

Land Acquisition, Compensation And Resettlement In Developing Economies: Nigeria As A Case Study

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SUMMARY

In Nigeria, the various Land Tenure System is reviewed and the various constraints on economic, social and infrastructural development are presented and discussed. The Land Use Act of 1978 is and discussed especially the section where the Governors of each State are entrusted with the custody of the Lands in their States.

The issue of getting the best in terms of administration and management, from a land tenure system for the good of a developing economy is presented and discussed.

The paper presents and discusses the fact that when land is acquired, compensation paid and resettlement done, the communities still go ahead and put constraints before the Government for the purposes of hindering the development. Citing of projects for economic development is a major problem for developing economies because of the agitation of the land “owners” despite an existing good land tenure system.

The paper stressed the fact that one general law may not be sufficient for Government to process land for development purposes because of the communities’ agitation.

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1.0 INTRODUCTON

It is a known fact that land is a basic natural resource. It supports most human activities and it is from it that most other economic resource is derived. It can neither be increased nor decreased therefore it must be judiciously and efficiently managed in a sustainable manner for the use and good of all. It is therefore clear why different countries the world over have evolved land tenure and land administration system to administer their lands.

During Colonial Era, before the amalgamation of the Northern and Southern Nigeria in 1914, the Colonial Nigeria was divided into colonies and protectorates where multiplicity of land tenure system existed. The arrival of the Europeans in Southern Nigeria in the later part of 19th century drastically changed the land holding system. The European traders, who were used to freehold, began to acquire land parcel in Lagos Colony, did so with the concept that the transaction conferred on them absolute ownership and the right of alienation. The transaction in land by the European and the introduction of English Freehold System in 1951 (Elias, 1971) caused deep conflict between the customary system of land tenure and imported freehold system, which resulted in endless and bitter litigation.

In Nigeria, we have had various land tenure system which are geared towards proper and easy land administration and management from the colonial era to the Land Use Act of 1978. According to the Land Use Act of 1978, all lands in the state is vested in the Governor of the State but the Act categorically stated that the land is to be held in trust for the citizens (Sections 34 and 36) and the means of enforcing such rights are provided in sections 39 and 41.

In most developing economies, problem over land use are created by the countries because they want to please their citizens through various land laws and at the same time the government wants to be pleased over the land. In certain cases some conflicts arise in the interpretation of these provisions.

The introduction of freehold in the Southern States and the subsequent economic development resulted in the evolvment of many varied interest or right in land especially in urban areas. It became a great economic venture and speculators made it very difficult for other land users and even various governments and their agencies to acquire land for development purposes (Atilola and Fajemirokun, 1979)

Nigeria is a developing country. It is one of the fast developing countries of the world. Its population of about 150million [NPC, 2006] and land mass of about **924,768 sq km** are advantages for rapid economic development. Only 3% of the land mass is developed, that is, 900,000 sq km of Nigerian land is rural.

Before 1978, there were two principal Land Tenure Systems in the country namely;

- a. **Northern Nigeria Land Tenure System [NLTS]**
- b. **Southern Nigeria Land Tenure System. [SLTS]**

The Northern Nigeria Tenure System is based on the premise that land belongs to the Government. Private ownership is not allowed while the Southern Nigeria Tenure System is based on the premise that land belongs to communities, families and individuals.

The **NNLTS** aids economic growth and development because;

- a. Access to land by Government, Investors and so on is easy
- b. Compensation is paid for development on land only
- c. Resettlement is not considered when compensation is considered
- d. Registration of interest is easy.

The **SNLTS** does not aid development **and** economic growth because;

- a. Access to land is costly
- b. Access to land is difficult, as the right location for particular development may not be available.
- c. Compensation if allowed is for the land and the developments on it.
- d. Resettlement is always not acceptable to the communities.

In the case of SNLTS, the purchase of land was expected to take some initial steps to ensure that his vendor's title is good. The rule was "Caveat Emptor". The conduct of a purchase of land was therefore in five parts namely;

1. Enquires before Contract
2. The Contract for sale
3. The Position between contract and completion
4. The Completion
5. Post Completion

The case of Nigeria is particularly pathetic because 97% of its land is underdeveloped. Each stage contained its peculiar rule relating to the remedies of both parties i.e. the vendor and the purchaser. The principle of alienability was generally recognized and so was the concept of private ownership of land. Figure 1 shows 36 states of Nigeria and Federal Capital Territory (FCT).



Figure 1: MAP OF NIGERIA

2.0 UNIFIED LAND SYSTEM

On the 27th of March, 1978, the Government introduced a Unified Land System for the country through the **Land Use Act** because of the challenges of **NNLTS and SNLTS**. The provisions of the Act include;

- a. The power over land was given to the Governors of each state. As of today, there are **36 states and 1 FCT** (Figure 1.1).
 - a) The Governor is holding the land in trust for the people.
 - b) In each state, land is classified into two types and two interests:
 - i. Statutory Lands [Urban Lands] – Statutory Right of Occupancy
 - ii. Customary lands [Rural lands] – Customary Right of Occupancy

AREA OF NIGERIA BY STATE

S/N	STATE	AREA IN SQ.KM
1	ABIA	4,900.00
2	ADAMAWA	38,700.00
3	AKWA-IBOM	6,900.00
4	ANAMBRA	4,865.00

5	BAUCHI	49,119.00
6	BAYELSA	9,059.00
7	BENUUE	30,800.00
8	BORNU	72,609.00
9	CROSS-RIVER	21,787.00
10	DELTA	17,109.00
11	EBONYI	6,400.00
12	EDO	19,187.00
13	EKITI	5,435.00
14	ENUGU	7,534.00
15	GOMBE	17,100.00
16	IMO	5,288.00
17	JIGAWA	23,287.00
18	KADUNA	42,481.00
19	KANO	20,280.00
20	KATSINA	23,561.00
21	KEBBI	36,985.00
22	KOGI	27,747.00
23	KWARA	35,705.00
24	LAGOS	3,671.00
25	NASARAWA	28,735.00
26	NIGER	68,925.00
27	OGUN	16,400.00
82	ONDO	15,820.00
29	OSUN	9,026.00
30	OYO	26,500.00
31	PLATEAU	27,145.00
32	RIVERS	10,575.00
33	SOKOTO	27,825.00
34	TARABA	56,282.00
35	YOBE	46,609.00
36	ZAMFARA	37,931.00
37	FCT	7,607.00
	TOTAL	924,768.00

With the **Land Use Act**,

- i. Access to land by investors and individuals for various uses is easy.
- ii. Every part of the country has a common Land Tenure System.
- iii. Government controls the use of land.
- iv. The issue of acquisition of land, compensation and resettlement is made easy.

3.0 LEKKI FREE TRADE ZONE [LFTZ]

In order to appreciate the issue of land management through land acquisition, compensation and resettlement on Nigeria Economy, which is no doubt a developing economy, the LFTZ which is an international project of Lagos State will be used as a case study.

The total size of this project is about 20, 000 HA. It is situated between Lagos Lagoon and Atlantic Ocean (Figure 2). Because of the extent of land area required, a single was impossible for this project, five other locations relatively close to each other belonging to different communities with different ideologies were therefore acquired.



FIGURE 2: MAP OF LFTZ

3.1 Acquisition Of Lfftz

A land area at the South Eastern part of Lagos State was seen to be underdeveloped. A committee was therefore set up to look into the possibility of developing the area. The Committee in charge of this project visited the site and recommendation for its acquisition was made to the state Governor who, as earlier mentioned, is the custodian of all lands in the State.

The following are the processes for acquisition;

- The request for the use of land made by the committee to the Governor was granted by the Governor.
- The Communities were informed in writing and several meetings held.
- The Communities vowed never to release the land and allow any project on the land.
- They formed a strong unified force against the Government
- The service of a legal practitioner was engaged by the communities.
- The Government formed a Special Committee to handle the issue.
- Meetings, meetings, meetings,
- The Communities made their impossible demands;

a. Special Compensation

- i. Payment for land
- ii. Payment for development on the land
- iii. Payment for economic trees

b. Resettlement

- i. With provision for infrastructures and utilities such schools, hospitals, roads, electricity and so on.
- ii. Building of houses

In the case of LFTZ, compensation was paid:

- a. For economic crops such as cocoa, palm, trees, orange trees and so on
- b. For physical development on the land
- c. For shrines [traditional worship locations]

Resettlement was also inclusive with compensation. The resettlement area of about **750HA** will include infrastructure like roads, light, water and so on; farmland, houses and other essential utilities.

4.0 RESETTLEMENT

It is essential to note at this point that the communities were compensated and resettled. This is not a normal condition in land acquisition. In this case, government did it because of the people's agitation and wanted to satisfy them in order to make the project hitch free.

A lot of money was spent by government in order to make the people comfortable after the acquisition. It is surprising to note that the people were still asking for more. The project was unnecessarily delayed while discussion with the people lasted.

The case of **LFTZ** was very pathetic because the government was very interested in the project but the communities were not at all interested.

They took their time to make a demand and they are prepared to spend all the time in the world to get it. Time was running out for government because all aspect of the project has been timed.

Although, it is a Free Trade Zone Project, the State Government expected a massive turn around within the state economy. Investors from all over the world are expected to come to the zone with various types of industries and development ideas.

A master plan of the zone had been prepared with many infrastructures, various economic developments, social developments etc. the amazing thing about all this various developments is that the communities are not interested. Their only interest I repeat, only interest is what they can "make" from the acquisition.

Another surprising development from the communities is that they are ready to stall the project as long as they want. The determining factor in the whole project is **MONEY**.

The communities kept on making demands over demands. When one demand is met another one is initiated. Such demands are:

1. Land compensation
2. Crop compensation
3. Physical developments
4. Resettlement
5. Job opportunities
6. Shares in the project
7. Directorship in management.

CONCLUSION

The issue of land acquisition, compensation and resettlement in developing economies is the same because in most developing economies the "owners" of such acquired lands are not very literate to understand the use Government is putting the land into. What they only understand is their selfish ends. Most of their conditions are monetary. They do not consider the economic value of the project for their socio-economic progress. Their major consideration is their immediate rewards and not the long term rewards.

We observed, even between them, i.e, the officials representing the Communities and the Communities; there was serious lack of trust.

All the various uneconomic, unsocial and unprogressive stand of the Communities points to one fact:

- a. The communities are serious hindrances to the development of any country when land acquisitions for progressive development are involved.
- b. They slow down development
- c. In some cases, they stall the project completely.

The developing economies may continue to face the problems of land acquisition, compensation and resettlement no matter the land laws in operation.

Projects may continue to be delayed or stalled as long as the same caliber of people are to be dealt with.

The remedies for a peaceful acquisition, compensation and resettlement are:

- Trust between parties
- Funding.
- Application of relevant laws
- Genuine interest from parties
- Will to obey agreements.

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