



Issue 3/July 2016

LIFT

The Land Investment for Transformation (LIFT) is a six-year (2014-2020) programme jointly developed by the Government of Ethiopia (GoE) and the UK Department for International Development, Ethiopia (DFID-E).

I. THE OBJECTIVE

The overriding objective of LIFT is to improve the incomes of the rural poor and disadvantaged and enhance economic growth, through second level land certification (SLLC), improved rural land administration systems (RLAS) and facilitation of development of an enabling economic and regulatory environment.

LIFT is implemented by the four regional states of Amhara, Oromia, Tigray and Southern Nation, Nationalities and Peoples' regional state, through the programme woredas, with the overall coordination of the Rural Land Administration and Use Directorate (RLAUD) of the Ministry of Agriculture and Natural Resources. DAI/HTSPE, an international development company, is providing technical assistance to LIFT under contract to DFID-E.

II. PROGRAMME COMPONENTS

- **Second Level Land Certification (SLLC):** It is an important sub-component, which will result in greater land tenure security and improved land holding rights.
- **Improved Rural Land Administration System(RLAS):** Will sustain the increased security of tenure provided by SLLC by improving the process of maintenance of the Land Register
- **Economic Empowerment Unit (EEU):** Aims to maximize the benefits of SLLC by creating increased access to credit, facilitating the rural land rental process and fostering cross-cutting agriculture.

Access to Credit-Linked to SLLC: Made It To Happen



W/o Ayelu Sinkie

The small room of a micro-finance institute, a.k.a WASASA, has been swamped by the wave of new clients. Piles of business proposal, saving accounts, land use certificates, and bundles of Birr notes were witnessed spread over the counter. Farmers were hastily counting their birr notes behind shades in the office. Others were restlessly waiting to receive money from the teller.

The scene was due to an access to credit scheme of the Economic Empowerment Unit (EEU) of the DFID-funded Land Investment for Transformation (LIFT) programme. Increasing access to credit using the second level land certificate (SLLC) as a leverage is one of the three major interventions of the EEU component.

The loans were disbursed by the WASASA Micro- finance institute to farmers who have recently received their SLLC in Hetossa woreda, Oromia region, under the LIFT programme in collaboration with Oromia Rural Land and Environmental Protection Bureau and with the overall support of the Rural Land Administration and Use Directorate (RLAUD) of the Ministry of Agriculture and natural resources.

Upon presenting their land use certificate and other supporting documents, each applicant was given 15,000 ETB/ parcel on a yearly reimbursement basis, and the amount of the loan is expected to be doubled or tripled head-on subject to farmers' repaying experience.

W/o Ayelu Sinkie, a timid and soft-spoken yet passionate woman is one of the loan recipients. She is a resident in Jengo kilasa kebele of the woreda. She has become a female-headed farmer, after she lost her husband to the infamous Ethio-Eritrian war during the Derg regime, leaving her behind with two children. She owns four hectares of land, and the pre-calculated produce of one of which is held as collateral to get access to credit from the WASASA microfinance institute.

W/o Ayelu said that she would utilize the loan she just received to purchase agricultural inputs such as select seed, fertilizers, and pesticides which she said will help to increase the crop production of her land.

"I am much content to get access to the loan taking advantage of my land use certificate, "she said.

The spouses, Ato Gemechu Hurbe and Wr/o Tsige Negash, are resident at Guchiabe Badosa Kebele, Hetossa woreda, and are beneficiaries of the access to credit leveraged by their land use certificate. They own three hectares of land, and lead a 7-member family including their three children.

The spouses took part in the awareness raising training conducted earlier on how to effectively manage the business with the money they would receive.

" In no time that we heard news of individual basis loan becomes permissible by means of land use certificates , we rushed to the credit office to be fielded as potential client", Ato Gemechu said.



Ato Gemechu and Wr/o Tsige Negash

Wr/o Tsigie on her part said that " we are making collective decisions at home. I was in full consent with my husband to take the loan in a bid to invest in our land and improve our lives for the better. "

Another loan recipient approached was Wr/o Beshadu Tulu, a resident in Sero Anketo Kebele, Hetossa Woreda. She is a widow, whose husband died years before, leaving her in a situation to grapple with poverty alone.

She thus had to bear the burden of feeding a five-member family tilling her three hectares of land whose fertility level was dwindling. Covering tuition fees and other expenses for her children has also become a daunting challenge in life for her.



Wr/o Beshadu

"I can make a promise to effectively utilize the loan and buy agricultural inputs in order to regain the fertility of my land, and thereby producing increased yield and earning more money", W/ro Beshadu said.

A joyful man, Ato Gemechu Bejiga, and his spouse, W/ro Zewdie Dubero also benefited from access to credit linked to SLLC. They reside at Guchiabe Badosa kebele, Hetossa woreda. They own five hectares of land, and are heading a four -member family. They have partaken in a three-day awareness raising meeting organized by the WASASA Micro Finance Institute on how to develop a business plan and utilize the loan.

The spouses were attracted to the latest move of individual loan packages instead of group loaning system, which they said the latter entails a high risky ventures of group accountability for individual defaulting.

'We have already made an informed decision and never fall prey to the widely spread rumours that we would risk losing our land if we happen to default on our loans," Ato Gemechu said confidently.



Ato Gemechu and Wr/o Zewdie

Ato Abera Beshada, Branch Manager of Hetossa WASASA micro finance institute said that his Office has already disbursed loans to 81 landholders (as at July 12,2016), achieving more than 80 percent of the annual target plan.

"WASASA feels confident in disbursing loans to individual farmers, as the SLLC (which accompanies the cadastral map) is worth becoming a guarantee", he said.



Ato Abera

One of the key stakeholders in the access to credit-linked to SLLC intervention is the Hetossa woreda land administration office.

Office Acting Head, Ato Ibrahim Hamu said that paramount importance has been placed on distributing SLLC to the already selected kebeles of WASASA clients to help expedite the loan disbursement process.

He said that landholders in the woreda are pleased to get access to credit, and widely feel the maximized economic benefits of their land certificates.

He further pledged that his office would remain committed to support this intervention of creating access to credit linked to SLLC becoming a tangible reality.