.2	7.5
Have held a job other than as a farmer (%)	32.9	17.5
Formerly or currently employed by the public sector (%)	5.8	12.5
Initial landholding size when started farming (ha)	28.8	14
Current landholding size (ha)	38.2	32.7
% of land currently under cultivation	46.9	54.1
Decade when land was acquired		
1969 or earlier	3.9	29
1970-79	6.7	24
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Categories of MS farmers

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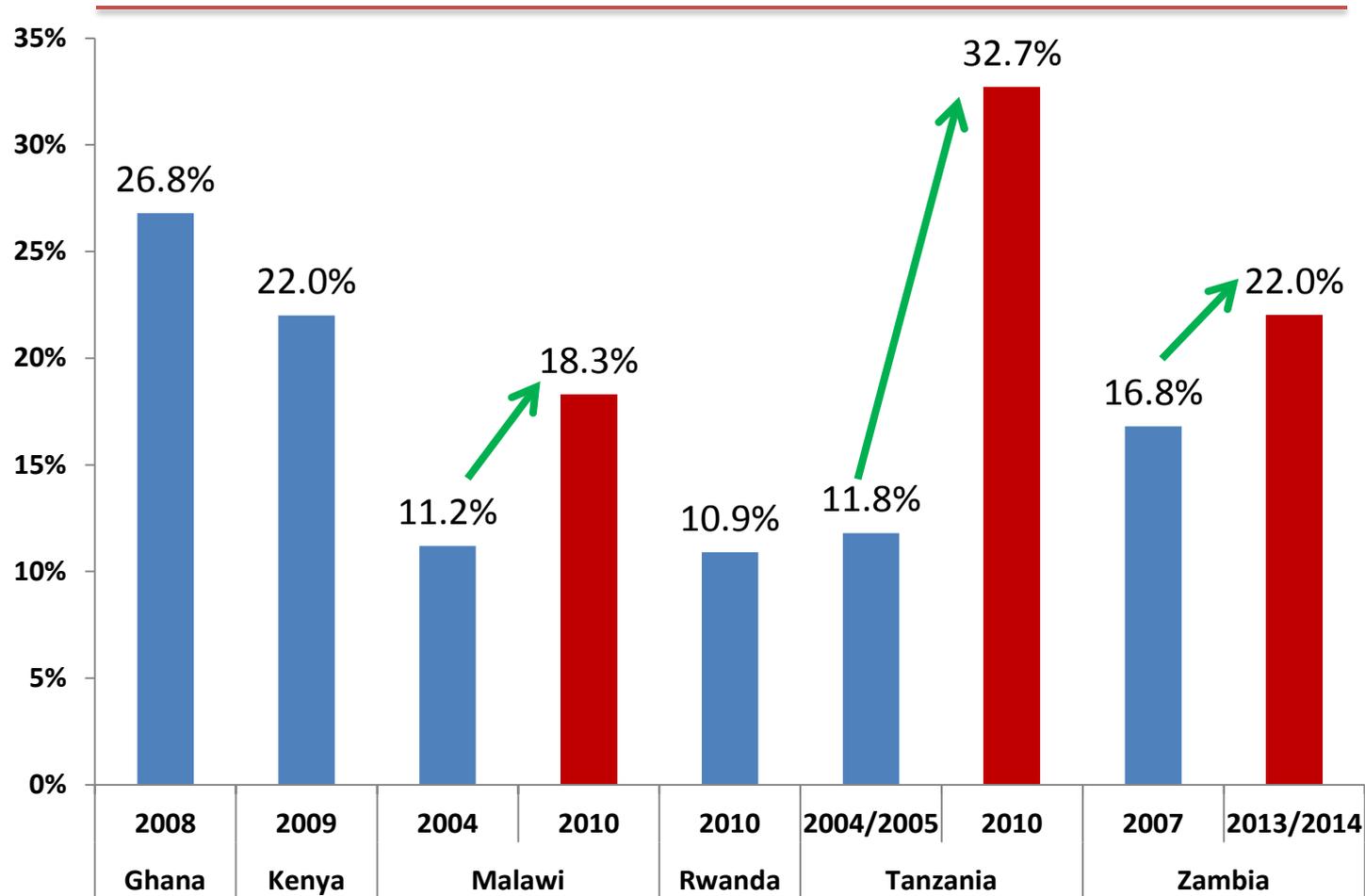
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Trend #4

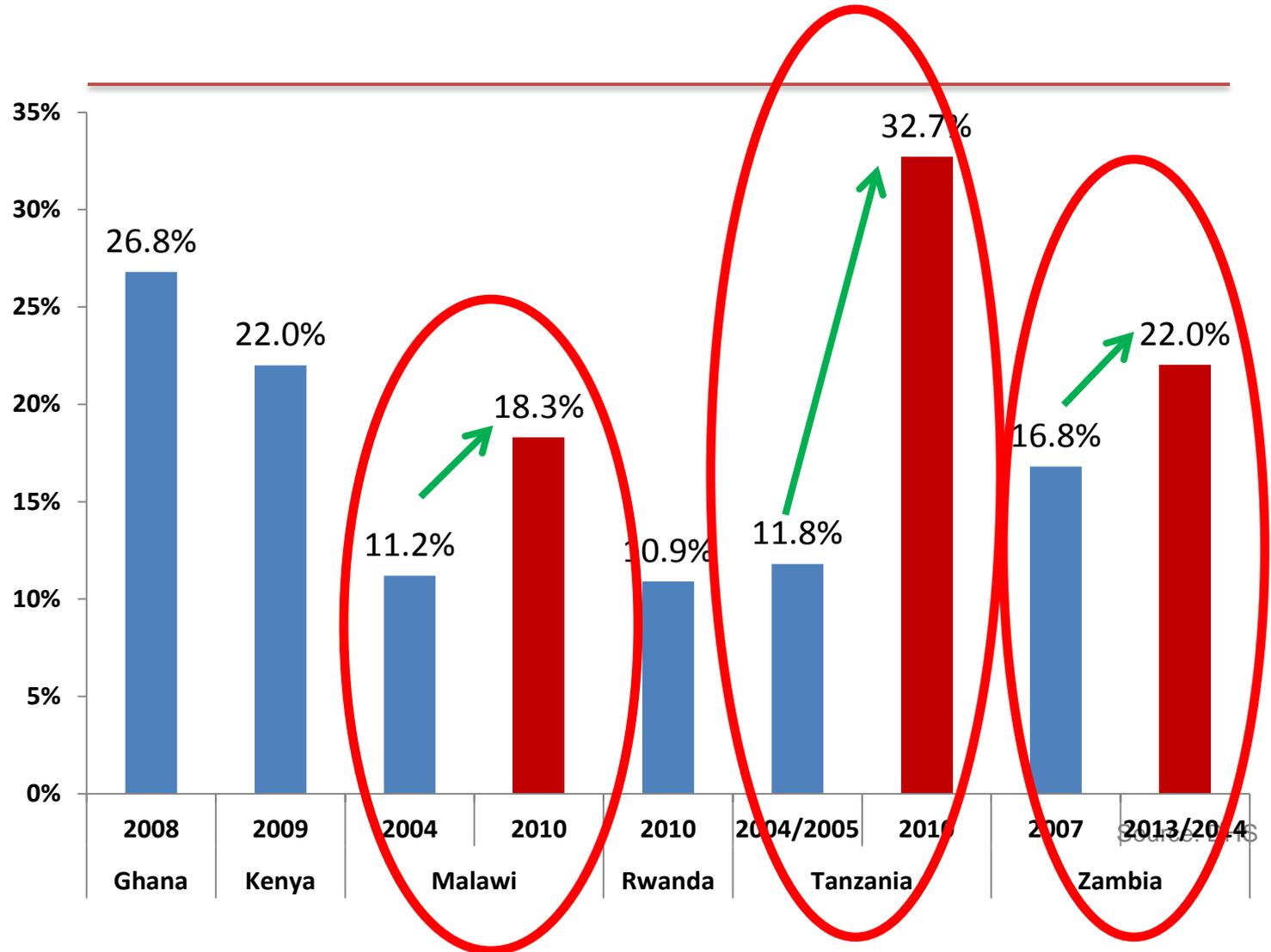
Rising share of agricultural land owned by urban households

% of National Landholdings held by Urban Households



Source: Demographic and Health Surveys, various years between 2004-2014.

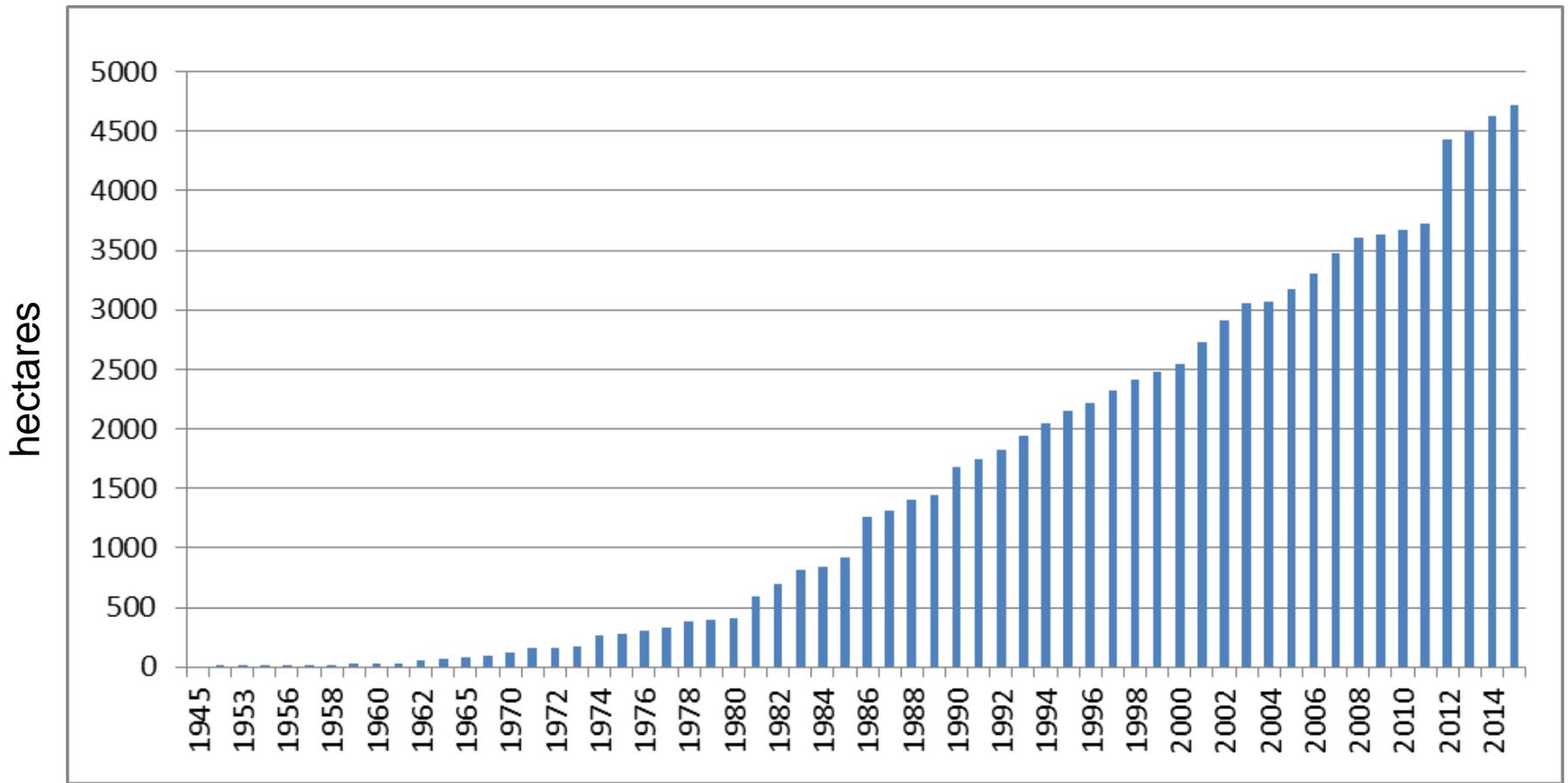
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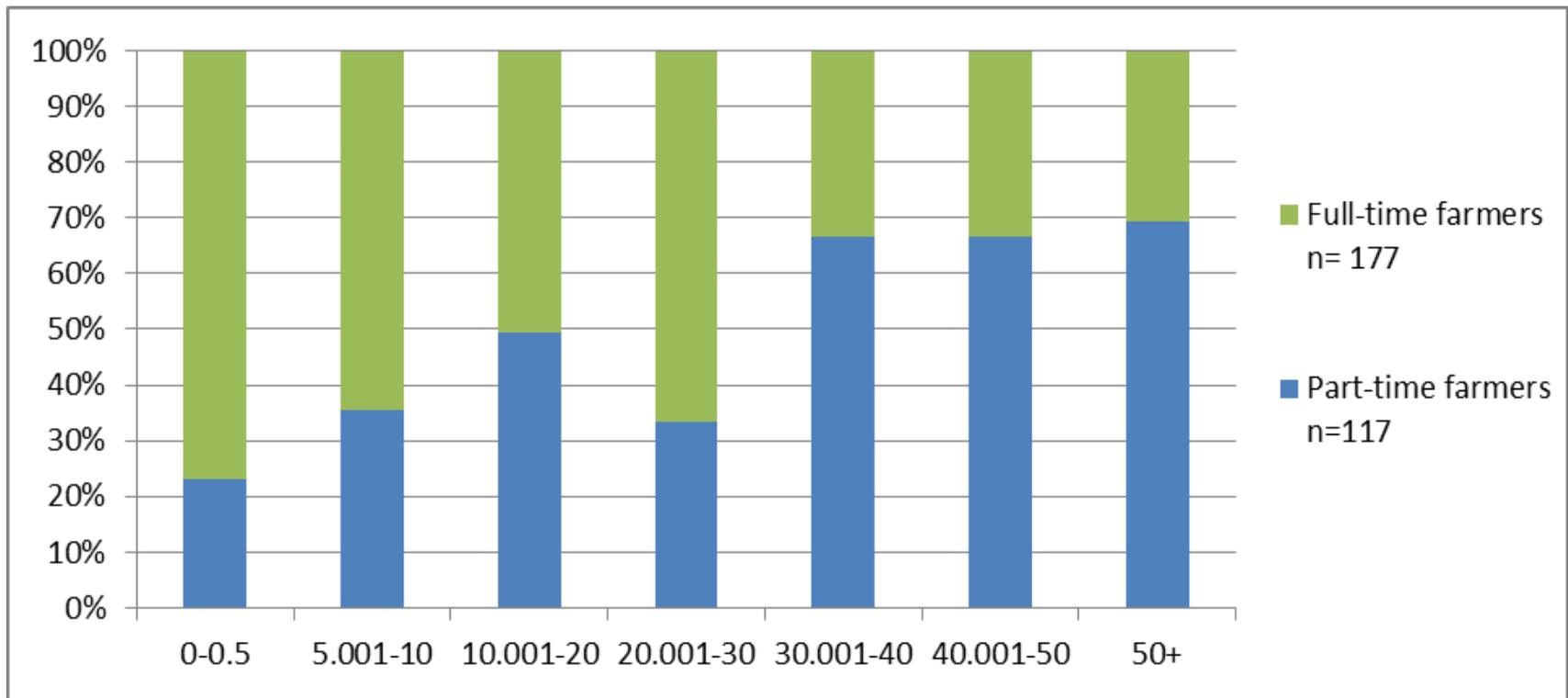
**Some findings specific to Malawi
(Mchinji, Kasungu and Lilongwe Districts)**

Cumulative land acquisitions by medium-scale holdings in Mchinji, Kasungu and Lilongwe Districts (ha per year)



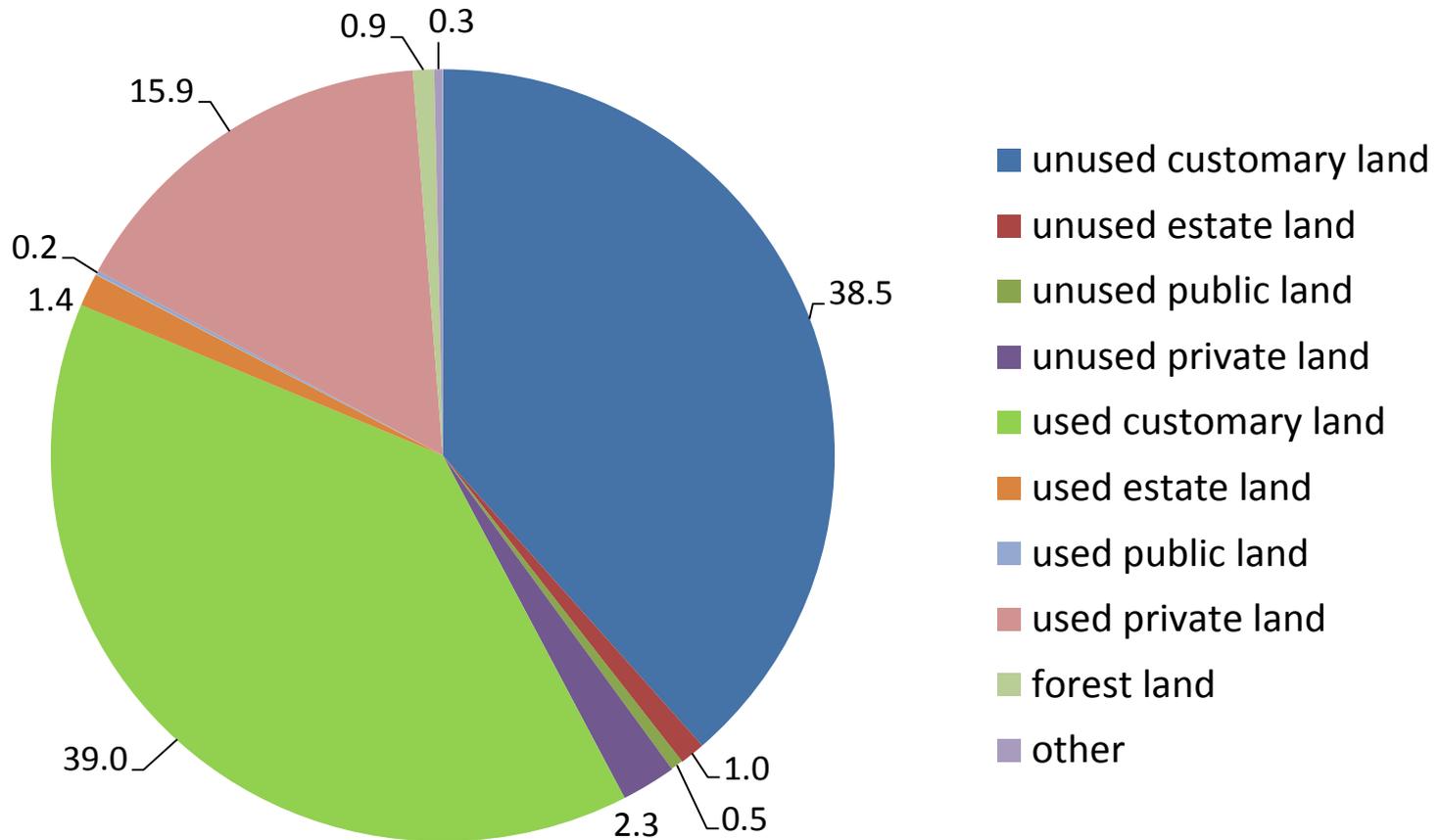
Source: Anseeuw et al (2015), medium-scale farm survey in Mchinji, Kasungu and Lilongwe Districts undertaken by LUANAR, UP, and MSU.

Percentage of full-time and part-time farmers, by farm size, in Mchinji, Lilongwe and Kasungu



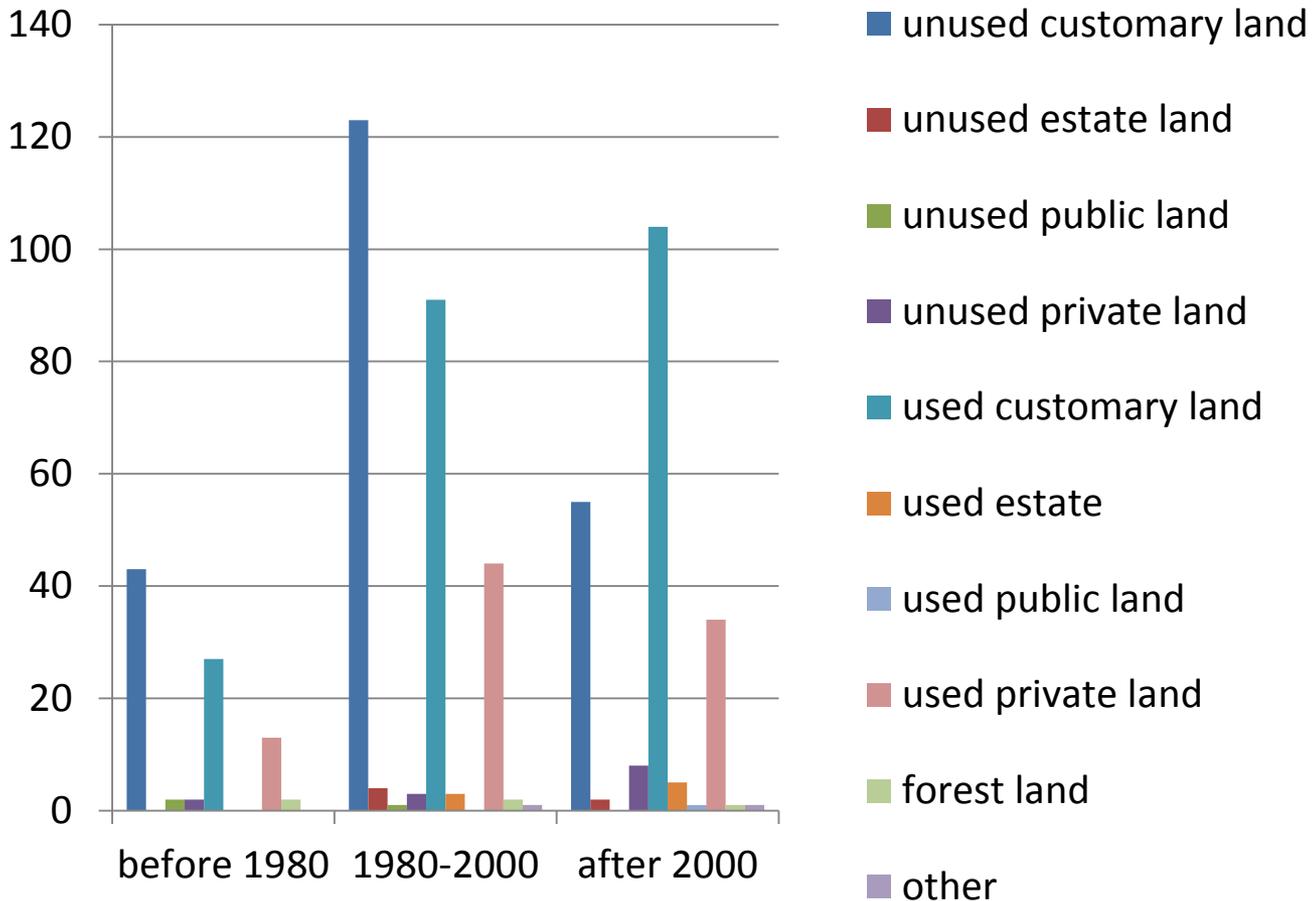
Source: Anseeuw et al (2015), medium-scale farm survey in Mchinji, Kasungu and Lilongwe Districts undertaken by LUANAR, UP, and MSU.

How was the land being used prior to acquisition by medium-scale farmers?



Source: Anseeuw et al (2015), medium-scale farm survey in Mchinji, Kasungu and Lilongwe Districts undertaken by LUANAR, UP, and MSU.

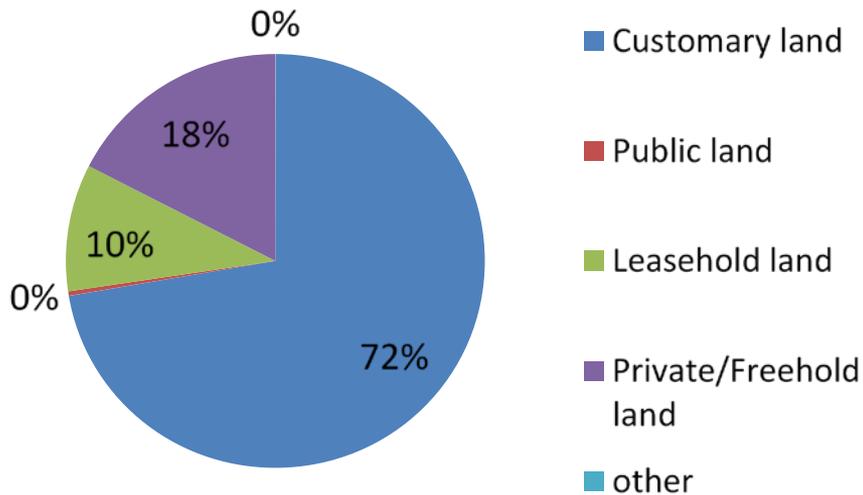
Number of MS farm acquisitions, by prior use status



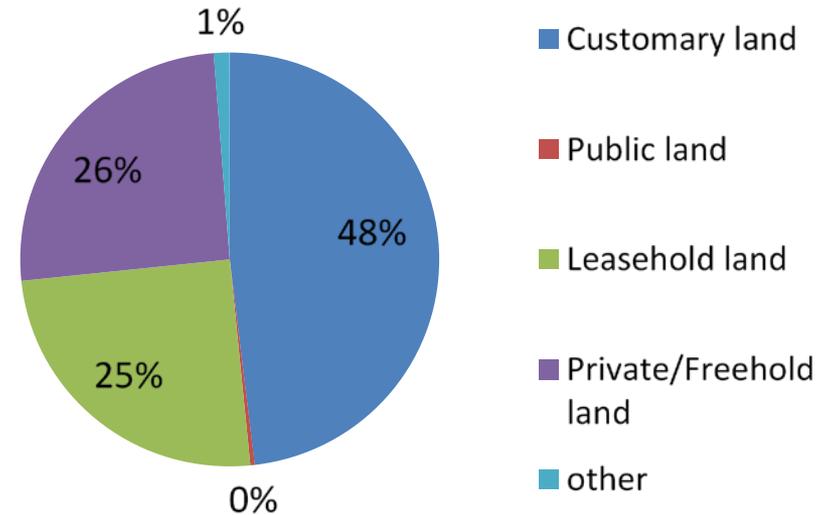
Source: Anseeuw et al (2015), medium-scale farm survey in Mchinji, Kasungu and Lilongwe Districts undertaken by LUANAR, UP, and MSU.

Tenure status of land before and after acquisition (% of cases)

Tenure status before acquisition



Tenure status after acquisition

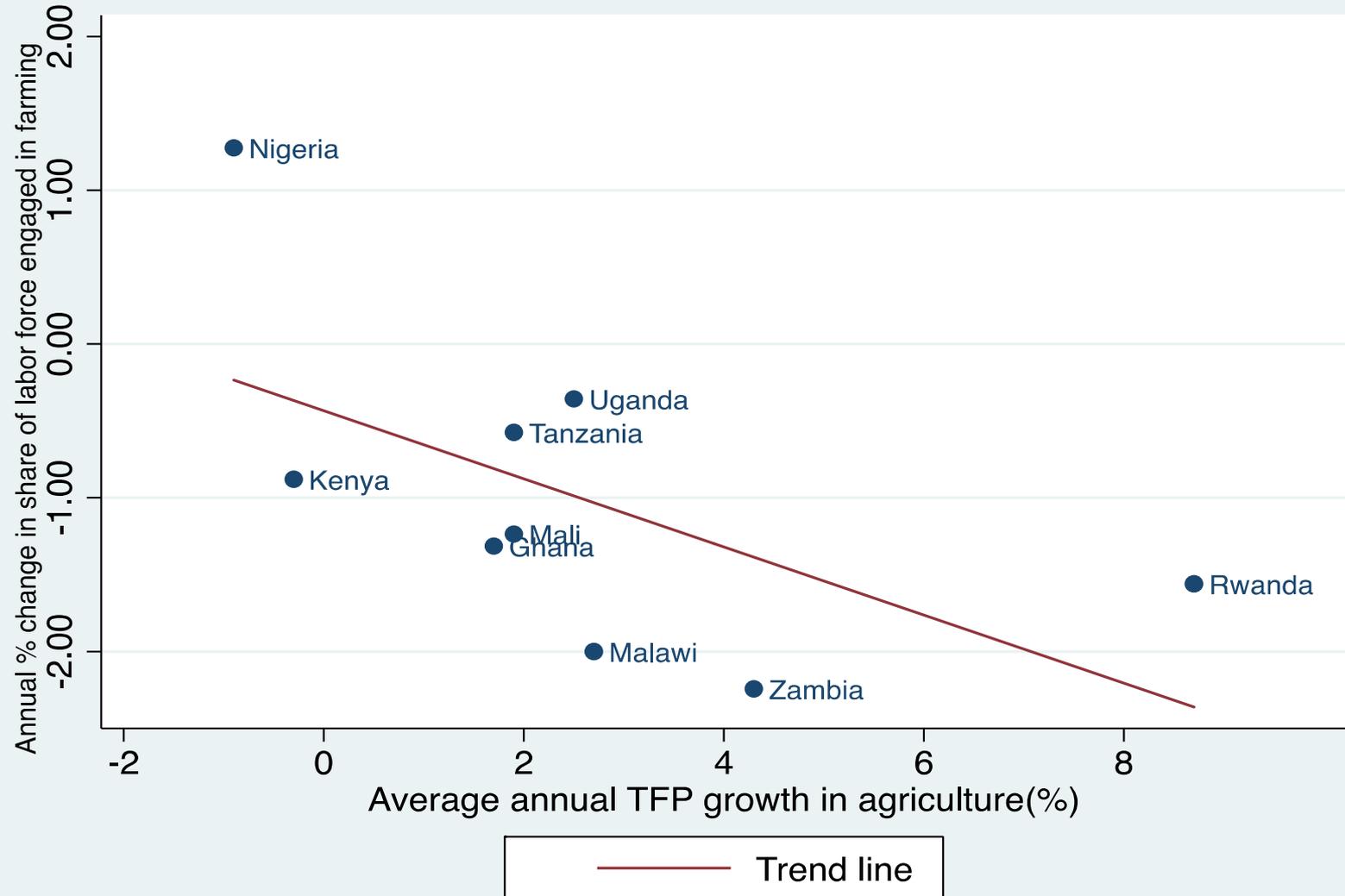


Source: Anseeuw et al (2015), medium-scale farm survey in Mchinji, Kasungu and Lilongwe Districts undertaken by LUANAR, UP, and MSU.

POLICY QUESTIONS RAISED BY EMERGENCE OF MS FARMS:

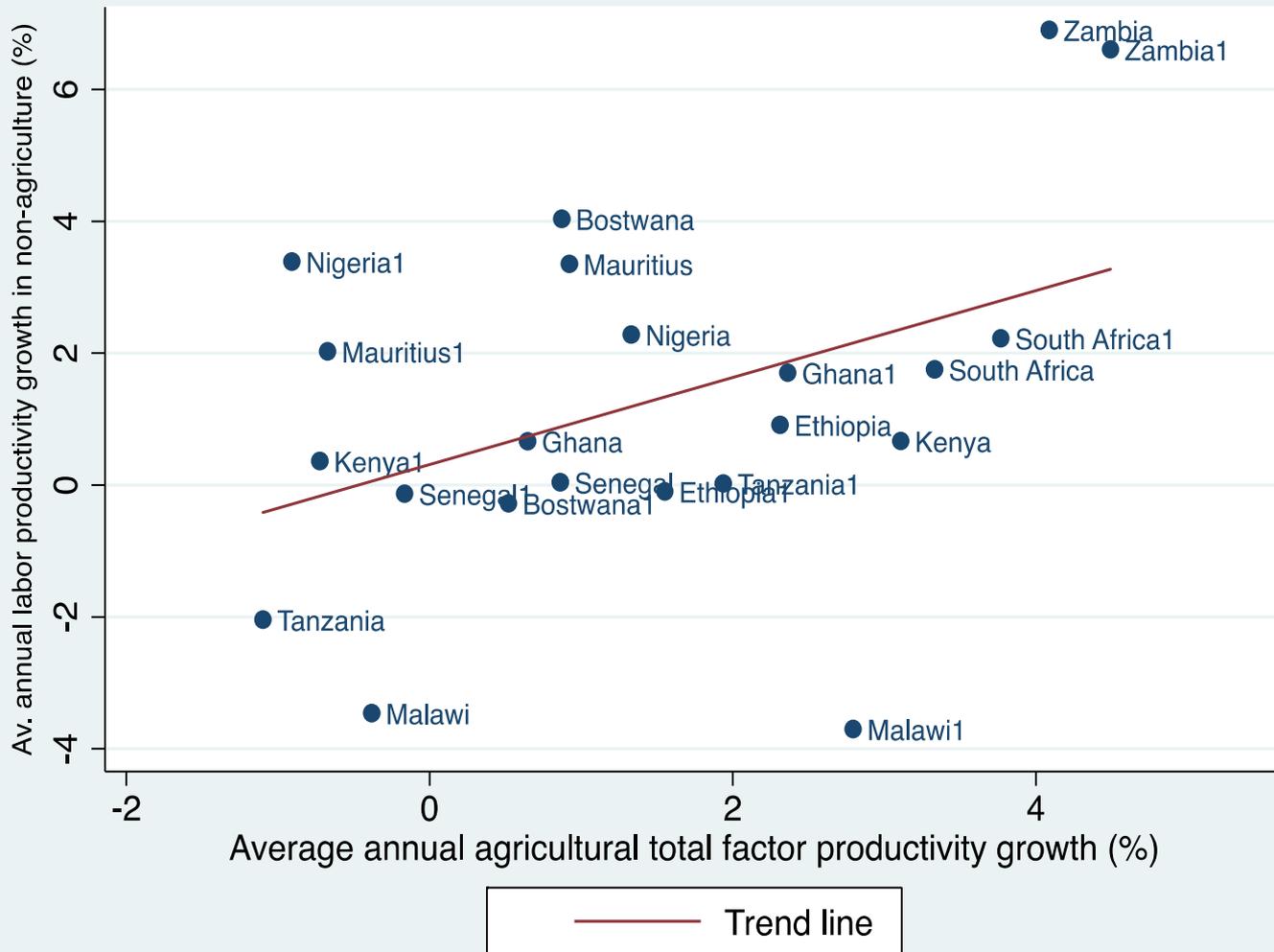
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 - national food security
 - employment
2. How is changing farm structure affecting the potential for land expansion within the small-scale farm sector?
 - Does it matter?
 - If so, why

Farming share declining most rapidly among countries enjoying highest agricultural productivity growth



Source: Yeboah and Jayne, 2016

ATFP related to labor productivity growth in non-farm economy

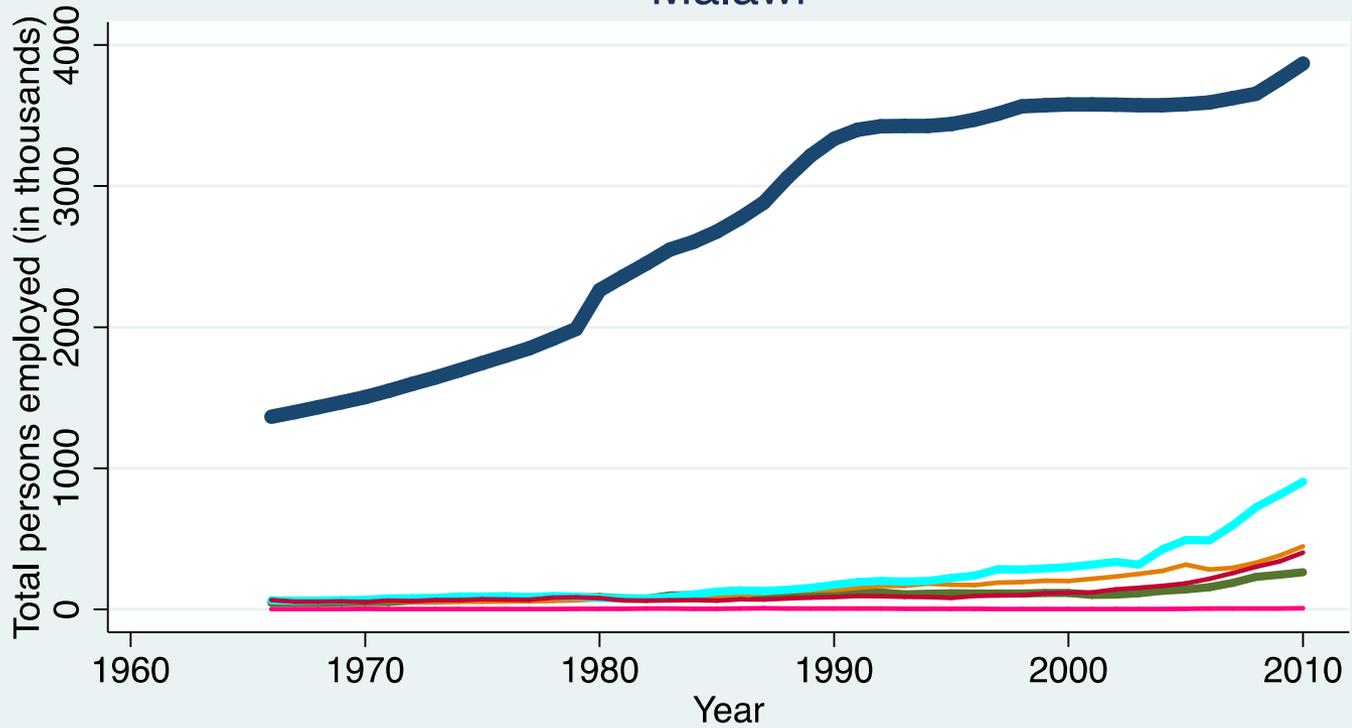




Malawi Farm Structure, (according to IHS-II, 2003/04)

	Landholding Size				Total
	0–2 ha	2.001–5 ha	5.001–10 ha	>10 ha	
# of farms	2,355,461	217,757	18,446	10,230	2,601,893
% of total # of farms	90.53%	8.37%	0.71%	0.39%	100%
Area cultivated (ha)	1,496,465	567,556	113,241.6	776,407.6	2,953,670
Total landholdings (ha)	1,693,828	619,700.7	116,838.7	897,553.8	3,327,921
Mean farm size (ha)	0.72	2.85	6.33	87.74	1.28
Mean ratio of land cultivated:land owned	0.86	0.92	0.97	0.87	0.89
% of total landholdings	50.9-0%	18.6%	3.5%	27.0%	100%
% of total cultivated land	50.7%	19.2%	3.8%	26.3%	100%

Malawi



- Immediately prior to independence in the early 1960s, roughly 87 percent of Nyasaland's total land area was designated African Trust Land (Nyasaland was a British colony until 1964, when it became the independent Republic of Malawi). Less than 3 percent of the land area was freehold or government leasehold, most of it farmed by Europeans. The balance, roughly 10 percent, was public land used for State forest reserves and other public purposes.

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