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Reflections on 20 years of land-related development projects in Central America

10 things you might not expect,
and future directions

by P. B. Siegel, M. D. Childress, and B. L. Barham



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by

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Abbreviations and acronyms

CA	Central America ¹
CAPRA	Central America Probabilistic Risk Assessment
FAO	Food and Agriculture Organization
FAO/CP	FAO Cooperative Program
FONTIERRAS	Fondo de Tierras, Guatemala Access to Land Pilot Project
GIS	Geographic Information Systems
IFPRI	International Food Policy and Research Institute
ILC	International Land Coalition
IEG	Independent Evaluation Group (World Bank)
LAC	Latin America and the Caribbean (World Bank) ¹
LAMP	Land Administration and Management Project
LAP	Land Administration Project
MCC	Millenium Challenge Corporation (US Government Agency)
NGO	Non Governmental Organization
PACTA	Proyecto Acceso a Tierra, Honduras Access to Land Pilot Project
PRODEP	Proyector de Desarrollo Productivo (Nicaragua)
PRONAT	Proyecto Nacional de Administración de Tierras (Panama)
SDI	Spatial Data Infrastructure
UNDP	United Nations Development Programme
USAID	United States Agency for International Development

¹ CA is a geographic area that includes the countries of: Belize, Costa Rica, El Salvador, Guatemala, Honduras, Nicaragua, and Panama. The LAC Region is a term used by the World Bank, that refers to Mexico, Central America (CA), the Caribbean islands (except Cuba), and South America.

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Abstract

This paper takes a critical view of the challenges that lie ahead for land-related development projects in Central America. Drawing upon several sources of information and types of analysis, including literature reviews, field visits and rapid participatory assessments, along with decades of professional experience, the authors examine land-related development policies and projects over the past two decades in Central America (although monitoring and evaluation is admittedly weak). Reflections on past land-related development policies and projects in Central America are based on their contributions to growth and poverty reduction. The reflections, which are really stylized facts, are presented using a “Top Ten List” of things that you might not expect from land policy reforms and projects in post-conflict Central America. In short, for a variety of initially unforeseen reasons, land-related development policies and projects have not fully lived up to expectations in terms of poverty reduction for rural residents, especially not for small farmers (*campesinos*) and the landless, although positive impacts have been obtained for landholders improving the security of property rights, and have generally exceeded expectations for urban residents. The focus on land administration outcomes (*e.g.*, number of parcels registered) has often managed to bypass areas with land conflicts and/or indigenous peoples and these projects have not necessarily provided incentives for environmentally sound natural resource management. At the same time these projects have achieved institutional reforms and the creation of land information systems which are beginning to enable a new paradigm of multi-purpose territorial management which holds great promise.

The lessons learned suggest the need to consolidate a new direction for land policy in Central America, one that is holistic and integrates poverty reduction and development goals, natural resource management, disaster risk management and climate change into a territorial approach stressing local governance and planning. There is a need to differentiate between rural and urban areas and better utilize geographic information systems (GIS) and spatial data that have been key products of land projects. Information systems and various land and resource data gathered by land administration projects provide an excellent foundation for a revised and decentralized approach to sustainable development. The paper concludes with six specific recommendations, which can serve as the basis for future discussions on the direction of future development support to countries’ land policies and projects in Central America, and other regions.

Acknowledgements

This paper attempts to present a forward-looking agenda for dealing with land issues in Central America. However, to move forward, it is important to provide some historical context. The fact is that Central America underwent a tumultuous period of social unrest in the 1970s and 1980s, with discontent about land access and distribution often being a driving factor and rallying call for major land reforms. After considerable conflict, and displacement, countries such as Guatemala, Nicaragua, and El Salvador opted for a path of reconciliation with promises for addressing the underlying inequality in land access and distribution². As a result, since the mid-1990s, all of these countries, as well as Honduras, have experimented with different approaches to reform land tenure and land institutions. Donors such as World Bank, USAID, the Millennium Challenge Corporation (MCC) and the United Nations Food and Agriculture Organization (FAO) have been major actors, in terms of financial and technical assistance, and in the design of land-related development projects to solidify the tenuous peace accords signed by ex-combatants in bloody civil wars, and in the case of Honduras to seek an accelerated growth path. Were these land policies and projects “successful”? Successful compared to what?

As is often noted, “hindsight is always twenty-twenty”. For this reason, the authors provide a condensed historical review of recent past land-related development projects in Central America, using the lessons learned as a springboard toward the future. The intention of the paper is to motivate continued discussion that might help accelerate the achievement of higher order objectives of poverty reduction and natural resource management practices that are equitable, efficient and sustainable.

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The views expressed in this paper are those of the authors, and they should not be attributed to the World Bank, its Executive Directors, or the countries they represent. *Key Words: Land policy, Central America, poverty, rural growth, land administration, land access, municipal planning, governance, asset based approach, territorial development.*

² Honduras notably did not experience civil war in the 1980s. Analysts often credit the progress on land reform made during the 1970s and into the 1980s as a key explanation for the maintenance of peace in Honduras.

Introduction

The year 2003 marked publication of the World Bank report *Land Policies for Growth and Poverty Reduction* (Deininger, 2003). The World Bank website³ referencing the report notes that it “shows that countries as diverse as China, Mexico, Thailand, Uganda, and some transition countries in Eastern Europe, have begun to address land policy issues in ways that benefit everybody. Although approaches vary, providing poor people secure tenure and facilitating land transactions are key.” World Bank (2007) further states: “Land is the main asset of agricultural households in developing countries and is a key determinant of household welfare. Most land is used for agricultural production, which provides the basis for economic sustenance. Access to land plays an important role in improving agricultural productivity, achieving sustainable poverty reduction, and creating broader economic development.” Almost ten years after these important recognitions by the global policy community of the importance of land-related development interventions, the persistence of low-growth, poverty, environmental degradation and political instability in Central America necessitate reflection on progress in this area to evaluate how far countries have come, and to suggest directions for the future based on lessons learned.

In this paper we reflect on how this ambitious agenda for land sector reform has played out in practice in Central America as the region has evolved in new directions during the last twenty years. We draw conclusions which may be unexpected given some of the long-standing assumptions about land issues in Central America, and offer ideas about how these conclusions could be used to update and reinvigorate the land agenda in the region. Among the pivotal changes over the past twenty years are rapid urbanization via migration and better connective infrastructure, the expansion of pluri-active rural livelihoods, and growing attention to an array of environmental services for sustainable development. These and other changes provide a distinctive context for the next generation of land policies and land-related development projects in Central America.

In rural and urban areas in the Latin America and Caribbean (LAC) Region, it is evident that land policies and projects have had differentiated effects across the spectrum of landholders, depending on the ways in which land’s value as an asset varies in combination with other assets in the household, and in its contribution to both agricultural and non-agricultural livelihoods. Projects to move forward land distribution to landless or land-poor groups ended up being curtailed by governments and had less impact than expected. Such projects deserve another look by policy-makers. Projects which improved property rights and administration were successful in urban areas and many rural areas in providing formal tenure security, which the limited impact evaluation data suggest provided significant benefits to those with previously insecure land rights. Projects to improve property rights have encountered limitations in areas of complex and conflicting tenure situations, which continue to create problems and call for the application of lessons learned during the past decades. New sets of land information and the ability to use it for territorial development purposes were created, and can be exploited further for local development purposes including investment promotion, local revenue enhancement and spatial planning including disaster risk management, particularly given the enormous impact of natural disasters, environmental fragility and climate/weather related events in the region’s development.

³ <http://web.worldbank.org/WBSITE/EXTERNAL/NEWS/0,,contentMDK:20116227~menuPK:34463~pagePK:34370~piPK:34424~theSitePK:4607,00.html>

A recent report by the World Bank's Independent Evaluation Group (IEG) on land-related development projects in El Salvador, and Guatemala (IEG, 2010) highlights this differentiation of effects, suggesting that urban landholders have tended to benefit more, and asset-constrained rural landholders the least. IEG (2010) highlights the complexities of the political and institutional context in which land projects are designed and implemented, and the challenges to achieve multiple objectives that include reform of land policies and institutions and reform of land access and distribution and land use practices. This is understandable given the significant departures in Central America's rural development trajectory during the late 1990s and 2000s from the pathways expected at the inception and design phase of most current land projects. Rural-urban migration, remittances and non-agricultural activities have played a much larger role than envisaged during the formative stage of projects. Local disaster mitigation and natural resource management and local economic development strategies have loomed much larger in rural development outcomes than issues associated with smallholder productivity in traditional crops, on which many of the assumptions rested. In this dynamic environment, it is likely that one of the most lasting and impactful accomplishments of the land administration programs of the last twenty years will be in the creation of the spatial data and the institutional set up for managing it which is now supporting processes of rapid urbanization and territorial management in the region. Much more can be done to assist these processes.

The evidence presented here - much of which is derived from semi-structured exercises with focus groups in Honduras and Guatemala - shows that in order to achieve growth, poverty reduction, and climate resilient development, land policies and projects need to be viewed as part of broader area-based planning approaches that integrate land use and natural resource management with disaster risk and climate change management. The progress made in the last two decades in building the capacity of institutions for land policy and administration and in generating parcel-by-parcel information creates favorable conditions for this updated approach to land policy in the region. But, local implementation of this integrated territorial management approach will need to be strengthened considerably to achieve the large upside potential of these investments. The intent of this paper is to stimulate discussion about Central America's current situation and future options, especially in policy deliberations about country and regional strategies for land and natural resource management. This paper claims that new and evolving socio-economic conditions, governance responsibilities and capacities, natural resource management and environmental challenges (including climate change) all support the rationale for a review and reappraisal of current approaches to land projects in Central America. As such, this paper is a forward-looking document and attempts to highlight lessons that can redirect and/or reorient the next generation of land projects.

The structure of the paper is as follows: a short introduction is followed by a section that details ten reflections on land policies and projects in Central America, and then some guidelines are presented for future land policies and projects in Central America based on these ten reflections. The paper concludes with some observations about territorial development approaches that might offer a platform for incorporating the respective guidelines into an integrated framework to inform future discussions on the direction of land policies in Central America, and other regions.

Background of land policy and administration reforms in Central America

Central America's armed conflicts largely ended in the early 1990s, at the end of the Cold War. El Salvador and Guatemala reached Peace Accords in 1992 and 1996, respectively. In Nicaragua the election of Violeta Chamorro in 1990 over the ruling Sandinista Party helped to end the longstanding 'contra' war. In Honduras, civil conflict was not as overt as the neighboring countries, but the increased militarization that had occurred there in the 1980s also wound down in the early 1990s with the end of Honduras' strategic role for US military activity.

For the past two decades, since the end of political conflicts in Central America, land projects in Central America have featured two basic approaches: a) improvements in land administration, and b) improvements in access to land for poor and landless rural households (see Table 1)

Table 1 – Central America land programs supported by the World Bank *

	Guatemala	Guatemala	Honduras	Honduras	Honduras	Nicaragua	El Salvador	Panama
<i>Land Admin./ Access Program</i>	LAP	Fontierras	PAAR	PATH	PACTA	PRODEP	LAMP	PRONAT
<i>Years</i>	2000-2007	1995-2005	1997-2004	2004-2016	2000-2006	2002-2007	1996-2005	2001-2010
<i>Geographic Scope</i>	Phase I, 6 departments; Phase II, 6 additional departments, Phase III, the remaining 10 departments**	15,487 families with 186 land purchases and 240 productive subprojects nationwide	27,500 ha of indigenous land to Tolupanes; 47,574 ha of land to Comayagua	Phase 1: 1/3 of country's real estate property in 7 departments, with Phases II and III and IV expanding to cover most of the e country***	81 subprojects approved by private lenders	4 departments, Chinandega, Esteli, and Madriz and part of Leon****	Entire country (1.8 million parcels)	2.5 million hectares of rural land, plus additional urban and protected areas
<i>Intended Number of Participants</i>		71,371 ha of land purchased,	145000 parcels, 96% of land in Comayagua certified		2,398 ha acquired and 991 families participated	80% of parcels in 3 priority departments	1.8 million parcels (of which 60% were completed)	
<i>Budget</i>	\$31 million for Phase 1, \$62.3 million for Phase 2	\$80 million, of which \$56 million from Govt, and \$24 million WB loan	\$42.3 million for initial phase	\$39 million for Phase 1, \$32.8 million for Phase 2	\$8.3 million WB loan, 2.9 million private financing	\$32.6 million + 10 million (AF)	\$50million loan	\$46 million

* Source: World Bank, various sources.

** Not yet under implementation.

*** Phases III and IV are not yet under implementation yet. The program was also re-designed during the preparation of phase II to focus more on specific municipalities.

**** Phase II (estimated \$30 million) is under preparation.



These projects have had positive impacts in some situations, in particular in urban areas. However many of the growth and poverty reduction impacts in rural areas envisaged in the justification and formulation these projects have not materialized as planned. This discussion paper argues that a growing set of analyses and studies, some from the World Bank itself, lead to a critical review of recent land projects. In combination, they point to the need to consider targeting land administration efforts both more directly to urban areas with a complementary focus on improving municipal services, municipal financing and slum upgrading, and in rural areas to emphasize development approaches that integrate land use and natural resource management as part of broader area-based strategic planning processes⁴.

Reviews from the literature also suggest that programs for land distribution through market-friendly mechanisms deserve another look by policymakers, incorporating lessons learned from more successful versions of these types of projects elsewhere.

4 From the World Bank (by staff and/or studies funded by the World Bank) see de Janvry and Sadoulet (2002); World Bank (2002); Deininger (2003); de Ferranti, et al.(2005); World Bank (2004a; 2004b; 2004c); World Bank (2005; 2007); Burns (2007); Zezza, et. al., (2007); World Bank (2008; 2009), IEG (2010). From outside the World Bank, recent critiques of land policy reforms in Central America include: Gould (2006); Gould, Carter, Shrestha (2006); USAID (2007a; 2007b); French Development Cooperation (2008); Proenza (2008); Sjaastad and Cousins (2008), Sotomayer (2008); Ybarra (2008), Grandia (2009). Gould (2006) and Gould, Carter, Shrestha (2006) and Grandia (2009) present detailed historical descriptions of the underlying conceptual underpinnings of World Bank (and other) land administration projects (in general, and particularly in the Peten Department of Guatemala) and critiques of their implementation. Ybarra (2009, p.46) presents a concise overview of the "lively debate in the economics literature regarding ... a priori assertions of benefits of land administration projects, such as improved land security, access to credit, increased land market activity, efficient land use, and poverty reduction." Bromley (2009) presents a strong critique of the global focus on land titling (which he contends was driven by the "Washington Consensus" that draws strongly on principles of property rights and free markets) instead of underlying issues related to land access and claims on land, and land use management.

Reflections on land-related development projects in Central America: “top ten list”

This is a “top ten list” of things that you might not expect from the implementation of land policy reforms in post-conflict Central America. These reflections on land-related development projects in Central America since the late 1980s and early 1990s are based on a review of the literature on land policy in Central America, World Bank reports, conversations with World Bank, USAID, FAO, and Millenium Challenge Corporation staff, and field discussions and 13 rapid appraisals with multi-stakeholder focus groups carried out in Honduras in March 2009 and in Guatemala in October 2009. In addition, it draws upon the authors’ own experiences with land issues in Central America over the past 20+ years.

1

Land policy for rural Central America supported by donor-financed projects was originally considered an integral part of a multi-pronged approach to strengthen land markets as a path to land redistribution, and was viewed as being fundamental to promoting a virtuous cycle of rural-led growth and poverty reduction. However, land-related development projects in Central America ended up with a relatively greater focus on land administration, as innovative land redistribution projects undertaken in Guatemala and Honduras were curtailed by Governments after difficulties with initial implementation. Following arguments like those presented by Deininger and Binswanger (1999), de Soto (2000) and Deininger (2003), land policies in Central America were originally conceived as ways to strengthen the asset-base of rural households, stimulate transactions to move land into the control of the most efficient producers, and make special financing and technical assistance provisions to facilitate market-access for asset-poor households.

The reality which emerged, however, in Central America’s complex political economy, has been a greater focus on land administration projects (e.g., land regularization and titling, improved land and property law), than on land access and redistribution. Market-mediated reforms to promote improved access to land and other factors of production (e.g., credit, technical assistance) through subsidized loans and technical assistance to small-scale producers were implemented in Guatemala (Fontierras, 1995-2005) and Honduras (PACTA, 2000-2006). Each of these projects made significant progress in their initial implementation phases in promoting this improved access. But both were curtailed by Governments after these initial periods. In Guatemala a lack of transparency in land price negotiations between buyers and sellers resulted in the project being viewed as expensive and tainted. In Honduras, the relatively high costs of administration and provision of technical assistance in a pilot phase were used as justifications to terminate plans for an up-scaling of the program, although the program has continued at a small scale. In the absence of expansion of these programs, the focus on land administration and property rights administration has become predominant.

Over the same period, increasing calls for greater attention to indigenous land rights, management of land for ecological services, and management of urban land issues have become more intense. Considering the pervasive and pernicious

inequality of land distribution in Central America that continues to impact these societies, and the fact that these inequalities were a major factor that led to civil unrest and civil wars, it is sobering to note that the reality of land policy implementation as carried out in national-scale projects in Central America have ended up focused on land administration (notably land regularization and automation of land registries), with discontinuation of the efforts at piloting market-based land purchase programs (that included a significant project component for providing complementary assets and support services)⁵. In other countries with relatively high inequality (e.g., Brazil), World Bank-supported land projects have included major investments in market-mediated land purchases (and improved access to other assets and support services) as a means of complementing policies that promote better functioning land rental and sales markets to facilitate greater land access for the rural poor (Childress and Munoz, 2008). A re-balancing and re-invigoration of the land policy package in Central America would usefully take the lessons learned about market-mediated land access and redistribution to consider how they could be re-introduced in more transparent and cost-effective ways, work more closely with local governments to use land markets, taxation and planning as a lever for local development, respond to calls for indigenous and community land tenure with expansion of participatory, community-driven methods of land administration, and use the rich sets of land information generated from land administration projects to create improved models for ecological management, disaster prevention and community involvement in territorial planning and landscape management.

2

Central American land administration projects still lack a strong body of impact evaluation to clearly discern their socioeconomic impacts at the household and community levels, or their contribution to macroeconomic growth or poverty reduction. Development practice is now entering a new phase in which impact evaluation is becoming mainstreamed, and indeed often incorporated into project design itself. Unfortunately, like most development practices of an earlier era, the land policy implementation experience of the last twenty years is characterized by a shortage of monitoring and evaluation data gathered to analyze the growth and poverty reduction impacts of land projects in Central America, which is only beginning to be more systematically addressed⁶. This includes both lack of appropriate baseline data, and attempts to track impacts using quantitative or qualitative analyses. Country assistance strategies and project preparation documents tend to mention potential poverty reducing impacts as a justification for land administration efforts, yet the projects tend to only track indicators of outcomes related to implementation (e.g., the number of areas/households surveyed and titled, equipment and mapping capacity, and integration of cadastral and land registry systems in municipalities and departments). Lacking much generalizable information on impacts, or qualitative analyses to ground countervailing theories, land administration projects tend to focus on achieving technical indicators (e.g., number of land parcels titled, improvements in land registries) rather than socio-economic and environmental indicators, which limits the capacity of projects to make meaningful adjustments and/or to question the focus on land administration projects as a priority (USAID, 2007b).

5 The pilot project PACTA, a land redistribution project in Honduras, was successful at leveraging funding for land purchase by private financial institutions and received considerable attention (e.g., especially for purposes of public relations targeted at external audiences) by Governments, but it was also considered a project with a relatively high-cost per beneficiary, with large project implementation units and costs (Childress and Korczowski 2008; World Bank, 2007b). The FONTIERRAS in Guatemala, on the other hand, was part of a broader national program attempting to address land redistribution (IEG, 2010; World Bank, 2006).

6 The lack of impact evaluations for World Bank land administration projects is notable (Conning and Deb, 2007; Conning, 2009; Deininger, 2007; World Bank, 2008; Ybarra, 2008; Conning, 2009), although no worse than any other sub-set of development projects. A small group of studies in Central America tend to show positive impacts of land administration projects (e.g., Deininger, Zegarra, and Lavandez, 2003; Deininger and Chamorro, 2004; Carter and Chamorro, 2009), particularly on household investment.

The studies which have been carried out suggest that the impacts at the household and community level of land administration projects are positive and significant, especially from full titling and registration of land. For example, Deininger and Chamorro (2005) use data from Nicaragua to examine the impact registered and non-registered title on land values and changes in land-attached investment. Registration, acquisition through purchase, and agrarian reform title all are associated with significant increases in the value of plots. Receipt of registered title is found to increase land values by 30% and at the same time greatly increase the propensity to invest. In line with descriptive statistics indicating great demand for land right regularization especially from the poor, these results suggest that titling can have a positive distributional effect. A study of the Millennium Challenge Corporation's rural livelihoods project in Nicaragua which financed roads, land titling and business services, represents the most advanced impact evaluation's design to date in the region, taking a randomized approach, controlling for self-selection, and attempting to test for joint effects of both titling and business services.⁷ It is crucial to recognize the critical role of land both as a household asset, which impacts livelihood and household well-being outcomes, and as a community asset, whose use impacts a wide range of area development and environmental outcomes (Siegel, *et. al.*, 2004; Siegel, 200; Jansen, Siegel, Pichon, 2005; Carter, 2005; Ybarra, 2008; Larson, *et. al.*, 2008). Yet, we are not aware of any currently active evaluation framework in Central America that is monitoring and evaluating these interactive effects, although the initiative noted above comes closest. Although the multiple roles of land complicate efforts to measure impacts of land policy and projects, this does not justify the substitution of technical output indicators, such as number of titles assigned, for systematic impact evaluation of key project objectives.

It has been pointed out by analysts including Martin Ravallion of the World Bank's development economics research group,⁸ that practitioners need to think creatively about how best to go about evaluating impacts like those ascribed to land projects within the context of the development portfolio as a whole, allowing for interaction effects amongst its components, as well as amongst economic agents. Ravallion stresses that the tools needed may not be the favored ones by today's evaluators, but the principle of evaluation is the same, including the key idea of assessing impact against an explicit counterfactual, and accounting for interactions. It has been suggested too that interaction effects among elements of a development portfolio are most likely to be manifested in geographic locations, where multiple aid agency and government programs are in operation. As land projects are explicitly based on geographic locations, they make good candidates for pioneering this kind of portfolio-wide, interactive, methodologically progressive evaluation strategy. In addition to potential impacts on growth and poverty, it is also important for land projects to measure broader institutional impacts, including the potential land-use information systems that these projects generate. Although viewed as difficult to quantify, there is increasing attention to the beneficial informational and data aspects of land projects, which might have indirect benefits for poverty reduction and improved environmental quality, in addition to their use for municipal tax and financing, and for zoning and territorial planning (Proenza 2006; 2007). Overall, it is critical to the performance of land projects that they clearly articulate project objectives and logical paths toward growth, poverty reduction, and broader territorial development objectives, and integrate them with improvements in methods of monitoring and evaluation.

7 Although included in the original study design, joint effects of titling and business services could not be fully ascertained because the land titling component was cancelled in its initial stages requiring the evaluation's original design to be adjusted.

8 World Bank Development Impact Blog: Guest Post by Martin Ravallion, "Are we really assessing development impact?" posted Weds. May, 25, 2011. Accessed on August, 27, 2012 at <http://blogs.worldbank.org/impac evaluations/guest-post-by-martin-ravallion-are-we-really-assessing-development-impact>.

3

In rural areas, asset-constrained campesinos⁹ may tend to benefit least from land administration programs. While the concerns about the body of research limit the ability to generalize, qualitative focus groups and local publications raise the concern that not only do overall growth and poverty reduction impacts of land administration interventions appear to be minimal in rural areas, it also seems that *campesinos* (who are implicitly assumed to be among the major beneficiaries), may actually benefit the least from land administration programs compared to other groups because their initial land endowment is too small. Land administration projects in Central America typically legitimize claims of farmers based on historical land use and “ownership” patterns; usually where use rights for agricultural parcels are relatively uncontested, with the land poor located in the most marginal lands. Under these circumstances, titling offers minimal, economic benefits when landholders are so asset-constrained that their improved incentive to own investment leads to economically insignificant changes, and because inadequate rural financial markets and coordination problems with other small farmers impede the use of land with improved documentation (e.g. land title) as collateral for expanded access to loans. According to the available studies, in this context, the value of land assets and livelihood-generating capacity is not substantively enhanced by land title alone (Lopez and Valdes, 2000; Carter 2005; Boucher, Barham, and Carter, 2005). This means that for land administration projects to contribute their full potential to financial deepening and productivity and livelihood improvements in with poor *campesinos*, they must be combined with improved financial access and other mechanisms for building assets.

In some cases, the legitimation of existing tenure structures through interventions that formalize land rights may tend to formalize highly unequal initial distribution of land, or circumvent complex processes of social negotiation about historical land claims, overlapping interests of individual, community and national tenure domains, and the social and legal legitimacy of locally-observed landholding patterns. This is especially the case in the many mountainous areas of Central America where *campesinos* (often indigenous peoples) have been historically located as the result of complex historical combinations of market and political forces. They generally hold very small household-use parcels, 0-4 acres (often land with low natural productivity (and/or degraded lands) and with poor location and thus poor access to markets and support services, often within complex tenure landscapes of community-used land, and land in natural resource use subject to a variety of customary and statutory regimes. On the other hand, in some areas of Central America, land titling has had some positive social impacts in terms of helping to resolve conflicting land claims.

Even with land title, *campesinos* tend to lack complementary assets and do not have (nor do they attain) improved access to credit, extension/technology, key inputs (e.g., irrigation, improved seeds, or fertilizer), and commercialization options that could make a significant difference in their asset portfolios, livelihoods and well-being¹⁰. Poor households Central America with land holdings, thus, tend to have small quantities of low quality land assets, and lack complementary assets and support services to select poverty-reducing livelihoods (Siegel, et. al, 2004)¹¹. In some cases, *campesinos* use their newly obtained land titles to sell the land for cash, especially when there are not functioning credit markets, extension services, and opportunities for profitable use of land (Carter and Barham, 1996; Boucher, Barham, Carter, 2005; World Bank,

9 Campesino is a term referring to a farmer or farm worker, with connotations of subsistence or simple small-scale farming with minimal purchase of inputs or marketing of outputs. See <http://en.wikipedia.org/wiki/Campesino>.

10 See Carter and Barham (1996); Lopez and Valdez (2000); de Janvry and Sadoulet (2002), Boucher, et al. (2005) for more on the market and institutional failures limiting the competitiveness of *campesinos* in Latin America.

11 Furthermore, in the case of Honduras, during the field studies, it was found that the households in rural villages not located within “urban zones” were systematically omitted from land title regularization of residential holdings (often their most value household asset) because their homes were located in rural villages, and not within “urban zones” where the World Bank funded land titling efforts had clear jurisdiction.

2005; Ybarra, 2008). As such, there is increasing interest in broader-based multi-sectoral territorial development projects in Central America, as opposed to land projects, per se (Siegel, *et. al.*, 2004; Siegel, 2005; Jansen, Siegel, Pichon, 2005; Alwang, *et. al.*, 2005; de Janvry and Sadoulet, 2008; Schejtman and Berdeque, 2008). Or alternatively, given the complexity of the management of multiple components in territorial development, it may be more practical to achieve a regional/territorial focus through several complementary projects, including land administration, credit access, rural infrastructure, etc.

Besides the need to monitor and evaluate the poverty and growth impacts of land administration projects, it is also important to assess the sustainability of land administration systems. Based on a survey of World Bank (and other) land administration projects in Central America, Proenza (2006; 2007) concludes that financial and institutional viability and sustainability of a modern cadastre-registry is questionable in remote, low productivity rural areas. Therefore, the poverty reducing benefits from a modern land cadastre system can be expected to be minimal where land markets are underdeveloped and few land transactions take place.

4

Market-based land redistribution programs in Honduras (PACTA) and Guatemala (FONTIERRAS) that addressed a broader package of land and complementary assets and support services have been implemented, but not scaled-up, and merit another look. There were projects in Honduras and Guatemala that attempted to assist *campesinos* (including small farmers and landless farm laborers) gain direct ownership of land assets and the complementary assets (productive and social) and support services (e.g., credit, technical assistance) needed to increase returns to land and labor. However, these projects were not continued or scaled-up into larger scale projects by governments. In Honduras, there is only continuing support for farmers already settled in the first phase of the pilots, with no additional land purchases planned for the future. A major criticism of PACTA in Honduras was that it was expensive on a per beneficiary basis (estimates of almost \$5,000 per beneficiary household)¹² and hard to replicate on a national scale (because of the high costs and limited land markets). Also, project administration costs were high. In Guatemala, Fontierras has continued, but with a limited scope in market-based land acquisition and a larger emphasis on land regularization and support for land rental¹³.

Available project evaluation data suggest that returns to participating farmers in PACTA were positive and improving (Childress and Korczowski, 2008). Whether these benefits were sufficient to warrant the costs per beneficiary family has not been fully explored, but it is important to compare high initial costs per beneficiary with the “returns” spread over an appropriate time-period (5-10 years). Returns from investments in land and other physical and social assets can take time to become sustainable from economic, social and environmental perspectives (Keswell and Carter, 2011). In addition, because land is a necessary but not sufficient asset, it is important to compare the costs/benefits per beneficiary from land administration projects with respect to market-assisted land acquisition projects. In addition, it is also important to examine alternative “lease to buy” or rental options in the context of a more comprehensive “package” of assets and support services before ending this market-assisted land access approach in Central America.

¹² Indeed, \$5,000 per beneficiary seems very high, and difficult to replicate and upscale. This figure, however, is similar to the costs per beneficiary in similar World Bank projects in Brazil (Childress and Munoz, 2008).

¹³ The Fontierras program called Access to Land delivered 265 farms to 20,010 families between 1998 and 2011. The Fontierras Regularization program delivered 19,743 deeds benefitting 60,997 families and regularizing 740,882 hectares between 2000 and 2011. The Fontierras program for Land Rental has authorized 297,368 credits for land rental between 2004 and 2011 (sourced from Fontierras website <http://www.fontierras.gob.gt/index.php/resultados-institucionales>).

5

Government policies have tended to focus on providing basic social infrastructure and services such as education, health, water and sanitation, electricity, and roads, which are expected to create complementarities with land-related investments. Governments in Central America, with the support of donors, are making major investments in social infrastructure that improve community and household well-being (Alwang, et. al. 2005; Zezza, et al. 2007). It is expected that these investments will help increase land and labor productivity in agricultural production, storage, processing, and marketing, and that they will help facilitate exit paths from agricultural production and from rural areas (de Janvry and Sadoulet, 2000; 2008; Siegel, 2005; Schejtman and Berdeque, 2008). However, during this same period, there was a notable reduction in donor and government support for agricultural research and extension, credit, investment in irrigation, post-harvest storage and processing, producer associations and cooperatives (World Bank, 2008). This relative lack of investment for increasing land and labor productivity in rural areas, combined with the improved social infrastructure linking rural and urban areas, is contributing to considerable population stress (through rural to urban migration) on urban and peri-urban areas in major cities and municipal centers. In the absence of dynamic growth in land-based livelihoods or in rural-based manufacturing and tradable production opportunities, the rural poor (especially young adults), tend to search for better options beyond their communities. This migration may be based more on push than pull factors. Rural poverty, thus, often translates into urban or peri-urban poverty, providing the potential for ongoing pressures on land use, access, and conflict in those localities. On the other hand, this means that in many cases, land policies aimed at reducing urban poverty can indirectly help reduce rural poverty. For the big investments in social infrastructure to realize the expected complementarity with land-based production, a re-balancing and re-invigoration of land policies to support rural livelihood growth appears to be called for in the region.

6

Land administration impacts (in terms of growth and poverty reduction) seem to be greatest in urban informal settlements and rapidly urbanizing areas, which can benefit from fast up-scaling. There is increasing anecdotal evidence and some case studies that indicate large positive impacts on growth and poverty reduction resulting from improved land administration in urban slums, and other rapidly growing urban and peri-urban areas.¹⁴ In this case, regularizing land claims can help the urban poor secure title to their homes which legalizes a significant asset, increases their security in making investments in their homes (and improved maintenance), enhances their access to credit, and bolsters their demands (and political powers to match their demands) for provision of municipal services. Land regularization in many urban areas, can make a major impact on the poor who have complementary assets and access to public and private services.¹⁵ The settling of land claims and legitimizing an informal settlement in a “good” location (with good proximity to markets and social services) can have a major poverty reducing impact. Land administration may have even greater net impacts in urban areas through linkages to municipal service provision, municipal finance and spatial planning. While these impacts have always been an expected part of the land administration effort, their size and apparent cost-effectiveness suggest that they merit rapid up-scaling.

¹⁴ See Quesada (2007) for a case study in Honduras.

¹⁵ In Honduras, a participants in a focus group also claimed that a large factory located near their “colonia” after land regularization took place, because the factory had greater security about having a nearby labor force.

Besides the direct impacts of improved land administration on the well-being of urban households, there are also indirect impacts via better governance as evidenced by improved collection of taxes and financial management by municipalities, especially those with large urban concentrations. There seems to be a virtuous cycle of land registration, taxation, and improved public infrastructure and services, and increased private investments and services. This is leading to increased interest among municipalities with large urban areas for projects that link land administration with better governance (e.g., tax policies, financial management and provision of infrastructure and services, and broader aspects of strategic planning). In contrast, there is still a relative lack of anecdotal or other evidence of similar household-specific or broader community effects in municipalities whose territories mostly encompass rural areas, although they may be present.

At the same time it is important to view urban and rural land issues together in a dynamic spatial process of rural-to-urban migration, since many of the urban poor are really migrants (mostly poor) from rural areas. Thus, the success of land administration in urban informal settlements might help reduce rural poverty, because of the improved incomes received by migrants and the remittances they send to rural areas. Yet, viewed from a dynamic perspective, this type of urban land policy could become an example of the Harris-Todaro Model¹⁶, with masses of rural poor coming to settle in urban and peri-urban areas seeking land and land titles that acts as an asset transfer, an/or improvements in well-being they could not achieve in rural areas. These rural to urban migrants are literally shaping the future of Central America and their integration into the economy and polity will determine the quality and speed of much of Central America's coming growth in a dynamic spatial process like the World Development Report 2009 on economic geography depicts (see World Bank, 2009). Rural populations given the out-migration of younger adults will likely become older, poorer, lower educated, and more heavily indigenous.

7

Some land administration programs have avoided areas with land conflict or a complicated set of land claims, while others have attempted to specifically target conflict areas and been stymied. Land administration projects in some areas of Central America have tended to avoid areas with major conflicts and/or complicated sets of land claims.¹⁷ Those efforts that have not avoided conflictive areas tend to become bogged down by litigations and claims of project mismanagement (Ortega, 2004; de Dinechin and Glauber, 2006). From a project management perspective, these land administration projects have tended to suffer from an imbalance when trying simultaneously to target areas with major land conflicts and other areas without major conflicts in the same project. Different institutional and incentive structures, group dynamics, operating procedures, etc. overly complicate project execution and administration/management of these projects.

Indigenous areas, forested and protected areas, and regions of major land conflicts before/during/after the civil wars are usually scheduled for later phases of land administration (often decades into the future), while areas that seem "easier" to deal with are prioritized for earlier phases. Furthermore, there have been major challenges trying to resolve conflicts (as evidenced by Inspection Panel Investigations of land projects in Panama and Honduras) that dealt with indigenous people. This is a serious institutional constraint projects to try and incorporate such components in land administration projects (or as a component of other projects). In some cases, the avoidance of land conflict areas is also associated with conflicting mandates of national institutions and international donors and NGOs (Larson, *et. al.* 2008). In addition, there

16 See Field (2007) <http://digitalcommons.ilr.cornell.edu/cgi/viewcontent.cgi?article=1020&context=workingpapers>

17 El Salvador is an example of the strategy to postpone conflict areas until the future. Honduras and Nicaragua decided to attempt to deal with these issues from the very beginning, although certainly not all conflicts have been resolved.

are real (and imagined) technical challenges of implementing advanced digital geo-referenced information systems and training local municipal professionals to use and maintain these integrated cadastral-registry systems. Regardless whether intentionally or unintentionally the poorest and most conflict affected rural areas of Central America up to now have often been bypassed or the last in line for land administration projects.

8

Land titling often ignores or complicates local management of natural resources, such as forests and water, and sometimes deepens the "exclusionary" historical pattern of land access in Central America, which in turn exacerbates conflicts between "colonists" and indigenous peoples and environmental groups. Land titling in Central America is often a contentious issue with many conflicting interest groups and individuals, representing national and international stakeholders and claimants (Plant and Hvalkof, 2001; Ybarra, 2008; Larson, *et. al.*, 2008; Barry and Taylor, 2008). Clearly, different interest groups have different objectives, often with distinctive perspectives on growth, poverty reduction, environmental protection, and rights of indigenous peoples. In Central America there are multiple national ministries, regional and local government agencies involved in regularizing land claims, along with the private sector, civil society, donors and NGOs. The tendency toward myopic and narrow group, sectoral, and spatial views at the expense of more collective, multi-sectoral and regional perspectives based on common needs for rational natural resource management (*e.g.*, watershed management areas) often results in inequitable outcomes and private and social welfare losses (including environmental degradation). This predicament is most prevalent in mountainous regions where regularizing claims often locks poor campesino households into a more restricted land access situation by closing off their access to forests, hunting and gathering options, and alternative farm plots. It also arises in indigenous areas where different concepts of land rights between colonists seeking timber, ranch land, and farming opportunities tend to collide with land use traditions of indigenous groups. A recent study on land administration in forested and indigenous areas in Latin America by Larson *et. al.*, 2008¹⁸ concludes that in spite of the fact that many governments have introduced "progressive policies intended to benefit rural populations and their forest use", there is a lack of evidence that such policies have actually led to any real changes to benefit the communities. A parallel study by Barry and Taylor (2008)¹⁹ concludes: "there is a need to shift the frame of the discourse by supporting processes that enable local indigenous, traditional peoples and campesino communities to use alternative forest management approaches that build on traditional values and practices, and exploit the forest's multiple livelihood values, as well as opportunities for strengthening initiatives for expanding community forest enterprises as a means for reducing poverty."

9

*Public officials engaged with land administration tend to be located in municipalities, yet land titling authority often resides in national ministries (*e.g.*, agriculture, forestry, land reform and natural resources) or specialized property institutes.* Typically, national agencies are more narrowly focused on supporting private sector production and marketing activities, or natural resource management and environmental protection than on engaging in institutionally integrated land administration efforts (Larson, *et. al.*, 2008; Barry and Taylor, 2008). Competing institutional jurisdictions and lack of inter-agency cooperation,

18 Case studies were carried out for Guatemala, Nicaragua, Brazil, and Bolivia.

19 Case studies included Guatemala, Honduras, Nicaragua, and Panama.

frequent turnover in public sector jobs, inadequate training and technological bottlenecks and incompatibilities create land administration failures by leaving much of the work of regularization unfinished in a mosaic of sector-specific polygons and missing the spillovers available from spatial cooperation (e.g. local, area-based approaches). Decentralization has placed major responsibilities on municipalities for the provision of social infrastructure and services, and has also provided them with the rights to raise revenues through various taxes, including taxes on land and other property. This shift from central government control over taxes and revenues has provided a major incentive to municipalities to have land registered with the intent to collect taxes. However, their jurisdictional titling authority is often limited, as in Honduras, to “urban zones” in the municipal center and in some surrounding towns with that “urban” designation. On the other hand, national ministries of agriculture and livestock or forestry and natural resources which have titling jurisdiction in other rural areas, may not be working in close coordination with municipalities on regularizing claims, choosing instead to facilitate and fund public-private alliances that focus on production and marketing infrastructure or on environmental service provision.

Land administration projects tend to work closely with municipalities to regularize land claims. They also try to develop integrated land management systems in the regularization process, but they do not necessarily achieve close coordination with other government agencies. This lack of coordination not only stymies land regularization efforts, but also can lead to new conflicting claims as different government agencies issue land titles and/or use rights independent of the others. In such instances, land administration efforts generate greater inefficiency and frustration at the local level, with land conflicts often deepening rather than diminishing.²⁰ The creation of automated land information systems at a national level, as has occurred in Honduras, now provides the ability to link information from a number of agencies at a locally-manageable scale.

10

Land administration datasets contain parcel-based information and remotely-sensed imagery which are the key coverage for delivering municipal services, levying property taxes, and for land use planning and natural resource management as part of spatially oriented territorial development strategies. They are foundation elements for spatial data infrastructures. Land administration projects are collecting and generating significant amounts of geo-referenced data at a very detailed and local level. These datasets provide multisectoral information for small grids and for wider geographical areas that can be regionalized based on different criteria (e.g., political boundaries, watershed and natural resource management areas). However, in most cases these datasets are underutilized for land use planning and zoning, for strategic planning and investment plans, and for broader territorial development strategies and investment plans.

For example, as part of the land administration project in Honduras, an integrated GIS database has been planned that will integrate data on land use and natural resource (e.g., forests and water) management, and disaster risk management, and socio-economic data, infrastructure data, etc. into a common platform to be accessed by municipalities for strategic planning and investment strategies. There is scope to integrate databases for land projects with other databases from environmental projects and disaster management projects, at national and local levels (Segnestam, *et. al.*, 2000; Segnestam, 2002; Cook, *et. al.*, 2008; Borrero, 2009; Murthy, 2009). Spatial information systems and governance can be linked through spatial data infrastructures (SDI), a technological tool that incorporates geo-referenced information covering data on land and natural resource ownership and use, climatic and natural hazards, socio-economic conditions, and available infrastructure.

²⁰ It needs to be emphasized that major policy and institutional reforms aiming at creating strong integrated land administration systems require a strong political support over a long period.



SDI is an active component in several land-related development projects supported by the World Bank in Honduras, Guatemala and Nicaragua (e.g. land administration, disaster risk management, territorial development, and rural competitiveness projects). Yet, much work remains to integrate these initiatives toward improved targeted and coordinated data collection, project design and implementation, monitoring and evaluation, and ultimately effective policy responses to natural disasters, local investments, and infrastructure development. The Central America Probabilistic Risk Assessment (CAPRA) is a new initiative in Central America²¹, and it is bringing together many GIS databases that could be integrated with land data and used for strategic planning. These kinds of databases could provide extremely valuable information for local governments and other institutions and organizations (public, private, civil society, NGOs) as they attempt to develop strategies and plans for territorial development. The establishment of databases needs to be combined with training and logistical support (including computers and other equipment) to build capacity to utilize them in an effective manner (Segnestam, *et. al.*, 2000; Segnestam, 2002).

²¹ See www.ecapra.org

Suggestions for future land-related development projects in Central America

As governments consider continuing to support land administration projects in Central American countries; and as some projects are entering their second phase and are expected to continue for another 20-30 years (through additional phases), we propose some suggestions for future land projects in Central America to enhance their impacts as drivers of resilient poverty-reducing growth and sustainable natural resource management in rural and urban areas. Clearly, the details and modalities of these guidelines will require additional attention. However, “getting the guidelines right” is a necessary condition to proceed with a reconsideration and re-invigoration of land-related development programming in Central America.

- 1 Clearly Articulate Project Objectives and Improve Monitoring and Evaluation. There should be better articulation of project objectives combined with improved systems for monitoring and evaluation that use mixed quantitative and qualitative methods.²² Land administration projects can be used as a platform to collect a wide range of spatially oriented (*i.e.*, GIS) data (including land ownership and use, environmental, and socio-economic data) that can also be used for monitoring and evaluation. This could be part of a broader spatial data infrastructure (SDI);
- 2 Need for Urban Land Projects Linked to Improved Municipal Service and Finance, and “Smart” Governance. For urban and peri-urban areas, recognize the high payoffs from land administration projects for households and local governments and prepare new projects that deal explicitly with land titling, governance of land registries, taxation, financing, and overall strategic management at the local government level;
- 3 Multi-Sectoral, Territorial Approaches Needed for Rural Areas. For rural areas, land administration projects should be part and parcel of a more integrated multi-sectoral approach that provides “packages” of assets and support services to poor households and communities. Adopting an “asset-based (*i.e.*, livelihoods) approach”²³ is critical for both land administration projects and access to land projects;
- 4 Land Redistribution and/other Forms of Asset Redistribution Should Be Reconsidered for Asset-constrained Agricultural and other Natural Resource Management Oriented Households. Land redistribution (using multiple modalities including land purchase, rental, equity sharing, communal use) should be considered in rural areas where land is underutilized and/or land holdings are too small to provide a sustainable livelihood from agriculture. Alternatively, other forms of asset redistribution might be more appropriate for households with minimal access to land and/or access to marginal land in remote and/or environmentally sensitive area such as payments for ecosystems services, cash transfers, non-farm enterprise development grants, and investments in basic infrastructure and services;

22 See Deininger (2007), Conning and Deb (2007), Conning (2009) for specific suggestions.

23 See Carter (2005); Siegel (2005); Jansen, Siegel, Pichon, 2005; Alwang, *et. al.*, 2005; Zezza, *et. al.* (2007; 2009).



- 5 Need for Specialized, Well-Defined Projects in Conflict Areas. Land administration projects in conflict areas should be specialized land administration projects for well-defined areas (rather than being a component of larger land administration projects), with specially qualified multi-disciplinary teams of World Bank staff and persons from other international and local institutions. In some cases, the governments should possibly seek partnerships with other specialized organizations to carry out such projects, including the Global Environmental Facility (GEF) for indigenous lands and protected areas.²⁴
- 6 Need to Integrate Land Use Planning and Management as Part of Territorial Development Initiatives. Broaden the perspective of land projects to consider land-use and natural resource planning and management, and disaster risk management and climate change planning and management in the context of area-based strategic planning and management in urban and rural areas, and the interface between urban and rural areas. Many refer to this multi-sectoral and spatially focused approach as “territorial development”. Such an approach will require innovations in project design and institutional innovation within the World Bank and in client countries.²⁵

²⁴ de Dinechin and Glauber (2006) suggest projects using the Global Environmental Facility (GEF) for areas with indigenous people and/or protected areas.

²⁵ See Zezza, *et. al.* (2007; 2009); UNDP (2010); Siegel, 2011).

From land-based to area-based projects: territorial planning approaches revisited

Advances in rural poverty reduction in Central America over the last twenty years have primarily resulted from improved social infrastructure and migration (domestic and international), not widespread improvements in household asset portfolios or productivity improvements (Siegel, 2004, et. al, 2004; Siegel, 2005; de Ferranti, *et. al.*, 2005; de Janvry and Sadoulet, 2008; Schejtman and Berdeque, 2008). While the long-term future of most Central Americans is unquestionably urban, current poverty is still largely rural and improved land policy and faster growth and poverty reduction is needed in rural areas –while also remembering that performance in rural areas is closely linked to land policy and performance urban areas. In addition, since the 1990s, there have been major shifts toward decentralization of governance to municipal governments, with increasing local responsibilities for financing and providing of local infrastructure and services. This has created new demands for information, analytical tools, and governance capacity (de la Esperiella, 2007; Zezza, *et. al.*, 2007; de Janvry and Sadoulet, 2008; Schejtman and Berdeque, 2008). Since land policy (in its broad context) will continue to be an important aspect of poverty-reducing growth in Central America (Childress, 2008), it is important to reflect on the lessons learned from the last twenty years in the LAC Region, and consider new directions for the future. This means that a new kind of land policy and project design is needed which combines land use planning and management with broader aspects of area-based strategic planning and management (Childress, 2008; Childress, Siegel, Barham, 2008; Sotomayer, 2008).

Land policies focusing on strengthening property rights and improving land access need to be mainstreamed into territorial development approaches that address improving the use of existing asset endowments, filling asset gaps, identifying poverty-reducing growth opportunities, and mitigating economic, social and environmental risks in a spatially differentiated manner. As mentioned in the introduction, there is a growing set of analyses pointing in this direction, notably from the World Bank. These suggest the potential for deeper attention to territorial approaches that integrate land use planning and natural resource management as the conceptual foundation for land policies in rural and urban areas.²⁶ It seems, however, that in the Central America countries, innovation in land project development has been slowed by their inherent complexity, the need to create alignment among multiple and sometimes conflicting interest groups, and the challenge of multi-sectoral collaboration. This is in part due to the institutional inertia and governance problems detailed earlier, and cannot be disentangled completely from the deep historical and political complexities of Central America. But it is also in part due to the adjustment costs of changing to a more nuanced and holistic approach under new and evolving circumstances.

However, the costs of not adjusting to the new realities are potentially great and long-lasting. The unsatisfactory situation of slow growth with minimal (if any) poverty reduction and increased natural resource degradation in countries such as Guatemala, Honduras and Nicaragua is creating intense political pressures on governments and their development partners to deliver better results, faster growth, poverty reduction, social peace.²⁷ Climate change and increased environmental vulnerability, the global economic crisis, the lack of improved and improving agricultural and rural non-farm employment

²⁶ See, for example, World Bank (2002); de Ferranti, et al. (2005); World Bank (2005a; 2004b; 2005c; 2005d); World Bank, 2007; World Bank (2008; 2009).

²⁷ Rural poverty in Honduras, Guatemala and Nicaragua has not decreased since 1998, despite positive national economic growth rates at about 3 percent annually in real terms.

opportunities, and more limited opportunities for international migration to compensate for domestic economic stagnation and unemployment, are intensifying the region's already grave economic, social and environmental problems but also creating opportunities for new discussions and approaches.

In this new perspective of land policy, a menu of policy options and technical tools would be deployed by local governments (with assistance from national institutions) to improve the efficiency and equity of land and natural resource access and use, with explicit actions to stimulate poverty-reducing growth. In addition, disaster risk and climate change management should be considered as integral components of area-based strategic planning and management for poverty-reducing growth (see UNDP, 2010; Siegel, 2011).

Land distribution issues (and redistribution policies as part of a wide asset-based attack on poverty), and the issues of access for indigenous peoples and other socially vulnerable groups, will remain a critical part of rural growth and poverty reduction strategies. This is because of underlying inequalities in asset distribution and the fact that many of the poor in Central America are land-poor farmers and/or landless households or indigenous groups whose main pathway out of poverty will be through agriculture or resource use (de Janvry and Sadoulet, 2008; Schejtman and Berdeque, 2008; Childress, 2008). However, land redistribution and protection of indigenous lands are not a "silver bullet," or the only pathway out of poverty for asset-constrained rural households. Directly redistributive land policies are most likely to be effective when they are demand-driven, target producers for whom land is the binding constraint to improve well-being and/or complementary assets, and support services are provided along with land (Keswell and Carter, 2011). For land redistribution, indigenous land protection and strengthening of existing landholders' property rights, poverty-reducing gains are most likely to occur when there is for the potential for significant land (and/or labor) productivity gains through access to new technologies, products and/or markets, the ability to improve governance, and the ability to improve environmental resilience (Binswanger-Mkhize, *et. al.*, 2009). This, in turn, leads us back to territorial development perspectives that are fundamentally spatially differentiated and asset-based (*i.e.*, livelihood) approaches (Siegel, 2005; Zezza, *et. al.* 2007; 2009; Siegel, 2011). By treating asset-based, rural land policy in this integrated territorial manner, Central America will have the best chance to take advantage of the lessons learned in the past two decades about how to advance development, poverty reduction, and environmental goals.

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Our Mission

A global alliance of civil society and intergovernmental organisations working together to promote secure and equitable access to and control over land for poor women and men through advocacy, dialogue, knowledge sharing, and capacity building.

Our Vision

Secure and equitable access to and control over land reduces poverty and contributes to identity, dignity, and inclusion.

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