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Research Report 12/1

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Feature: Understanding Lands and Investments in Tanzania



Land conflicts are not new to Tanzania, but with the increasing focus on the formalization of land ownership and a drive to increase foreign direct investments, tensions over land and disputed land are increasing.

In response to a growing body of research, commentary and media reports documenting concerns over escalating levels of conflict associated with land based investments, across Africa and more specifically Tanzania, the Tanzanian Natural Resource Forum (TNRF) in partnership with Research on Poverty Alleviation (REPOA) and the International Institute on Environment and Development (IIED) initiated a study on Understanding Land and Investments in Tanzania. **This study was completed in March, 2012.**

The purpose of the study was to establish whether there is appetite to hold a public debate on how to realise better land based investments in Tanzania. It also aimed at identifying what would be the discussion issues and most appropriate mechanism to allow different actors from different levels to articulate their perspectives on land based investments in Tanzania.

Along with the findings of the study and a stakeholder workshop on land based investments in Tanzania, which was hosted by TNRF, IIED and REPOA was also held in March this year, and both highlighted that any dialogue on land must focus on the need for secure land tenure; strengthened governance over land, natural resources and investments; and Tanzania seeking quality foreign investments that contribute to growth and development of the nation.

In a TNRF policy brief which came out from the scoping study and the workshop, it is anticipated that if the dynamics behind these conflicts are not fully understood and resolved, there is the potential for such conflicts to escalate in the face of growing pressure for access to land based resources by investors, as Africa becomes increasingly integrated into the global economy.

Global drivers for land demand in Africa include rising commodity prices (particularly food, energy and certain metals) and the financial and economic crisis of 2008. These drivers have resulted in increasing numbers of foreign investors showing renewed interest in Africa's land based assets, although in most countries in Africa local investors are the dominant players with respect to land related deals.

There is an urgent need to understand, address and find solutions to issues regarding land based investments in Tanzania, states the brief. Due to complex and unclear land tenure laws and land acquisition processes, security over land tenure at the village level is minimal at best, leaving communities vulnerable to have their land taken for investment purposes.

Whether the investment followed proper procedure or not communities tend to lose out on both rights over land and meaningful compensation for this loss. Land laws are cumbersome; complex and even contradictory, leading to the question of whether there really is land tenure security in Tanzania. The brief goes on to emphasise that information about Land Acquisitions and Investments should be more public, accessible, accurate and transparent.

Despite the obvious challenges with land and investment, the size and reasons behind the challenges are not well understood.

"This is mostly due to a general lack of information about how much land is really available, clear procedures and transparency in the investment and land acquisition process in Tanzania," states the brief. The Tanzanian government is actively seeking investors in agriculture and other sectors as part of its development and economic strategies. This is based on an assumption that there is an abundance of land available for investment in Tanzania.

Yet, the amount of land actually available is not all that clear, nor is how much land is acquired by local or foreign investors each year. Keeping investors accountable without publically accessible information regarding investments is not possible. Likewise, it's unattractive for investors to engage in Tanzania without understanding all the possible investment opportunities (i.e. land) available. The Tanzanian Investment Centre developed a Land Bank to ease land acquisition processes for investors. However, the current situation in land administration is such that information about land is either unavailable or contested, and therefore remains a challenge for the initiative to serve its purpose.

Additionally, growth and development strategies also do not adequately address land or the value of citizens existing and potential contribution to growth.

MKUKUTA recognizes that 80 percent of Tanzania's labour force is supported by agriculture, mainly small-scale farming. Yet, it focuses on strategies (e.g. Agricultural Sector Development Program and Kilimo Kwanza) that look to reduce dependence on rain-fed agriculture through modernization and commercialization of private sector based small to large-scale agriculture. The National Land Use Framework Policy 2009-2029 proposes an increase of commercial farming and ranching land from 2 percent to 18 percent. And up to 12 million hectares of prime grazing and settlement land is slated for replacement by ranches. These strategies do not recognize that small-scale farmers and pastoralist are also investors, and there is no plan to support micro-investment opportunities that encourage the growth and expansion of those who provide food and important resources to the national economy.

Today, with issues of climate change and a growing population, existing strategies may not be sustainable or realistic. Local livelihood development opportunities, and local adaptive capacity of small-scale agriculture and livestock producers need to be considered and emphasized in development priorities. But most importantly, land, the number one ingredient, must sit at the centre of strategies for Tanzania to achieve its sustainable development goals.

The brief recommends that governance over land and land tenure in Tanzania needs to be addressed and improved, as well as the investment setting. There are a number of international instruments and initiatives that could be leveraged to encourage investors both national and foreign to act more responsibly in matters associated with land acquisition. Where local and national governance fails, these instruments can provide mechanisms to pressurize business and its investors, if not legal action. These could include existing frameworks developed by UN, OECD and the African Union.

The brief further recommends that Tanzania could also strengthen existing national instruments for regulating corporate behaviour, but also promote existing quality investments and seek opportunities for sustainable financing activities. Investments should be seen as an opportunity to Tanzanians, but they will only be viewed that way if they are transparent, fair and actually benefiting Tanzanian citizens.

The many and often divergent interests in land need to come together and engage in open and honest dialogue about the land crisis in Tanzania, and citizens must be an integral part of this dialogue.



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