



LAND TRANSACTION IN PERI URBAN AREAS OF KIGALI CITY

A case study of Ndera sector (Gasabo District)

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November 2013

Key definitions

Land

- ✓ Land does not simply mean something physical but as a **bundle of rights**
- ✓ **Land rights** consist of a package of rights that owners of land possess on that land

Land transaction

- ✓ Sometimes called real estate transaction or real property transaction
- ✓ **Real estate transaction**; process by which **rights on property** is transferred between two or more parties in case of conveyance seller (s) and buyer (s)
- Land transaction is a function of land administration

Key definitions (Continued)

❑ Peri urban areas

- ✓ Are in process of transition; hence they cannot be precisely defined spatially as they change over time
- Ndera sector is administratively inside formal boundaries of Kigali city but;
- considered as peri urban area as it still in process of urbanization

Research problem and objectives

- ❑ Greatest importance of land is undisputable
- ❑ This result into competition to land followed by land transaction
- ❑ One of the most phenomena occurring in peri urban areas is the change in land ownership
- Excessive movement of people in search of cheap land located near the city.
- Informal land delivery systems

Research problem and objectives (Continued)

- ❑ The analysis on developable land opportunities showed that 65% of land in Gasabo District is developable; and
- ❑ ranked Ndera sector to have **high potential growth** with 60.8 % of potential land
- This implies Ndera sector to be an accommodator of relocated people from Kigali city and private investments followed by land sales

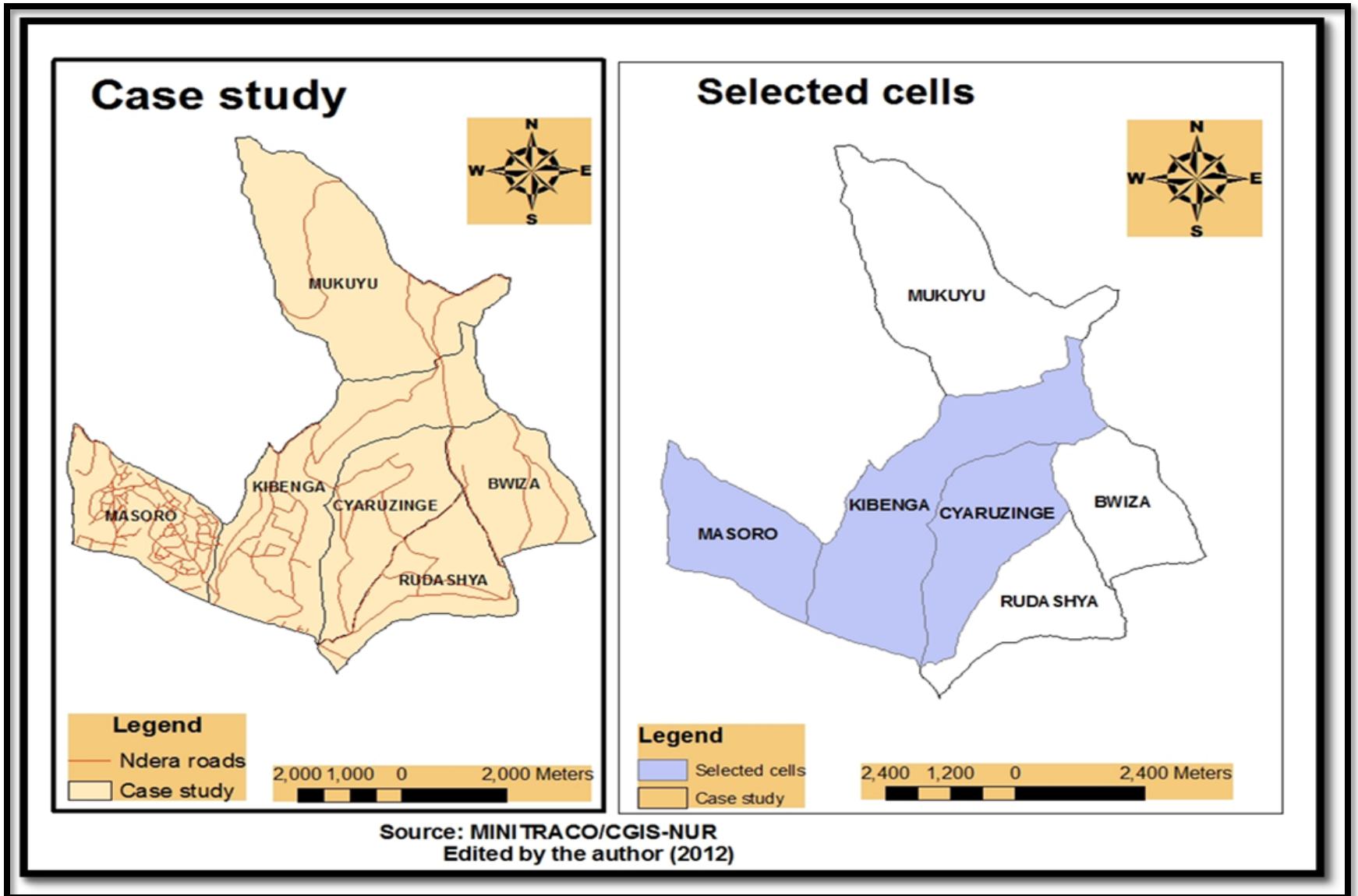
Objective of the research

- ❑ To analyze challenges and opportunities for land transaction in Ndera peri urban.

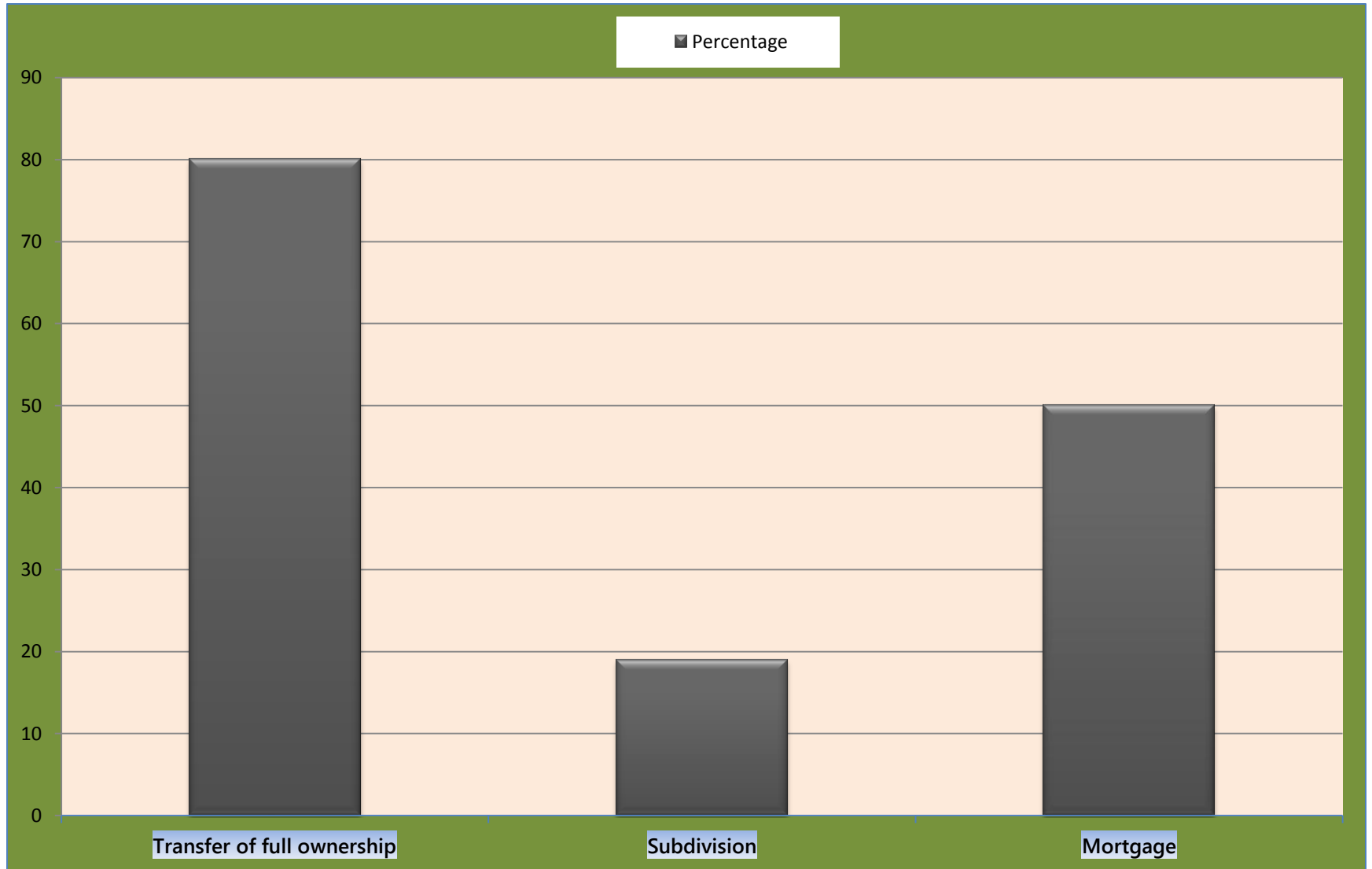
How?

- Discuss policies, rules and regulations that governing land transactions in Ndera sector
- Identify actors involved in land transaction in Ndera sector and how they operate
- Investigate challenges and opportunities for land transaction in Ndera sector
- Formulate recommendations for land transaction improvement

Units of analysis



Findings -Types of land transaction



Land transaction procedures and requirements

Procedures

- ✓ Negotiation between seller and buyer
- ✓ Seller and buyer prepare purchase contract
- ✓ Purchase contract is signed by village committee
- ✓ Purchase contract is then signed by Executive secretary at cell level
- ✓ Executive secretary send buyer and seller at sector level for land rights transfer

Requirements for selling land

- ✓ Seller must have final or provisional land title
- ✓ Seller's land must be nowhere as a collateral
- ✓ There must be acceptance by family members

Land transaction procedures and requirements (Continued)

❑ Requirements for transferring land

- ✓ Four copies of ID (seller, buyer, witness and spouse)
- ✓ Four copies of purchase contract
- ✓ Attestation of civil status for seller and buyer
- ✓ Fulfill form of contract of land rights transfer
- ✓ Paying 54 500 Frs. on Gasabo district account (BPR, BK)
- Mutation fee, notary fee and local taxes

Land transaction procedures and requirements (Continued)

❑ Requirements for mortgaging land

- ✓ Loan contract
- ✓ Land title
- ✓ Real property valuation report
- ✓ Notary fee (Bank slip)
- Land to be mortgaged shouldn't be anywhere mortgaged and this must be **certified** by notary

Key actors in land transaction

- ❑ Beside seller and buyer;
- ✓ **Gasabo Land Bureau**; are the public notary for land matters (i.e. **DLO** is authorized to prepare records for certificate of registration and title issuance)
- ✓ **Commissionaires**; in Ndera sector there is a big number of commissionaires who operate as unofficial brokers.
- Commissionaires maintain a wide social network of which they pick up potential buyers and sellers

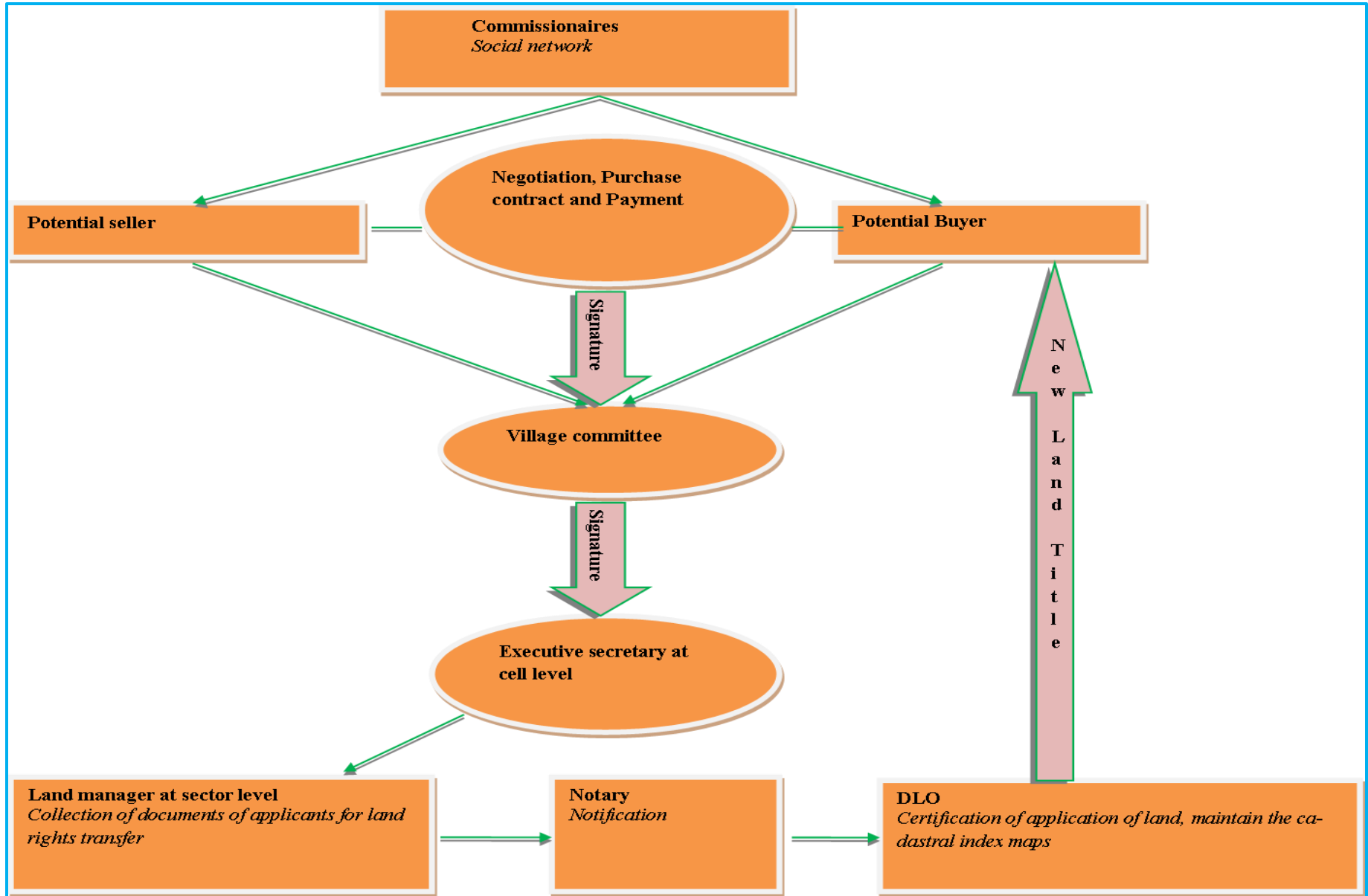
Key actors in land transaction (Continued)

- ✓ **Notaries;** there is not notary office in charge of land issues at sector level
- District notary who combines two sectors (Ndera and Rusororo) intervene during land rights transfer at sector level and work there one day per week (Tuesday)
- ✓ **Banks;** payment of requested fee (mutation fee, notary fee and local taxes)
- ✓ **Witness;** witnesses are necessary from both parties

Key actors in land transaction (Continued)

- ✓ **Local administrative entities;**
- At cell level, they certify that no matter if land parcel in question is bought or sold
- At sector level, agronomist who assumes also responsibilities of land manager collect documents of applicant for land right transfer to be notified and sent to district to update parcel information

Interaction of actors in land transaction



Challenges for land transaction

- ❑ **Insufficient transparency in land transaction**
 - ✓ Insufficient information on land transaction process
 - ✓ Centralized decisions governing land transaction
 - ✓ Additional costs
 - ✓ Long procedures
 - ✓ Insufficiency of human resources

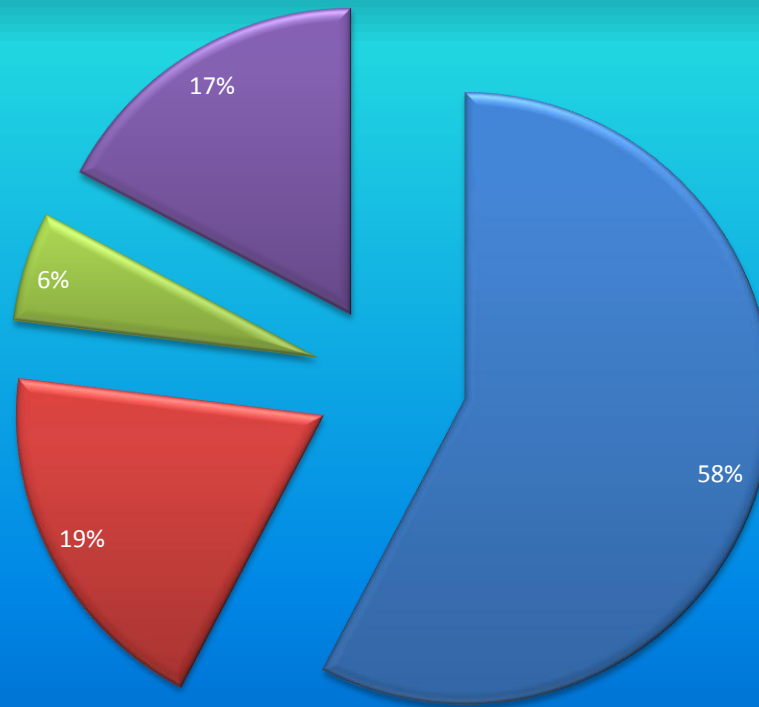
Residents awareness on rules, regulations, requirements and procedures with regard to selling or buying land



The way respondents receive information

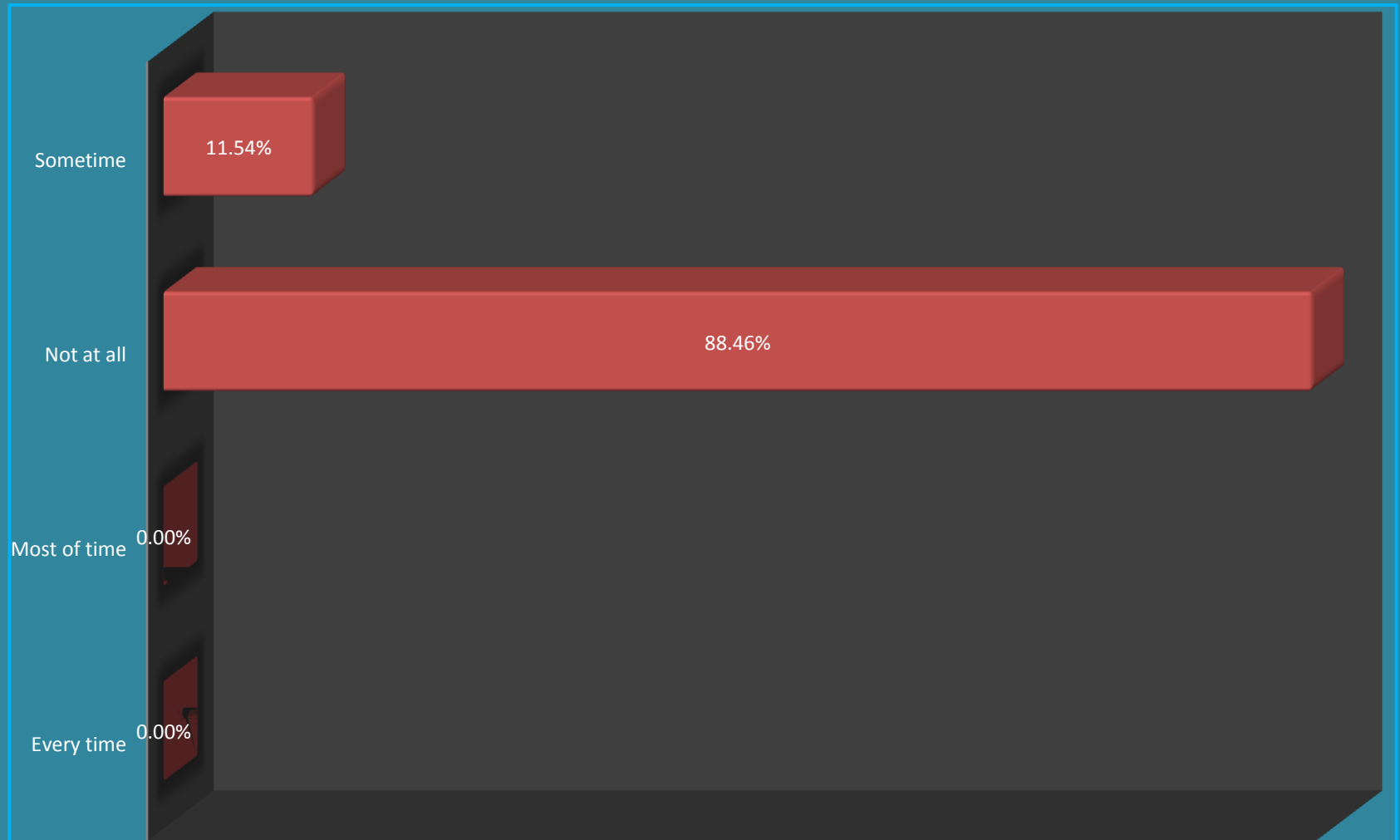
The way respondents receive information

Media Meeting Self search Training

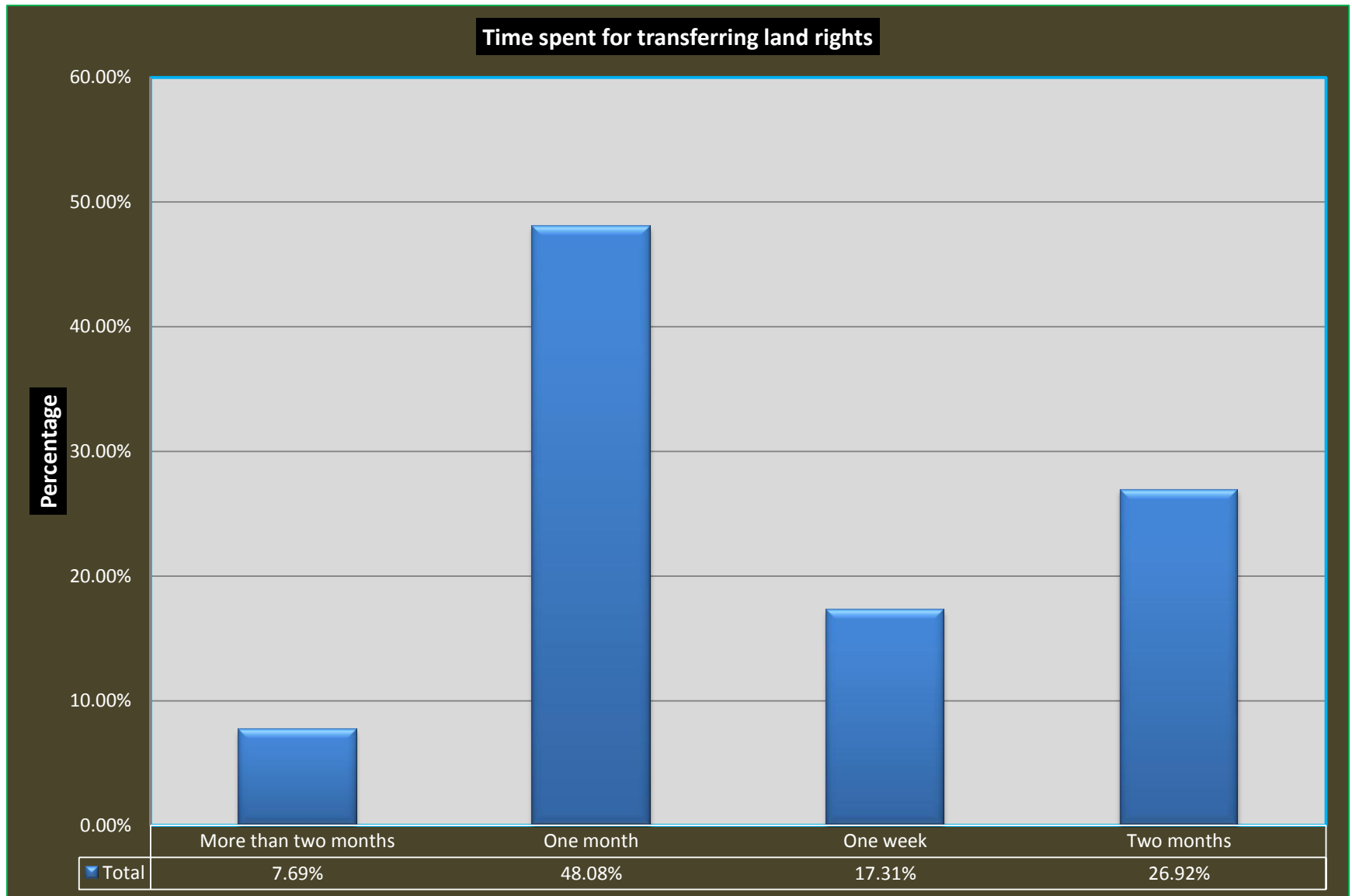


Local participation in decision governing land transaction

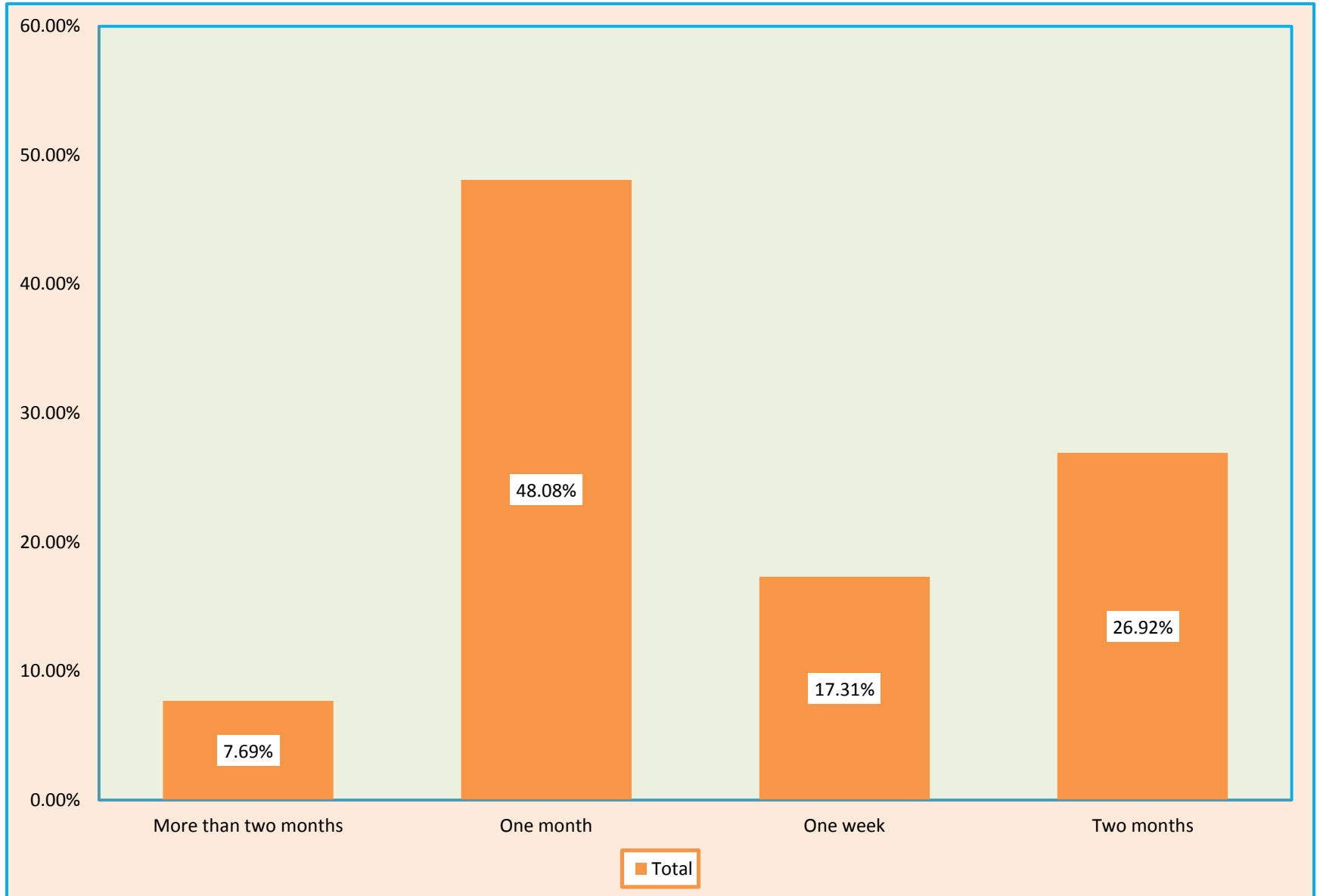
Respondents' views on people involvement



Respondents views on time spent for transferring land rights



Respondent views on time spent for getting bank loan

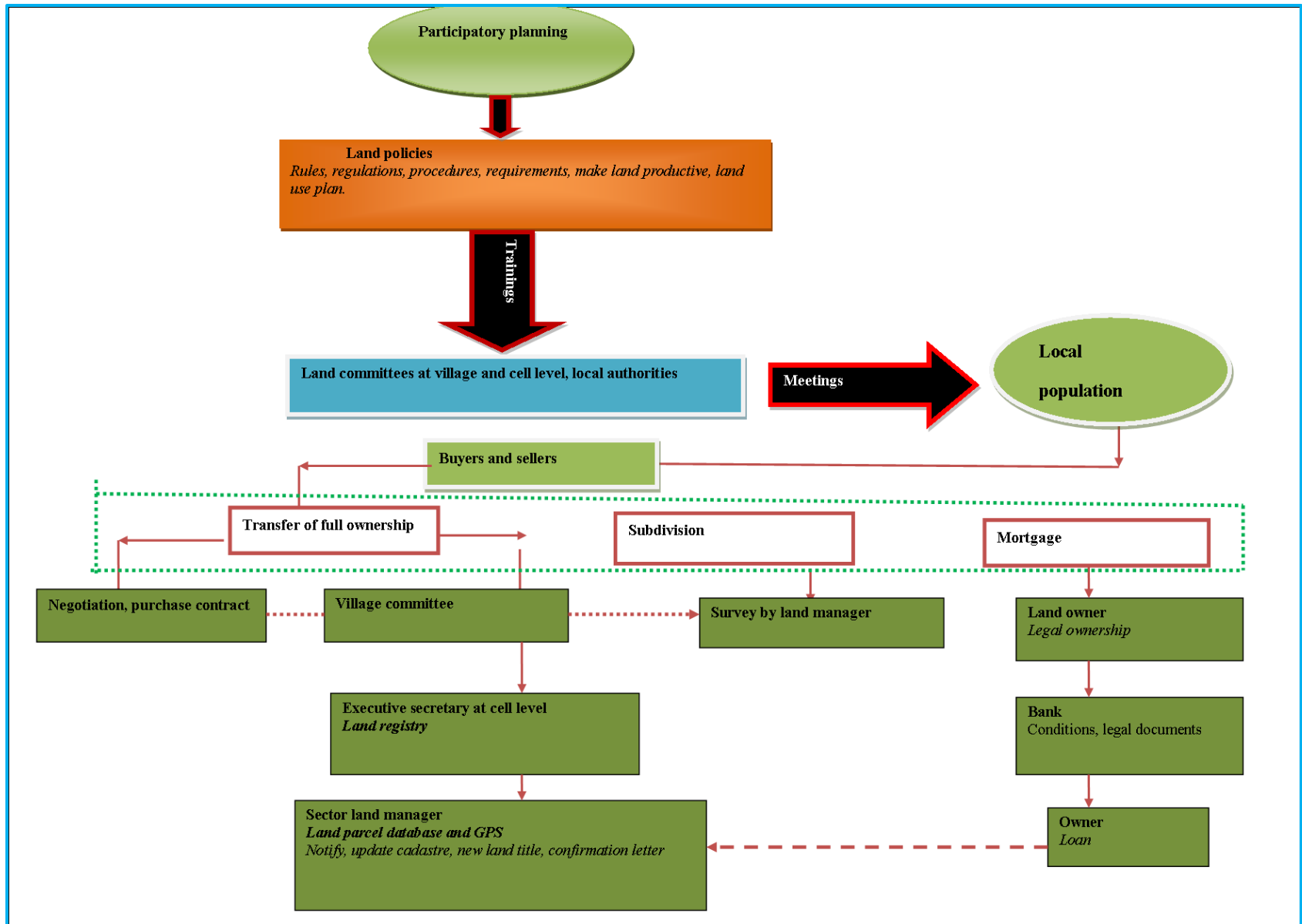


Opportunities for land transaction

❑ Outputs and outcomes of national land related policies;

- ✓ Land policies (NLP, OLL)
- ✓ Cadastral information and land registration (availability of final titles)
- ✓ Increasing number of human resources
- ✓ Increase of land development in the area
- ✓ Moderate taxes

Proposed model for improving land transaction



Benefits of good governance in land transaction

- ✓ **Economic growth;** security of land tenure, regulated transaction costs and taxes
- ✓ **Pro-poor support;** rule of law is equal to all and has protected rights
- ✓ **Protection of state assets;** legitimate use of state land for social and economic concessions
- ✓ **Overall more effective and efficient public administration of land;** formal market and reliable system, more revenue sharing for public services
- ✓ **Conflict prevention and resolution;** equity, justice, and social stability

Recommendations

- ❑ The concept of transparency in land transaction emphasizes that all information of rules, regulations, decisions, procedures and movement of object “Parcel” should be visible, predictable and understandable for all (parties).
- THIS brings transparency in land transaction from **good governance perspective**
- ❑ Information management is integral to all three components of land administration which share common information requirements (LIS)

Recommendations

Government

- ✓ Use participatory approach of planning
- ✓ Decentralize and strengthen LIS at sector level
- ✓ Mobilize funds for sensitizing local population about the existing policies, rules, regulations, requirements and procedures with regard to land transaction process as well as importance of a well functioning formal land transaction
- ✓ Mobilization should be done through **public opinion polling** by private companies through PPPs

Local population

- ✓ Follow existing national rules and regulations governing land transaction.



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