

Land Disputes in Acholiland

A Conflict and Market Assessment



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Acronyms

CIMMYT	International Maize and Wheat Improvement Centre
COMESA	Common Market for Eastern and Southern Africa
FAO	Food and Agriculture Organization of the United Nations
IDP	Internally Displaced People
LC	Local Council
LRA	Lord's Resistance Army
MDI	Microfinance Deposit-taking Institutions
MFI	Microfinance Institutions
NAADS	National Agricultural Advisory Services
NARES	National Agricultural Research and Extension Service
NARO	National Agricultural Research Organization
NECPA	North East Chili Producers Association
NGO	Non-governmental Organization
NSCS	National Seed Certification Services
P4P	Purchase for Progress
SACCO	Savings and Credit Cooperatives
UN	United Nations
UNOCHA	United Nations Office for the Coordination of Humanitarian Affairs
USAID	United States Agency for International Development
VSLA	Village Saving and Loan Associations
WFP	World Food Program

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On the cover, clockwise from top left: Thatcher Cook for Mercy Corps; Cassandra Nelson/Mercy Corps; Thatcher Cook for Mercy Corps; Mercy Corps; Cassandra Nelson/Mercy Corps; Eric Vaughan/Mercy Corps.

1 Executive Summary

More than 20 years of armed conflict between the rebel Lord's Resistance Army (LRA) and the Ugandan government displaced more than 1.7 million people and stalled development in northern Uganda's Acholiland. Over the past several years, peace has returned to the region, and more than 90% of internally displaced people (IDPs) have returned to their villages of origin or locations close to home.¹ The peaceful reintegration of returnees as well as the development of the region is undermined, however, by ongoing conflict over land.

Since 2006, Mercy Corps has implemented both peacebuilding and economic development programs in Acholiland. The agency has sought to integrate these approaches, motivated by the growing body of research linking poverty, slow economic growth, and conflict. Mercy Corps aims to develop holistic programming that will address both economic needs and conflict – interventions that will build peace by eliminating the underlying economic causes of conflict and, at the same time, open the doors to development by reducing violence. To better understand the relationship between economic development and conflict in Acholiland, Mercy Corps conducted a combined conflict and market assessment in October 2010. The assessment included a literature review, 21 key informant interviews, and eight focus group discussions.

In primarily agricultural Acholiland, access rights are a major flashpoint for conflict. Limited economic opportunity and the need to survive drive many land disputes, while others are driven by the failure of investors to engage with communities in a manner that is transparent and respectful of local values. These disputes arise in an environment where mechanisms for delineating boundaries, determining tenure, resolving disputes, and negotiating access are hindered by weaknesses in customary and formal law and by misunderstanding between stakeholders.

Ongoing land disputes in turn inhibit the productivity of small-scale farms due to reduced cultivation, decreased investment, and loss of economic assets. Moreover, while many Acholis welcome private investment, the engagement of private sector actors in the region has been compromised by limited transparency in the negotiation of land use, mistrust of outsiders among Acholis, and fear of instability and limited awareness of investment opportunities on the part of private sector actors. The economic consequences of land conflict limit growth and constrain economic opportunity, perpetuating the conditions that drive many of these disputes.

In order to break this vicious cycle, a two-pronged approach that simultaneously addresses land conflict and fosters market development through private sector investment is required. A market development approach allows aid actors to strengthen market and civil society actors to sustainably deliver both mediation and agricultural support services, rather than reinforcing dependency on external assistance through direct delivery by aid actors themselves.

Specific program recommendations include:

- ⇒ Strengthen land mediation and negotiation mechanisms;
- ⇒ Support conflict-sensitive business practice;
- ⇒ Develop key agricultural commodity markets; and
- ⇒ Strengthen delivery of services and inputs by lead firms and other market actors.

¹ United Nations Office for the Coordination of Humanitarian Affairs (UNOCHA), "Uganda Humanitarian Update: July – August 2010," UNOCHA, 2010.

2 Purpose and Methodology

To better understand the relationship between economic development and conflict in Acholiland, Mercy Corps conducted a combined conflict and market assessment in October 2010. Since 2006, Mercy Corps has implemented both peacebuilding and economic development programs in this region. The agency has sought to integrate these approaches, motivated by the growing body of research linking poverty, slow economic growth, and conflict. Mercy Corps aims to develop holistic programming that will address both economic needs and conflict – interventions that will build peace by eliminating the underlying economic causes of conflict and, at the same time, open the doors to development by reducing violence.

The assessment included a literature review; 21 key informant interviews with a range of donor, government, business, and community actors in the US, Kampala, Acholiland, and Lira; and eight focus group discussions with men, women, and youth in Pader and Agago Districts. In order to explore the intersection between conflict and economics and avoid stove-piping peacebuilding and economic development programming, the assessment was jointly conducted by Mercy Corps' conflict management and economic development technical support teams.

3 Conflict Assessment

A. Land Conflict in Acholiland

Land disputes are widespread in Uganda, affecting 33%² to 50%³ of landholders. In Acholiland, land disputes are the most significant form of conflict, with many escalating into violence. Land disputes crop up throughout Acholiland, with the greatest number of disputes arising in Amuru District, where oil has recently been discovered and where the government has given away large tracts of land..

"You're not going to find a person who hasn't been affected by land issues." – Key informant interview

B. Types of Land Disputes

Most land disputes in Acholiland fall into two broad categories: disputes between individuals and families, and disputes related to private sector investment.

Disputes between individuals and families

The majority of land disputes in Acholiland are between relatives, neighbors, and families/clans. Most of these disputes are related to the delineation of boundaries or competing claims for land use and ownership. Common types of land disputes include:

- Disputes between junior and senior family members;
- Disputes between widows and members of their late husband's family;
- Land grabbing by neighboring families or villages;
- Selling family land without permission;
- Disputes between landowners and squatters; and
- Disputes related to gifting and other unrecorded transfers of ownership.

"When you lose your parents, your elderly neighbors want to say the children don't know the boundary of the land." – Focus group

² Rugadya, *Escalating Land Conflicts in Uganda: A Review of Evidence from Recent Studies and Surveys*, June 2009.

³ Deininger and Castagnini, *Incidence and Impact of Land Conflict in Uganda*, World Bank Policy Research Working Paper 3248, 2004.

Disputes related to private sector investment

Efforts by private sector actors to acquire land in Acholiland have increased competition for land and sparked disputes with local communities. Conflict between communities and private investors arises due to several factors, including reluctance to sell land to outsiders, fear of land grabs, and lack of transparency and stakeholder involvement in negotiations over land use.

These disputes are due to the way in which businesses have approached and interacted with communities rather than lack of local interest in private sector investment. Focus groups were unanimous in their support of private sector investment in Acholiland, noting that this would create employment and boost the local economy. Focus groups offered several suggestions for smoothing the entry of private sector actors into Acholiland, including:

- Leasing land rather than buying it;
- Signing and formalizing rental agreements;
- Providing jobs to those who lease land to the company;
- Ensuring that affected community members have consented to the agreement; and
- Negotiating access to land through traditional leaders and elders rather than government.

Community members support private sector investment:

- “We really want their factories here.”
- “The land is there. We must put the land to the best use.”
- “When investors come, they give employment to the people.”

C. Underlying Causes of Land Conflict in Acholiland

Economic interests drive most land disputes in Acholiland. Several other permissive factors – confusion over boundaries and ownership after years of displacement, weaknesses in both customary and formal systems of land regulation, and discrepancies between these systems – enable the emergence of these disputes. Additional factors, including the history of mistrust between Acholiland and the national government, further exacerbate land conflict.

Economic drivers of land conflict: Economic factors, including survival and a desire to increase personal wealth, drive most land disputes in Acholiland.

- *Survival:* Land is the key economic asset for most Acholi families. As one focus group in Acholiland commented, people look at land as their only source of survival. Conflict over land arises when individuals and families compete for use of the same parcel of land. This competition is exacerbated by the perception that land is increasingly scarce due to population increases over the past 20 years. With current population growth, this situation will continue to worsen.
- *Cash sales of land:* Cash sales of land have increased in frequency since the end of the war. Conflict arises when one family member sells the land without the consent of his relatives. Youth are most likely to sell family land without permission, pocketing the proceeds for their own use. This may be related to the perceived reluctance of many youth to return to the agricultural livelihoods of their parents.
- *Increasing personal wealth:* There is a widespread perception that wealthy or powerful community members take advantage of the uncertainty around land ownership and boundaries in order to grab land.
- *Private investment:* Some land disputes arise when private sector actors attempt to acquire land in a non-transparent manner without full consent of the community.

“Some people have land but no money, others have money but no land. The people with money will bribe corrupt officials, take the land owner to court, and take away their land.”
– Focus group

Impact of displacement: According to focus groups and key informants, land disputes began when IDPs began returning home from the camps.⁴ Many Acholis have been in camps for over a generation and upon returning have difficulty accessing their land, reestablishing their rights to the land, and defining boundaries.⁵ For example, returnees may find that their land is now inhabited and farmed by people from another family or village. Knowledge of boundaries has been lost as the elders who traditionally held this knowledge have died, natural markers such as trees have changed over time, and people have simply forgotten.

Customary law: While the customary system of land tenure is not to blame for land disputes and can be a powerful tool for the resolution of land disputes, several facets of customary law permit the emergence of land conflict.

- *Lack of protection for vulnerable groups:* Customary law provides women with access to land through their husbands but does not allow them to inherit this land upon their husbands' death. As a result, other family members sometimes seek to deprive widows and their children of this land.⁶
- *Communal land:* Most Acholi land is communally owned. Conflict arises when one family member sells the land without the consent of their relatives.
- *Breakdown of customary systems of governance:* Two decades of displacement have eroded customary systems of governance and weakened the ability of elders to manage access to land and resolve land disputes.⁷ Elders' legitimacy is further compromised by those who allegedly accept bribes for the resolution of land disputes.

Formal law: Uganda's history, marked by several drastic changes in land policy, has created uncertainty about rights and ownership. Since colonial times, each government has developed a new set of land policies without nullifying previous rights, such that today there is a confusing overlay of several different land rights systems. British colonists in 1900 gave large tracts of freehold estates, called "mailo" land, to a few wealthy people.⁸ This destroyed the ownership rights of those that had already occupied the land. All non-mailo land became public land. In the 1920s, laws gave these unwilling mailo tenants some rights, including eviction protection. Idi Amin's government nationalized all land in 1975. Though this had little impact at the time, it confused ownership claims. The 1998 Land Act changed legal rights yet again.⁹ Today, the Constitution recognizes at least four types of ownership, often over the same plot of land: customary, freehold private property, mailo rights, and leaseholds.¹⁰ In 2007, amendments to the current land law were introduced and are still being debated.¹¹ At this time, it is unclear how the legal system will change in the near- to medium-term future.

⁴ An exception to this is Amuru District, where the discovery of oil is viewed as the instigation for land conflict.

⁵ Hetz, Giovarelli, and Myers, *Land Matters in Northern Uganda: Anything Goes; Anything Grows, Post-conflict 'Conflicts' Lie in Land*, 2007.

⁶ Rugadya, *Escalating Land Conflicts in Uganda: A Review of Evidence from Recent Studies and Surveys*, June 2009.

⁷ See also Hetz, Giovarelli, and Myers, *Land Matters in Northern Uganda: Anything Goes; Anything Grows, Post-conflict 'Conflicts' Lie in Land*, 2007.

⁸ Green, *Ethnicity and the Politics of Land Tenure Reform in Central Uganda*, Development Studies Institute Working Paper, 2005.

⁹ Deininger, Ayalew, and Yamano, *Legal Knowledge and Economic Development: The Case of Land Rights in Uganda*, World Bank Policy Research Working Paper 3868, 2006.

¹⁰ Rugadya, *Escalating Land Conflicts in Uganda: A Review of Evidence from Recent Studies and Surveys*, June 2009.

¹¹ *Ibid.*

Key challenges with formal land rights include:

- *Unclear policies regarding land ownership:* Individual land rights and tenure systems are not well-defined under Ugandan law, making it difficult for people to secure their rights. For example, the 1998 Land Act appears to vest perpetual occupancy rights in multiple groups (i.e., landowners and tenants) simultaneously.
- *Limited capacity for implementing or enforcing laws related to land:* The government has lacked the resources and the political will to implement Land Act reforms,¹² and has little capacity for either implementing or enforcing land rights.
- *Lack of awareness about land rights:* Many people (some studies indicate as many as 90%)¹³ are unaware of their legal rights.

Discrepancies between formal and customary law: The determination of land rights and the resolution of land disputes is complicated by discrepancies between customary law and formal law. For example, current statutes give rights to those who have held land for more than 12 years, but these rights are not recognized by customary law.¹⁴ This has led to conflict between land owners who fled their land for the camps 20 years ago and the squatters who inhabited and farmed their land during that time. While Ugandan law recognizes customary law, it's not clear which system should prevail in situations where each system determines tenure differently. "Forum shopping" is prevalent, and sometimes the same dispute will be resolved differently by different groups, leading to competing claims.¹⁵ Interestingly, some research has shown that areas where land is held under customary tenure rights experience more conflicts than those governed by formal laws.¹⁶

"People (especially the losers) are usually not satisfied with the ruling, and that's why they proceed to higher levels."

– Focus group

There was little consensus among key informants and focus groups about whether customary or formal law has greater legitimacy in the community. Customary law holds great sway in Acholiland, and focus groups suggest that traditional leaders may be more trusted than local government officials. Local government officials in particular may be dismissed as youth who don't understand how land is traditionally managed, and elders appear to feel threatened by the influence that government officials can wield. In other cases, community members held a favorable view of local government officials, particularly village council members (LC1s)¹⁷ as they are the most accessible. However, the extent to which traditional leaders and local government officials are trusted varies, and is weakened in both cases by fears of abuse and allegations of corruption.

¹² Deininger and Castagnini, *Incidence and Impact of Land Conflict in Uganda*, World Bank Policy Research Working Paper 3248, 2004.

¹³ Deininger, Ayalew, and Yamano, *Legal Knowledge and Economic Development: The Case of Land Rights in Uganda*, World Bank Policy Research Working Paper 3868, 2006.

¹⁴ Hetz, Giovarelli, and Myers, *Land Matters in Northern Uganda: Anything Goes; Anything Grows, Post-conflict 'Conflicts' Lie in Land*, 2007.

¹⁵ Rugadya, *Escalating Land Conflicts in Uganda: A Review of Evidence from Recent Studies and Surveys*, June 2009.

¹⁶ Nkonya, Markelova, and Kato, *Looking Beyond the Obvious: Uncovering the Features of Natural Resource Conflict in Uganda*, Collective Action and Property Rights Working Paper 95, 2009.

¹⁷ Uganda's decentralized government structure has five levels of local government, commonly known as the Local Council (LC) system. LC1 refers to the village level, LC2 to the parish level, LC3 to the sub-county level, and LC5 to the district level.

Role of the national government: While the national government is not directly implicated in most land disputes in Acholiland, several national factors – including the historical relationship between the national government and Acholiland, government development initiatives, opposition politics, and decentralization and redistricting – exacerbate these conflicts.

- *Historical relationship:* A historically contentious relationship between Acholiland and the national government colors Acholis’ interpretations of government actions in Acholiland. The region has consistently supported the opposition and has been economically and politically marginalized, lagging behind the rest of the country in terms of development. As a consequence, Acholis tend to regard government actions in Acholiland with suspicion, even though the national government has articulated a strategy for developing the region. This in turn hinders government efforts to set land policy, resolve land disputes, and implement development initiatives. In addition, Ugandans from other parts of the country have deep rooted prejudices against Acholis and still perceive Acholiland as a dangerous, conflict-ridden region.
- *Development initiatives:* Because of this contentious relationship, government development initiatives may be perceived by Acholis as efforts to control or grab Acholi land when such initiatives are not conducted with transparency or stakeholder involvement. For example, the government sees Acholiland as the agricultural “breadbasket” of Uganda and has made overtures in recent years about granting large tracts of land to agricultural businesses. Acholis are often concerned that interventions by outsiders (including non-Acholi Ugandans) are a thinly-veiled attempt to steal Acholi lands.
- *Opposition politics:* Some opposition politicians appear to deliberately stoke the fears of Acholis that the national government is trying to grab Acholi land. For example, one community member described how an opposition MP told his community that the government wanted to give their land to investors, saying, “Take your spears. If anyone tries to take your land, just kill them.”
- *Redistricting:* Decentralization efforts have created a number of new districts in recent years. This process has been expensive and inefficient, requiring the creation of duplicate administrative structures and frequently leading to gaps in staffing and financial resources at the district level. This has exacerbated land by weakening local government.

D. Stakeholder Analysis

The following table outlines the actors involved in land disputes.

Actor	Role in Conflict	Interests
Youth	<ul style="list-style-type: none"> -Grab land. -Sell family land without permission. -Carry out violence related to land disputes. -Carry out revenge if parents are attacked in land disputes. -Lack of respect for land dispute resolution by elders. 	<ul style="list-style-type: none"> -Economic survival. -Gaining/increasing access to land for their family. -Gaining/increasing access to land for themselves. -Gaining control over family land (youth have access to and use of family land, but no ownership rights). -Decreasing economic dependency on parents.
Wealthy/influential community members	<ul style="list-style-type: none"> -Grab land. -Offer bribes to settle land wrangles in their favor. 	<ul style="list-style-type: none"> -Increasing personal wealth. -Gaining/increasing access to land.
Elders (men and women)	<ul style="list-style-type: none"> -Initiate land grabs. -Push youth to carry out or escalate 	<ul style="list-style-type: none"> -Economic survival. -Gaining/increasing access to land.

	land disputes. -Grab land from youth whose parents have died.	
Traditional leaders/Elders	-Accept bribes to resolve land disputes in one party's favor. -Resolve land disputes.	-Personal gain. -Resolution of land disputes.
Local government officials	-Grab land. -Force sale of land for development projects. -Orchestrate land sales to private companies. -Demarcation of administrative boundaries. -Accept bribes to resolve land disputes in one party's favor. -Resolve land disputes.	-Personal gain. -Gaining access to oil (perception). -Commercial farming. -Development of Acholiland. -Resolution of land disputes.
Private business	-Purchase of land.	-Expansion of business to Acholiland. -Gaining access to oil (perception).
UPDF soldiers	-Occupying land without permission.	-Living on land (not farming).

Several types of people are particularly negatively impacted by land disputes, including:

- *Orphans/youth whose parents have died*: Older family members may seek to deprive younger family members whose parents have died of their parents' land by refusing to allow them access to the land or by being dishonest about boundaries.
- *Youth involved in violent land disputes*: Youth may be injured or imprisoned in the course of violent land disputes.
- *Women*: Widows or divorced women may lose access to their husband's land due to limited awareness of formal land rights and the primacy of customary law in Acholiland, which assures women's access to their husband's family land but does not traditionally provide for women's ownership or inheritance of land.
- *Poor community members*: Poor members of the community may lose their land to more wealthy or influential community members, who have the resources to bring land disputes to court or to offer bribes for the resolution of land disputes in their favor.

E. Economic Consequences of Land Disputes

Land disputes undermine economic growth in Acholiland and the economic well-being of Acholi families in four ways, including decreased agricultural productivity of small-scale farms, limited private sector investment, limited infrastructure development, and limited youth economic engagement.

"Land disputes bring poverty because the land can't be used productively."
– Focus group

Decreased agricultural productivity: Land disputes decrease agricultural productivity of small-scale farms in four key ways:

- *Land use is prohibited when disputes are heard in court*: By law, land that is disputed in court cannot be farmed while the case is being heard. This can prevent productive use of this land for as long as several years due to the backlog of court cases.¹⁸ In a focus group discussion with youth in Agago District, 6 of 18 youth (33%) said that they are currently

¹⁸ The average dispute takes 3.5 years to resolve (family cases 2.5 years and landlord-tenant cases 5 years). See Rugadya, "Escalating Land Conflicts in Uganda: A Review of Evidence from Recent Studies and Surveys."

- unable to farm their family land because it is held up in court. Other economic impacts of court cases include fees and the possibility of permanently losing access to the land.
- *Physical insecurity and violence prevents cultivation:* Violence or fear of violence may prevent people from working in their fields.
 - *Uncertain ownership discourages investment in the land:* Many people, particularly women and youth, farm borrowed or family land that they can use but do not own. This discourages investments due to the fear that these investments will be appropriated by the owner.
 - *Land disputes may result in loss of life, injury, or imprisonment:* Youth who participate in land disputes may be killed, injured, or imprisoned.

These findings are echoed by research showing that plots that are conflict-free generate more than twice the output of conflicted plots.¹⁹

Decreased agricultural productivity decreases affected families' economic well-being. As a focus group of women in Pader District explained, land disputes decrease the amount of food available, decrease income that might be used to pay for school fees and other basic needs, and may push children to steal or beg due to hunger.

Limited private sector investment: Land disputes have also hindered the entry of private sector actors into Acholiland and the supply of raw materials. This is due to several factors, including security concerns, the difficulty of negotiating land use and acquisition in a transparent and inclusive manner, and community mistrust of private sector actors.

Limited infrastructure development projects: Land conflict may hinder the construction of infrastructure, such as schools, roads, and health centers, that requires government acquisition of several tracts of land.

Limited youth economic engagement: The inability of some youth to access or control land may limit their ability to engage in productive economic activities.

“When there is a conflict, the economy will never come. People remain without any work. Production is totally nil.”
– Focus group

F. Land Dispute Resolution

The failure to resolve land disputes in a fair, transparent, and timely manner contributes to the perpetuation of land conflict. Several factors pose a challenge to the resolution of land disputes, including the existence of multiple dispute resolution mechanisms, lack of coordination between dispute resolution mechanisms, the erosion of customary dispute resolution mechanisms, lack of government capacity and political will to implement or enforce land policy, and corruption.

Multiple dispute resolution mechanisms: There are a number of different mechanisms for resolving land disputes, including:

- *Customary mechanisms,* including elders, clan leaders, and religious leaders;
- *Formal mechanisms,* including local government officials at the village and parish level (LC1s and LC2s), land officers, parish level land committees, sub-county court committees, and district courts, magistrates, and land boards; and

¹⁹ Deininger and Castagnini, *Incidence and Impact of Land Conflict in Uganda*, World Bank Policy Research Working Paper 3248, 2004.

- *Peace committees*, which appear to be comprised of community leaders and may have been created by non-governmental organizations (NGOs) such as Mercy Corps and other international actors.

The variety of dispute resolution mechanisms has led to confusion about who has the authority to resolve land conflicts. In the past, elders and other traditional leaders were responsible for resolving land disputes. Many people continue to turn to customary mechanisms, in part because they are less expensive. Moreover, while some elders will accept bribes to resolve land disputes in favor of a particular party, elders are generally considered more trustworthy and less politically biased than local government officials and are thought to have the best interests of the disputants at heart. As youth in an Agago District focus group commented, *“The elders are the best at resolving land disputes. The elders aim to bring the people together so that they stay friends.”*

“The LC2 has a court which helps with handling land disputes, but the problem is corruption, and also we don’t have the money that is required in the whole process.”
– Focus group

Local government officials are also frequently approached to resolve land disputes. In some cases, disputants may approach local government officials first, particularly the more accessible LC1s, while in other cases government mechanisms will be accessed only when a conflict is not resolved (or is not resolved to one party’s satisfaction) by customary mechanisms. Formalized dispute resolution is often mistrusted, however.²⁰ Focus groups noted that those with money or with relatives in government are more likely to turn to the courts and see the dispute resolved in their favor.

Lack of coordination between dispute resolution mechanisms: Formal and customary dispute resolution mechanisms follow different procedures to resolve land disputes and may arrive at different resolutions. Government policy has failed to clarify the jurisdiction of each mechanism or how these mechanisms should coordinate to produce a single outcome. For example, while traditional dispute resolution is recognized as legally binding in the Land Act, it’s not clear whether this resolution should prevail over a resolution achieved in court.

This confusion can delay the resolution of land disputes and provoke further conflict. Focus groups indicate that both customary and formal dispute resolution actors may refer cases to each other when they are unable to resolve the dispute. Moreover, if disputants don’t like the way their case has been resolved, they may bring the case to another forum in search of a more favorable outcome (“forum shopping”).

“People can win in a court, but in the village someone will be waiting for you with a spear.”
– Focus group

The lack of coordination between formal and customary mechanisms is not universal, however. A number of focus groups noted that local government officials will often seek the advice of elders in resolving specific disputes. Likewise, elders may refer cases to local government officials or the courts if they are unable to resolve the dispute harmoniously.

Erosion of customary dispute resolution mechanisms: The capacity of customary dispute resolution mechanisms has been weakened over the years as many traditional leaders have died. The authority of traditional leaders has been further undermined by the social changes wrought by displacement and the growing strength of formal government mechanisms.

²⁰ Hetz, Giovarelli, and Myers, *Land Matters in Northern Uganda: Anything Goes; Anything Grows, Post-conflict ‘Conflicts’ Lie in Land*, 2007.

Lack of government capacity and political will: In spite of the progress the government has made in developing and reforming land policy, lack of resources and political will has hindered the implementation and enforcement of these policies.²¹ This has undermined the government's ability to resolve land conflicts.²² Many legal institutions are overworked and overwhelmed,²³ leaving a backlog of cases that can delay resolution by several years.

"If people have money or relatives in the government, they may continue to push the dispute to higher levels until they receive the resolution they desire."
– Focus group

Corruption: Focus groups indicate widespread perceptions of corruption, particularly among local government officials and the courts. Corruption may take the form of bribery,²⁴ nepotism and favoritism in the resolution of land disputes, and biases related to the perceived role of the government in attempts to grab land.

G. What Is Needed to Resolve Land Disputes?

Focus groups and key informants offered several suggestions for preventing and resolving land disputes, including:

- Conduct negotiations of land use and acquisition in a transparent manner;
- Involve community members in negotiations of land use and acquisition;
- Facilitate collaboration between customary and formal mechanisms of land dispute resolution;
- Clarify government policies regarding land tenure and land dispute resolution; and
- Develop stronger administrative structures to deal with core land issues.

4 Market Assessment

Ten to fifteen years ago, Northern Uganda was a very different place to do business. Curfews, limited electricity, and the persistent threat of violence kept farmers out of their fields and frightened investment away. Today, many people have returned to their land, and a number of lead firms operate in the region. Several key agricultural commodities – such as oilseeds, cotton, maize, and sorghum – are widely grown in Acholiland by large numbers of small-scale farmers. Most of these commodities are facing increasing demand from domestic, regional, and international markets. Lead firms involved in these markets have a vested interest in improving production, primary processing (e.g., cleaning), and supply from farmers in Acholiland. To this end, many such firms are already embedding market information and extension into their supply chains and are promoting high-yield varieties to their suppliers. These markets offer small-scale farmers the opportunity to improve their income and

Missed opportunities: the case of Madhvani company

The Madhvani sugar company attempted to acquire, through government intercession, a large tract of land in Amuru District for the cultivation of sugar cane. Community resistance ultimately prevented the firm's entry into Acholiland. According to elders in Pader, *"The way that investors come in to acquire land has caused problems with the community. In Amuru, for example, the sugar company used the government to acquire land. This was a mistake. They should have gone to the traditional elders who own the land."*

²¹ Deininger and Castagnini, *Incidence and Impact of Land Conflict in Uganda*, World Bank Policy Research Working Paper 3248, 2004.

²² *Ibid.*

²³ Hetz, Giovarelli, and Myers, *Land Matters in Northern Uganda: Anything Goes; Anything Grows, Post-conflict 'Conflicts' Lie in Land*, 2007.

²⁴ *Ibid.*

have the potential to drive economic growth in the region. However, there are a number of systemic constraints which prevent these opportunities from being fully realized.

This market assessment focused on the market system for crops in Acholiland and the underlying causes of the failure of the market to integrate poorer farmers at favorable terms. The majority of the population relies on cropping for subsistence and income, and crop production offers a number of opportunities for improving economic welfare. Moreover, crop production intercepts with the predominant type of conflict in the area: land disputes. While there are significant differences between crops in terms of value chains, supporting functions, and rules, some generalizations can be made with regard to the primary cash and staple crops grown in Acholiland.

A. Core Markets

There are two umbrella crop markets in Acholiland: staple crops and cash crops. Many farmers grow a range of staple and cash crops in addition to raising livestock such as cattle, goats, pigs, and poultry.²⁵ While the markets for cash crops and staple crops vary in the way they are structured and in the way they are influenced by the aid community, they are inter-related. Since staple and cash crops are often grown by the same people on the same farms, the choices that farmers make to grow one kind of crop impacts the availability of another in the market. These choices are the result of complex planning decisions based on household needs for food and animal feed, timing of crop seasons and sales, the availability of capital during the planning period, proximity to markets, profitability, and personal abilities and preferences.

Staple crops

Staple crops include cereals such as sorghum, finger millet, maize, and rice;²⁶ root crops such as cassava and sweet potatoes; and pulses such as cow peas and bush beans. Staple crops are primarily grown for household consumption, with surpluses exchanged or sold. Increasingly, some staple crops are being grown for the market. For example, there is an emerging opportunity to sell maize and beans to the World Food Program (WFP) for eventual distribution as food aid under the Purchase for Progress (P4P) initiative, and to sell sorghum to Nile Brewers. In addition, significant export opportunities exist in the Common Market for Eastern and Southern Africa (COMESA) area, as countries within it aim to stabilize their supply of staple foods in a region prone to natural hazards.²⁷ These factors are likely to impact the market for cash crops by incentivizing production of staples rather than cash crops.



Organic Chilies

The North East Chili Producers Association (NECPA) began exporting organic chilies in 2005. They currently trade 15 tons per year and aim to double this by 2011. They are supplied by 2,500 small farmers in eight districts of Northern Uganda. Even though chili is not consumed locally and is a novel crop, farmers have been quick to learn how to grow it and adopt organic farming technology due to the extension activities of the company's 23 extension agents.

²⁵ E. Martin, C. Petty, and J. Acidri, "Livelihoods in Crisis: A Longitudinal Study in Pader, Uganda," Working Paper, ODI – Humanitarian Policy Group, 2009.

²⁶ Maize and rice are not traditional staple crops and are either grown for the market or because inputs were provided by governmental or non-governmental initiatives.

²⁷ The Common Market for Eastern and Southern Africa (COMESA), "Increase Food Supply, Reduce Hunger, and Improve Responses to Food Emergency Crisis," Region Concept Paper for CAADP Pillar 3, 2007.

Cash crops

Cash crops include soya, sunflower, sesame, groundnuts, cotton, and chilies. Cash crops feed into both domestic and export markets and are subject to global price trends. NGO involvement in cash crop market chains have been concentrated at the farmer end, with a focus on increasing returns through the provision of inputs and technical advice.

Oilseed: Demand for soya, sunflower, and sesame is on the rise. This increase in demand is due to domestic demand for cooking oil (growing at around 3% per year) as well as regional demand for cooking oil and European demand for bio-fuels. Demand for the oilseed cake by-product, used for livestock feed, is increasing as well. Lira is the main hub for processing oilseed, as two large companies as well as a number of smaller ones are based there. Mount Meru is a recent entrant (since 2009) and has a capacity to process 90,000 tons per year (currently at 25,000 tons per year, aiming to reach full capacity by 2012). This has doubled national processing capacity which is currently around 150,000 tons per year.²⁸ Many such companies have embedded extension services and are acutely aware that in order to achieve production targets they need to mobilize thousands of farmers to grow crops for the market in what they call “raw material mobilization.”

Cotton: Cotton was not investigated as part of this assessment. However, it is an important crop in Acholiland as it is grown by up to half of the region’s farmers. Acholiland’s cotton production is nationally significant as well, with the northern region of the country accounting for over a third of national production. Government subsidies, however, exert a detrimental impact on the market. Since the 1960s, when Uganda was Africa’s biggest cotton producer, production has fallen due to political instability and underinvestment.²⁹ In the 1960s, production was around 84,000 tons per year, falling in the 1980s to 2,000-5,000 tons per year and rising again in the 1990s to around 20,000 tons per year. Cotton production today hovers around this level, with a peak in 2004 at 47,000 tons per year.³⁰ In the 1990s, the industry was reformed, with the abolishment of centralized marketing through the Lint Marketing Board and the establishment of the Cotton Development Organization. Estimates of potential production range from 150,000 to 180,000 tons per year. World growth in demand is a steady 1.8% per year.

Quality of production

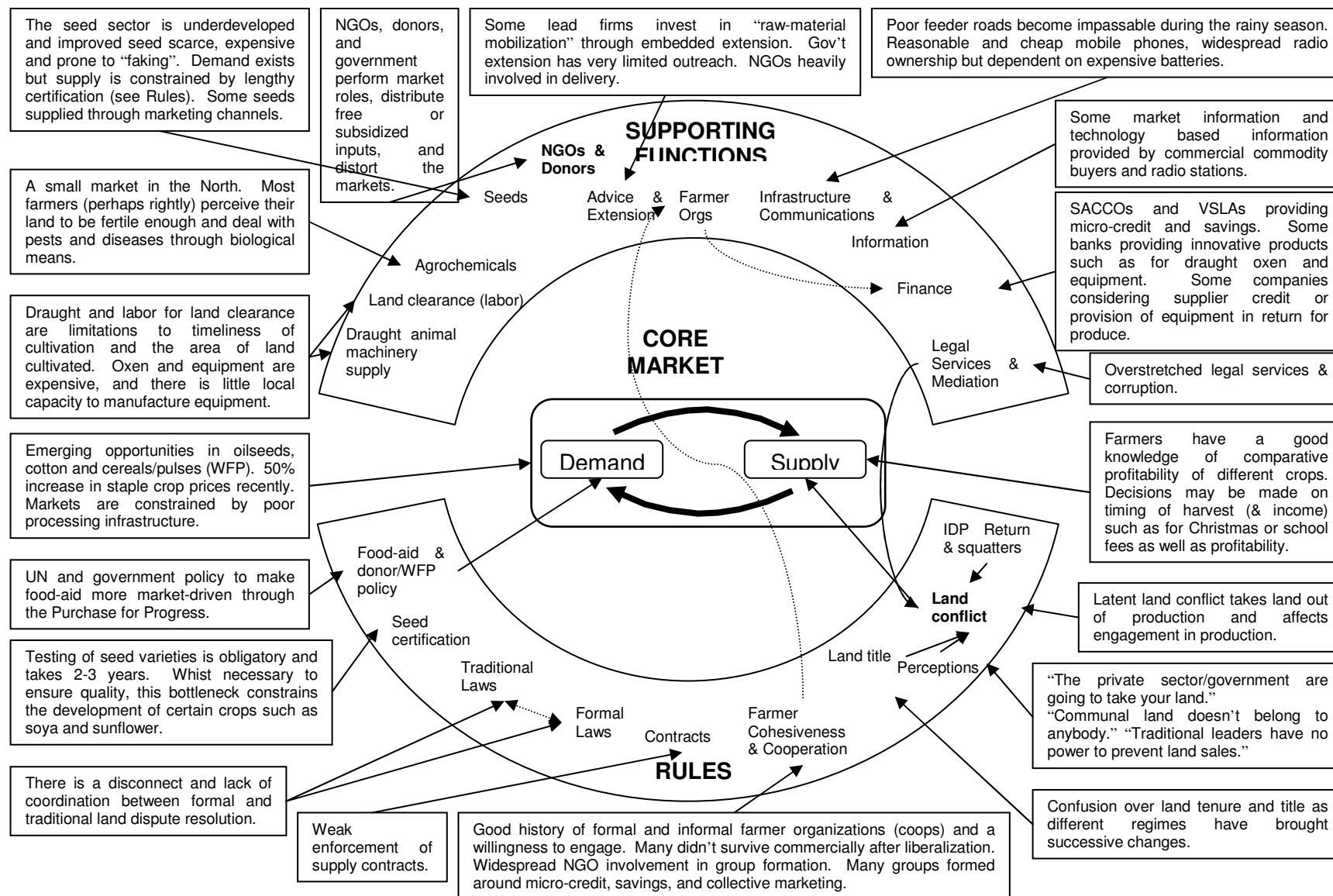
Buyers of cash and staple crops in Uganda have standards that their processing and onward markets demand, and obtaining high quality raw materials is a challenge. Quality in production and post-harvest handling is therefore a major focus of the extension services provided by processors sourcing from Acholiland. While Ugandan cotton is high quality, maintaining this quality through picking, storage, and processing is a challenge.³¹ Similarly, oilseed processors demand low moisture content in the sunflower and soya seeds supplied to them. One new entrant has been careful not to be overbearing in their demands initially and are gradually increasing demands for quality. The North East Chili Producers Association (NECPA) is also keen to extend solar drying technology to their farmers in order to improve the quality of organic chilies coming off the farm.

²⁸ Key informant interview with Mount Meru general Director.

²⁹ Baffes, “The Cotton Sector of Uganda.”

³⁰ *Ibid.*

³¹ U.S. Agency for International Development (USAID) and the COMPETE Project, “The Path Forward for Uganda’s Cotton and Textile Sector,” 2002.


Acholiland Crop Market System Diagram

B. Supporting Functions

The supporting functions – services, inputs, and infrastructure which support efficient market operation – of the crop markets in Acholiland have been fragmented by instability and the interruption of crop production. Several systemic market weaknesses result from this, including:³²

- ⇒ Insufficient extension services, arising from lack of capital, limited access to trained professionals, and challenging logistics;
- ⇒ Inadequate supply of inputs such as seeds, fertilizers, and pesticides;
- ⇒ Limited means of clearing land for cultivation;
- ⇒ Lack of access to post-harvest storage and processing facilities;
- ⇒ Lack of financial services tailored to farmers' and input suppliers' needs and capabilities;
- ⇒ Weak farmer-level institutions;
- ⇒ Weak legal services, particularly around land registration and mediation; and
- ⇒ Market distortions and limited private sector engagement due to direct service delivery by aid actors.

Extension services: Extension services in Acholiland are insufficient. Reaching large numbers of small farmers is a logistical challenge for the National Agricultural Advisory Service (NAADS) and the private sector alike. NAADS has limited outreach capabilities, and most farmers receive extension services through private sector actors. Many lead firms involved in cash crops such as oilseeds, cotton, and organic chilies have embedded extension services for “raw material mobilization.” Their extension workers provide information and advice on seed varieties, pest control, and disease treatment, often through community-level representatives who are typically the buyer of the commodity as well. Private extension workers (e.g., those working for companies) typically cost around 350,000sh per month to employ with their supervisors costing 500,000sh per month in addition to motorbikes and mobile phones. NGOs also deliver extension services, undermining local market actors who would otherwise play this role.

Inputs (seeds): Inadequate input supply is a key constraint to crop production.³³ Limited seed supply poses a particular challenge to the production of cash crops, particularly sorghum, sunflower, and groundnuts. Seeds may be self-saved, supplied through buyers, or brought in through legitimate or illicit channels. Many lead firms strive to obtain and market quality seeds so as to maintain supplies of raw materials. Some seeds are bred in Uganda by Makerere University and the National Agricultural Research Organization (NARO), while others are bred by the donor-funded International Maize and Wheat Improvement Centre (CIMMYT). Imported seeds must be tested and certified by NARO before use. In addition, there are several seed companies who retail seeds through shops, including Nalweyo Seed Company (NASECO). Established in 1997, NASECO is Uganda's first seed company and sells a range of staple and cash crop seeds.³⁴

Adoption of improved seeds is around 55%, though NGOs are responsible for a significant (25%) if declining percentage of sales. Reported sale of uncertified seeds undermines the market for quality seed, as farmers who experience a crop failure after sowing what they believe to be quality seed may no longer be willing to invest in such seed.

³² See also USAID and the COMPETE Project, “The Path Forward for Uganda's Cotton and Textile Sector.”; J. Namazzi, *Value Chains for Staple Food Crops in Uganda: Impediments and Options for Improvement*. 2008.; Collinson, et al., *Transaction Cost Analysis for Selected Crops with Export Potential in Uganda*.

³³ See for example Baffes, 2009.

³⁴ Nalweyo Seed Company (NASECO), Homepage, Accessed 2010, <http://www.nasecoseeds.com/>; Key informant interview.

Land clearance: Labor and draught in the form of oxen and machinery is in short supply, with many oxen lost due to the previous instability. Key informants said that there was uncultivated land because of the undersupply of the necessary means of clearing land and observed that this could provide opportunities for youth employment.

Handling and processing capacity and infrastructure: Lack of processing capacity for cotton and grains is frequently mentioned as a key market constraint. In the cotton market, ageing gins and underinvestment during the 1990s were blamed for underperformance, but it is not known whether this holds true today. In contrast, there has been considerable private investment in oilseed processing, and demand currently far outstrips supply.³⁵

Financial services: Uganda's microfinance sector is one of the most developed in Africa,³⁶ thanks to substantial donor investment since the mid-1990s.³⁷ Institutions providing credit and savings services include commercial banks, credit institutions, Microfinance Deposit-taking Institutions (MDIs), Microfinance Institutions (MFIs) and semi-formal institutions such as Savings and Credit Cooperatives (SACCOs), and informal institutions such as Village Saving and Loan Associations (VSLAs). Some of the more formal institutions are endeavoring to extend credit to farmers in creative ways to suit their needs. Centenary Bank, for example, is offering a loan package specifically for draught oxen and equipment.³⁸ However, bank loans are not appropriate for everyone, as some key informants perceive the banks' terms to be demanding and expensive. Farmers may also obtain credit from input suppliers. Some lead firms, for example, supply seed to farmers and are repaid in crops at harvest. This has had mixed results, however: farmers may sell their crops to other companies, and firms may be accused of supplying poor quality seed and are thus held responsible for losses. Formal financial services are fairly accessible, but their lack of uptake among poorer farmers in Acholiland may be attributable to cost (fairly high interest rates), lack of tailoring to farmer needs (including outreach to villages and seasonality), poor perceptions, and possible alternative sources (such as family, shops, and VSLAs).

Information: Information on farming technologies, market prices, and availability of inputs is available through a variety of channels. Market prices are available on local radio stations who source them directly, from lead firms, or with support by NGOs and donor-funded initiatives such as FEWSNET.³⁹ For example, Mount Meru provides weekly broadcasts of their prices for sunflower and soya as well as information on growing methods and pest and disease control. There is some evidence that the availability of market price information has reduced information asymmetry around prices in favor of farmers. A national survey in 2006 found that half of farmers noted a positive effect of receiving market information on their businesses, and over a third found that such information helped in decision-making and stabilizing incomes.⁴⁰ However, 42% of farmers were unable to use market information services effectively and that the effectiveness of the use of the information was greatly enhanced by other measures such as bulking and storage. Farmers therefore have some access to information to aid decision making,

³⁵ Key informant interview with oilseed processor

³⁶ U.K. Department for International Development (DFID) Financial Sector Deepening Project Uganda (FSDU), "The Microfinance Sector in Uganda," Last modified 2007, Accessed December 2010, <http://www.fsdug.or.ug/mfi.htm>.

³⁷ R. Goodwin-Groen, T. Bruett, and A. Latortue, *Uganda Microfinance Sector Effectiveness Review*, Washington, D.C.: The Consultative Group to Assist the Poor, October 2004.

³⁸ Key informant interview with Centenary Bank.

³⁹ Famine Early Warning Systems Network <http://www.fews.net/pages/marketcenter.aspx?gb=ug&loc=3>

⁴⁰ S. Ferris, P. Engoru, and E. Kaganzi, "Making Market Information Services Work Better for the Poor in Uganda," Working Paper No. 77, Collective Action and Property Rights (CAPRI), 2008.

however improvements in quality and outreach is open to improvement, especially if combined with other interventions.

Farmer organizations: Farmer organizations and cooperatives offer a number of benefits to their members, including higher prices for products through bulk sales, reduced transaction and storage costs, and access to training and inputs. Many such groups, however, have been weakened or destroyed by the war and have found it difficult to remain competitive following liberalization in the 1990s.⁴¹ Consequently, farmers who see the potential of cooperating often lack services that help them do so. Today there is a revival in farmer group formation and development, supported by NAADS and NGOs. Heavy NGO involvement, however, may hinder local ownership and sustainability. There is some evidence that farmer groups are more successful when formed around SACCOs⁴² and collective marketing of higher value crops.⁴³

Legal services, land registration, and mediation: Legal services, particularly around land registration and mediation, are expensive, overstretched, and often corrupt, preventing efficient use of economic resources. The land registry, for example, lacks funding and has lost up to 60% of records, and many institutions within it, such as land committees, are not functioning.⁴⁴ The average cost of resolving a dispute ranges from 13,000sh to 20,000sh, and there is some evidence that women are charged even more.⁴⁵ Finally, discrepancies between formal and traditional dispute resolution mechanisms prevent the unequivocal resolution of land disputes.

Delivery of supporting functions by aid actors: Advice, extension services, information, seeds, tools, and micro-finance are often directly delivered by aid actors, distorting the local market and preventing private sector engagement.

C. Rules

A number of rules – factors such as policies, perceptions, and attitudes – exert a detrimental influence on Acholiland’s crop market system. This has led to an assortment of systemic market weaknesses, including:

- ⇒ Reduced productivity and private sector investment due to land disputes; and
- ⇒ Constraints in the supply of improved seed due to bottlenecks in testing and certification.

Land disputes: Land disputes decrease economic productivity and private sector investment. This is exacerbated by limited understanding among private sector actors of their role in land conflicts, limited awareness of conflict-sensitive business practice, and limited mediation services.

Seed testing: All seeds (imported and domestically produced) must be tested by NARO and/or the National Seed Certification Services (NSCS) for quality and integrity of the variety before sale, a process which may take as long as three years. In immature markets such as the oilseed market, this presents a major bottleneck as companies cannot distribute improved seeds to their growers.

⁴¹ M.B. Abaru, A. Nyakuni, and G. Shone, “Strengthening Farmer Organizations,” Working Paper, World Agroforestry Center, 2006.

⁴² J. Coulter, “Farmer Groups Enterprises and the Marketing of Staple Food Commodities in Africa,” Working Paper N0. 72, Collective Action and Property Rights (CAPRI), 2007.

⁴³ Coulter, “Farmer Groups Enterprises and the Marketing of Staple Food Commodities in Africa.”

⁴⁴ Rugadya, “Escalating Land Conflicts in Uganda: A Review of Evidence from Recent Studies and Surveys.”

⁴⁵ Margaret A. Rugadya, et al. “Northern Uganda Land Study. Analysis of Post-Conflict Land Policy and Land Administration: A Survey of IDP Return and Resettlement Issues and Lesson: Acholi and Lango Regions,” World Bank, February 2008.

UN, donor, and government policy on food-aid

In response to a 50% hike in staple food prices in Uganda in 2008, WFP began implementing Purchase for Progress (P4P), which sources food commodities for distribution from Uganda. WFP sourced 301,000 tons of food items in 2005/6 and 210,000 tons of food items in 2007, of which 8% was purchased from small farmers.⁴⁶ In addition to presenting an opportunity for small farmers, the program aims to enhance productivity and build market infrastructure.

D. Potential for Market-Driven Approaches in Acholiland

This assessment revealed widespread dependency on aid actors among poor farmers and some private sector actors who sell products for aid distribution and collaborate to provide free or subsidized extension services. At present, aid actors perform and pay for key market functions. Ultimately, market roles must be performed and paid for by legitimate market actors if they are to be sustained. This does not mean that the poor must pay for all services and inputs; there are other stakeholders such as lead firms who have an interest in improved performance of small-scale farmers, and government institutions also have legitimate roles to play. Rather than delivering goods and services, aid actors should facilitate the entry of private sector actors into the market in a way that strengthens pro-poor development. Interventions should be designed around strengthening market actors modify dysfunctional roles and to adopt functions performed by non-market actors who will ultimately depart the region.

The following table identifies key market functions and the stakeholders who currently perform and pay for each function.

Market Function	Who performs the function?	Who pays for the function?
Core market		
Production	Small farmers	Small farmers
Buying and processing	Medium- large lead firms (e.g. NECPA, Mount Meru), independent buyer/agents	Medium-large lead firms
	WFP (Beans & Maize)	UN & Donors
Supporting Functions		
Plant breeding	NARO (FAO & CIMMYT)	Government & FAO & CYMMYT (donors)
Seed retail/distribution	Seed companies, lead firms, NGOs, FAO	Farmers NGOs, lead firms
Training and extension	Some buyers NGOs	Buyers NGOs
Information	Private & Public media, Lead firms, NGOs & UN	Users, NGOs, Donors and sponsors (advertisers)
Farmer organizations	Farmers, NGOs and NAADS (Govt)	Farmers, NGOs and NAADS (Govt)
Legal services, land registration, and mediation	Government (land registry) and private lawyers	Farmers (those involved in disputes)
Rules		
Farmer organization and cohesiveness	NGOs, farmers, some lead firm involvement	NGOs/Donors
Seed testing	NARES, NSCS	Breeders and importers

⁴⁶ World Food Program, “Development Project Uganda 10792.0: Turning High Food Prices into Opportunities for Uganda’s Subsistence Farmers,” World Food Program, 2009, Accessed 2010. http://one.wfp.org/operations/current_operations/project_docs/107920.pdf.

5 Conclusions and Recommendations

Land is a key factor of production in Acholiland, and access rights are a major flashpoint for conflict. Limited economic opportunity and the need to survive drive many land disputes, while others are driven by the failure of investors to engage with communities in a manner that is transparent and respectful of local values. These disputes arise in an environment where mechanisms for delineating boundaries, determining tenure, resolving disputes, and negotiating access are hindered by weaknesses in customary and formal law and by misunderstanding between stakeholders.

Ongoing land disputes in turn inhibit the productivity of small-scale farms due to reduced cultivation, decreased investment, and loss of economic assets. Moreover, while many Acholis seem to welcome private investment, the engagement of private sector actors in the region has been compromised by limited transparency in the negotiation of land use, mistrust of outsiders among Acholis, and fear of instability and limited awareness of investment opportunities on the part of private sector actors. The economic consequences of land conflict limit growth and constrain economic opportunity, perpetuating the conditions that drive many of these disputes.

In order to break this vicious cycle, a two-pronged approach that simultaneously addresses land conflict and fosters market development through private sector investment is required. A market development approach allows aid actors to strengthen market actors to sustainably deliver both mediation and agricultural support services, rather than reinforcing dependency on external assistance through direct delivery by aid actors themselves.

Specific program recommendations include:

- ⇒ **Strengthen land mediation and negotiation mechanisms**, so that disputes are resolved in a timely and peaceful manner and access is provided equitably and transparently. Activities include raising awareness of both customary and formal land rights and dispute resolution mechanisms, clarifying disparities between customary land rights and formal land laws, coordinating customary and formal land dispute resolution procedures, training relevant stakeholders in alternative dispute resolution methods, and strengthening legal services and land registration.
- ⇒ **Support conflict-sensitive business practice** as a means of promoting peaceful private sector investment. Possible activities include facilitating stakeholder involvement in land use negotiations, advising private sector firms on positive community relations, raising awareness among community members about the positive benefits of private sector investment, and raising awareness among private sector actors about investment opportunities in Acholiland.
- ⇒ **Develop key agricultural commodity markets** through value chain development, including developing embedded extension and information services in lead firms and input suppliers, strengthening intermediaries and marketing cooperatives from target communities, and improving access to inputs and services for improving agricultural productivity.
- ⇒ **Strengthen delivery of services and inputs by lead firms and other market actors**, rather than supporting direct delivery by aid actors. Interventions may include assisting companies to access improved training and resources for their extension agents, accompanying firms in the conduct of market research, working with finance institutions to expand into a new area or buy down their risk of piloting a new product (e.g. through loan guarantees), and increasing farmer awareness of inputs using demo plots.