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# Assessment of Land Expropriation and Compensation in Ethiopia: The Law, Practice and Policy Implementation In Case Of Wolkite Town of Gurage Zone

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**BAHIR DAR UNIVERSITY**

**INSTITUTE OF LAND ADMINISTRATION**

**DEPARTMENT OF LAND AND REAL PROPERTY  
VALUATION**

**GRADUATE PROGRAM IN REAL PROPERTY VALUATION**

**Assessment of Land Expropriation and Compensation in Ethiopia:  
The Law, Practice and Policy Implementation in Case of Wolkite  
Town of Gurage Zone**

**By**

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**Advisor: Alelign Wonedem (Phd)**

**January, 2023**

**Bahir Dar, Ethiopia**

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**Assessment of Land Expropriation and Compensation in Ethiopia: the Law,  
Practice and Policy Implementation in Case of Wolkite Town of Gurage Zone.**

**By:**

**Aberu Demsew Demeke**

A Thesis

Submitted to the Institute of Land Administration, Bahir Dar University in Partial Fulfillment of  
the Requirements for the Degree of Masters of Science (MSc) In Real Property Valuation

**Addiviser: Alelign Wonedem (Phd)**

January, 2023

Bahir Dar, Ethiopia

## Declaration

I declare that this thesis comprises my solely work in compliance with internationally accepted practice, I have duly acknowledged and referenced all material used in this work. I understand that non-adherence to the principle of academic honesty and integrity, misrepresentation/fabrication of any idea/data/ facts/ source will constitute sufficient ground for disciplinary action by the university and can also evoke penal action from the source which have not been properly cited or acknowledged.

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**APPROVAL OF THESIS FOR DEFENSE RESULT**

As a member of the examining board for this thesis, we certify that we have read and evaluated the thesis prepared by Aberu Demsew Demeke entitled: **Assessment of Land Expropriation and Compensation in Ethiopia: the Law, Practice and Policy Implementation in Case of Wolkite Town of Gurage Zone**. And it is accepted as fulfilling the thesis requirement for the degree of Master of Science in real property valuation. The final approval and acceptance of the thesis are contingent upon the candidate's successful defense of the thesis and submission of the final copy of the thesis to the research and community service coordinator of the Institute of Land Administration (ILA).

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Aberu Demsew Demeke

Bahir Dar Ethiopia,

January, 2022

## ***Abstract***

*Urban expansion, construction of infrastructure, and construction of different industries are the main causes of land expropriation in Ethiopia. This study has aimed to assess the policies, laws and practices, applicable to the issue of land expropriation and payment of compensation in Wolkite town. Specifically, this study evaluates the practice of expropriation procedure of the town with respect to the principles and procedures of the law. It assessed the practice of compensation payment in the town in line with the compensation principle's of current expropriation law. Lastly, it identified the major implementation challenges of expropriation law in Wolkite town. To have a better insight and to gain a plentiful understanding of the research problem, the researcher employs a mixed research approach. And all the necessary data required for this study were gathered from both primary and secondary sources. For this study, the samples were selected by using a systematic sampling method, and key informants were selected purposively. In the study area, 145 sample respondents were included. Also, the researcher has gathered information by using interviews and focused group discussions with purposively selected respondents. The researcher used both qualitative and quantitative data analysis methods. The quantitative data have been analyzed, organized and interpreted through table, frequency, and percentage. The qualitative data have been analyzed and expressed in descriptive form and integrate with quantitative analysis. The finding of this study shows that, the practice of land expropriation procedure in the town usually not applied in line with the current expropriation procedural principles of transparency, participatory and accountability. And the practice of compensation payment of the town is not based on the compensation principles of the expropriation law. Finally as the finding of the study, even the government amends and includes different basic provisions in the current expropriation law, the absence of skillful experts in the valuation process, absence of a clear real property valuation policy and standardized valuation system, and the presence of legal gaps in the expropriation and compensation law are some of the major challenge to implement the expropriation process in the town. The practice of expropriation process should be applied based on what the expropriation law says.*

**Keywords: Expropriation, Compensation, Legal Procedure, Urban land, Displaced people**

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## **Acronyms and Abbreviations**

**ANRS:** Amhara National Regional State

**CBD:** Central Business District

**CSA:** Central Statistical Agency

**FAO:** Food and Agricultural Organizations

**FDRE:** Federal Democratic Republic Of Ethiopia

**FGDs:** Focus Group Discussions

**ILA:** Institute of Land Administration

**KII:** Key Informant Interviews

**SNNPR:** South Nation Nationality and People Region

**Proc, No:** Proclamation Number

**Reg, No:** Regulation Number

**UNCTAD:** United Nations Conference On Trade And Development

## CHAPTER ONE: INTRODUCTION

### 1.1. Background of the Study

Land is always the single most important source of material wealth and social prestige in many societies around the world. According to Ling and Archer (2005), as cited in Daniel (2009), Land generates the majority of national income, and real estate is estimated to account for roughly half of the world's total economic wealth. Similarly, land is extremely important in the lives of the majority of African developing countries. Because it is the primary source of economic well-being and allows citizens to purchase necessities (Ambaye, 2009). However, in order to achieve sustainable development, the government expropriates smallholder farmers' land. Because in order to achieve sustainable development in one country, the government must provide public facilities and infrastructures for the citizens that ensures the safety, security, health, welfare, social and economic development, and environmental protection and restoration. As a result of the demand for sustainable development and increased citizen well-being, governments in developing countries retain and exercise the power to expropriate personal property for public purposes (Keith et al., 2008).

Land expropriation is defined as the government's compulsory taking of private property for public purposes without the property owner's consent, in exchange for an advance payment of fair compensation (Ambaye, 2013). The law requires the expropriator to reimburse the expropriated for the property interest taken and to put the expropriated in the same financial situation as if the property had not been taken (Epstein, 1985). Socio-political and economic theories provide justification for the payment of compensation. Compensation is a tool for balancing social justice. It safeguards the rights of politically under-represented groups by requiring the government to bear the costs of expropriation (Ndjovu, 2003). In Ethiopia Land expropriation is used for both rural and urban development activities, as well as private and government development projects, with compensation paid. The existing land tenure relationship is expected to end compulsorily when an urban territory expands into pre-urban areas adjacent to municipal boundaries (Adam, 2014b). As a result, the most important constituent of Ethiopian urbanization and urban development processes is the termination of holding rights exercised by local pre-urban communities through expropriation decisions and subsequent reallocation of expropriated land to urbanities (Adam, 2014a). According to current Ethiopian expropriation

law, the Regional States, Addis Ababa, and Dire Dawa city administrations' cabinets may delegates a powers to woreda or urban administrations on the decision of expropriating rural or urban landholdings for a public interest. Furthermore, the expropriation law stated that when land is expropriated for public purposes, the landholders must be compensated for their property and displacement (FDRE, 2019).

Wolkite town, the administrative center of the Gurage zone in the southern nations, nationalities, and peoples' region, is undergoing rapid urbanization and extensive expropriation. And different critical questions are raised linked with the expropriation process. So, this study was conducted to examine the law, policy and practice of land expropriation and compensation process in Wolkite town as a general aim. And specifically, it evaluates the practice of expropriation procedure of the town with respect to the principles and procedures of the law. It assessed the practice of compensation payment in the town in line with the compensation principle's of current expropriation law. Finally, it identifies the major implementation challenges of expropriation law in Wolkite town.

## **1.2. Statement of the Problem**

Land is the most valuable economic, political, social, and cultural asset in the majority of developing countries, including Ethiopia. It is an essential source of generating income for society. It remains an asset that farmers have to accumulate wealth and transfer the same to the future generation. Furthermore, the issue of land is deeply intertwined with people's culture and identity. In a broad sense, land-related issues in developing countries are the most sensitive aspect of overall development that governments must consider (Kumsa, 2011).

Currently in different parts of our country, different public purpose activities like the construction of roads, health institutions, schools, industries, urban expansion, and different investment activities which generate benefits for the greatest society are carried out. So expropriations of peri-urban and rural land for such and other more useful public purposes activities by the government becomes a necessary issue. However, most of the time displaced peoples claimed that the absence of a clear real property valuation policy and responsible institution for it, certified valuers for doing the valuation assignment, the presence of corrupt activity on expropriation practice and the existence of delaying the expropriation procedure by local government authority adversely affects the amount of compensation that is being paid for

the displaced communities. And these problems are relevant to both urban and rural areas of Ethiopia. But the areas which exhibit worse problems are peri-urban areas. This is true because of the breakneck rate of urbanization in Ethiopia similar to other developing countries requires large amount of land for urbanization. As a result, this is primarily met by converting peri-urban agricultural land on the outskirts of existing built-up areas (Haileselesie, 2020).

Several studies on the issue of land expropriation and compensation, as well as other related concepts, have been conducted by different researchers in different sectors and different parts of Ethiopia at various times. Gashaw, for example, conducted research on land expropriation and compensation payments in Ethiopia in 2015. Furthermore, Abebaw at 2016 conducted his study about expropriation, valuation, and payment of compensation; the law and the practice in Addis Ababa City. Similarly, in 2015, Martin conducted a qualitative study on compensation practices in the Ethiopian expropriation process in a rural area. These and other studies on the concept of land expropriation and compensation have been conducted in various regions of Ethiopia. These studies focus on the amount, mode, payment time, and the adequacy of compensation that is being paid to the displaced people. In addition, these studies also focus on the type of problems that exists in the displaced peoples because of the expropriation. However, these studies have not seen the gaps of the expropriation law and its practical applicability. Furthermore, they did not consider the legal gaps and implementation challenges of expropriation procedures and compensation principles. Unlike these studies, this study aims to assess the laws, policies as well as practices of land expropriation process in wolkite town by considering the issues that the above researchers did not consider in their studies. And also, as of the time when the above researchers conduct their studies, the effective law regarding expropriation and payment of compensation in Ethiopia was proclamation No 455/2005. But currently or at the time when this study was conducted, a new expropriation law (proclamation number 1161/2019) provides expropriation of landholding for a public purpose and payment of compensation that repeals the existing proclamation No 455/2005 and has been put into effect. So, this study critically examines the laws, the policies as well as the practices expropriation process in the study area based on the current expropriation law of Ethiopia.

So, this research was unique in that it sought to fill the gaps in the aforementioned previous research. Therefore, this study evaluates the practice of expropriation procedure and



compensation payment in the town with respect to the principles and procedures of the law. Also, it identifies the major implementation challenges of expropriation law in town.

### **1.3. Objective of the Study**

#### **1.3.1. General Objective of the Study**

The general objective of the research is to assess the laws, practices and policies applicable to the issue of land expropriation and payment of compensation in Wolkite town of gura zone.

#### **1.3.2. Specific Objectives of the Study**

The study would incorporate the following specific objectives.

1. To evaluate the practice of expropriation procedure of the town with respect to the principles and procedures of the law.
2. To assess the compensation payment practice of the town in line with the compensation principle's of current expropriation law.
3. To identify major implementation challenges of expropriation law in Wolkite town

### **1.4. Research Question**

1. Does the practice of expropriation process in the town going in line with the principle and procedures of the law?
2. Is the practice of compensation payment in the town going in line with the compensation principles of expropriation law?
3. What are the major implementation challenges of expropriation law in the study area?

### **1.5. Significance of the Study**

The main significance of this study is to show the current practice of land expropriation and compensation procedures in Wolkite town and identify associated problems that affect the displaced peoples and propose a recommendation for the problems. Therefore, the output of this study would also be important for Wolkite town municipality, and the urban development office to fill the knowledge gap about the practice of land expropriation and compensation procedures. Also, it would be important for the local government to review land expropriation and compensation practices and the implementation of expropriation laws and regulations to pay fair and just compensation to displaced people. Therefore, the output of this study is also important

for the displaced people. Lastly, this study also would help as a stepping ground for future researchers to conduct further research in property valuation for expropriation at the region and country level.

### **1.6. Scope of the Study**

Any research has its thematic scope and spatial or geographic scope to specify the study and to accomplish within the given time and money. The thematic scope of this research focuses on the assessment of the issue of expropriation and payment of compensation, the law, the practice as well as the policy which is applicable in Wolkite town of Gurage Zone after 2019. And the spatial or geographic scope of the study would cover the area of wolkite town that are most vulnerable to expropriation.

### **1.7. Limitations of the Study**

The study was limited to Wolkite town. When doing the study, the researcher faced certain constraints. Among these, lack of properly quantified statically data or information, unwillingness of some respondents to give valid data, involuntary of respondents for interview and questionnaires and fear of respondents to provide accurate information. In general, the land experts are busy to get in office due to work loads, field works, and lengthy appointments for interview. Although staff members in the office offered many reasons for not interviewing and FGD"s, the researcher made frequent mails and phone calls until officials in the field or meeting returned, asking the representative of manager and heads, and using different working documents, regulations and proclamations in the office as an alternative.

### **1.8. Definitions of Terms**

**Land:** includes resources and buildings as well as the marine environment essentially, the land itself and all things on it, attached to it, or under the surface.

**Accountability:** refers the answerability of institutions or employees for their actions and resulting consequences.

**Transparency:** implies the process of decision making that has to be done in open manner and the information should freely and reliably accessible.

**Displaced People:** means a person, households, firms, or public or private institutions who has been living in occupied land, including tenants, employed and self employed persons on the land for public benefit.

### **1.9. Organization of the Thesis**

The study is organized into five chapters: Chapter one contains the general introduction. It provides an overview of the practice of expropriation and compensation in international and Ethiopian contexts, problem identification, and the objective of the study, the significance of the study, its scope and definition of terms. The second chapter attempts to review related literature that provides the definition, concepts, and purposes of expropriation. The third chapter addresses the methodology of the study and includes an in-depth description of the data collection techniques and materials that would be applied in the research. The fourth chapter covers the analysis and results of the research and explains the findings in the context of the research objectives and research questions. Finally, Chapter five provides the conclusion and recommendations based on the results of the analysis.

## **CHAPTER TWO: RELATED LITERATURE REVIEW**

### **2.1. Definition and Concepts of Expropriation**

Expropriation is the power of the government to acquire private rights in land without the owner's or occupant's willing consent in order to benefit society. It is a power that all modern governments wield in some form or another. This power is frequently required for social and economic development as well as environmental protection. Land must be made available for investments such as roads, railways, harbors, and airports; hospitals and schools; electricity, water, and sewage facilities; and flood protection, as well as the protection of water courses and environmentally sensitive areas. A government cannot rely solely on land markets to acquire land when and where it is required. However, a number of countries require the government to make a good faith effort to purchase the required land before exercising its power of compulsory acquisition. Compulsory acquisition necessitates balancing the public need for land on the one hand, and providing land tenure security and protecting private property rights on the other. In order to achieve this balance, countries should apply principles that ensure that this power is used for the benefit of society, for public use, public purpose, or in the public interest. Legislation should define the basis for compensation for the land and guarantee the procedural rights of those affected, such as the right to be notified, to be heard, and to appeal. It should include fair and transparent procedures as well as equal compensation (Keith et al., 2008).

When expropriation is not done properly, different problems may arise. For example, Policies and legislation that strengthen individual and community land rights may be undermined by compulsory acquisition. People may believe they do not have tenure security if the government acquires rights to private land without following prescribed procedures and/or without providing adequate compensation. And also, the threat of arbitrary loss of land and associated income discourages both domestic and foreign investment. Furthermore, the threats to tenure security discourage land transactions, reduce the acceptability of land as collateral, discourage people from investing in or maintaining their property, and lower land values. Opportunities for corruption and abuse of power are created: Inadequate protection and transparency can lead to injustices that enrage citizens and undermine government legitimacy. Appeals against unfair procedures may stall land acquisition, thereby blocking projects and increasing costs. Financial awards may be insufficient to allow people to maintain sustainable livelihoods following the

acquisition of their land. People may feel uncompensated for the loss of cultural, religious, or emotional aspects of the land. Therefore, the expropriation to be lawful and just the implementation process have to fulfill the following criteria: the expropriation has to be undertaken for public purposes, the taking process of properties have to be nondiscriminatory, the process of expropriation should be following due process of law, It should be accompanied by payment of just compensation (UNCTAD, 2012).

## **2.2. Justification of Expropriation**

Expropriation is a method of acquiring land. Apart from negotiation and purchasing mechanisms, the government or other developers can obtain land through expropriation without the consent of the owner (FDRE, 2019). Different countries' laws and legislations refer to expropriation being used for public purpose (interest). In practice, these terms are frequently used interchangeably and are not distinguished. When the government acquires land from a public entity for use, such as a public school, hospital, or a new public road or airport, the rationale for expropriation may be straightforward. The goal of achieving development objectives through the creation of various development inputs that will push the well-being of society upward in the future. Expropriation was also used to improve the efficiency of land. A land possessor may keep it as is without making any improvements because the possessor is not capable of doing so or for other reasons. Allowing the government to interfere with the free will and peaceful enjoyment of his possessor's right may be justifiable and legitimate in such cases (Keith et al., 2008). The significance of expropriation may be obvious when the government acquires property or land for use by a public entity, such as a public school or hospital, or a new public road or airport. Where the land or property will be held by a private entity but used for a public purpose, the rationale for acquiring it for a public purpose or in the public interest may also be clear (Yirsaw, 2012).

## **2.3. Compensation for Expropriation**

According to Anuar Alias and MD Nasir Daud (1998), as cited in Gashaw (2015), compensation has been widely understood to refer to specific measures intended to compensate people who have been displaced or negatively affected by the acquisition. Compensation is typically in the form of a one-time payment, either in cash or in kind, and is primarily concerned with awards to individuals who have been adversely affected. Losses incurred by people affected by the construction of infrastructures such as project offices and townships, canals, transmission lines,

and other activities are typically not properly accounted for, and as a result, these losses have not been adequately compensated. Similarly, the impact of projects (e.g., dams) on downstream population livelihoods and people losing lands and livelihoods due to compensatory forestation land acquisition has not been properly assessed and compensated (Alemu, 2015).

## **2.4. Procedures of Expropriation**

Expropriation is a governmental power, but it is also the method by which that power is exercised. Attention to expropriation procedures is critical if a government's use of this power is to be efficient, fair, and legitimate. Processes for acquiring land for project-based, planned development are typically distinct from those for acquiring land during emergencies or for land reform (Keith et al., 2008). Accordingly, the food and agriculture organization states that, a well-designed expropriation process for a development project should be accompanied by the following procedures.

### **2.4.1. Planning**

Planning entails determining the various land options available for meeting public needs in a participatory manner. The precise location and size of the land to be expropriated are known. Relevant information is gathered. The project's impact is measured through the participation of those who will be displaced (Keith et al., 2008).

### **2.4.2. Publicity**

A notice is published informing landowners and occupants in the designated location that the government intends to purchase their property. People are being asked to submit compensation claims for land that will be acquired. The notice describes the purpose and process, as well as important deadlines and people's procedural rights. People should attend public meetings to learn more about the project and to voice their concerns and compensation requirements (Keith et al., 2008).

### **2.4.3. Valuation and Claim Submission**

Equivalent compensation for the land to be acquired is determined at the stated valuation date. Owners and occupants file claims. The acquiring agency or another government body determines the value of the land. The acquiring agency evaluates the submitted claim and offers what it believes is fair compensation (Keith et al., 2008).

#### **2.4.4. Compensation**

Compensation for expropriation is required, whether monetary or in the form of replacement land or structures. People lose their homes, their land, and, in some cases, their means of subsistence as a direct result of government action. Compensation should be based on equity and equivalence principles and is intended to compensate them for their losses. In determining compensation, the equivalence principle is critical. The displaced owners and occupants should not be enriched or impoverished as a result of the expropriation. Financial compensation for land loss rarely achieves the goal of restoring those displaced to their pre-acquisition position; the money paid cannot fully replace what was lost. Some countries have legal provisions that recognize this by providing additional compensation to reflect the compulsory nature of the acquisition. In practice, given that the acquisition's goal is to enable development, there are compelling arguments for compensating those harmed wherever possible (Keith et al., 2008).

#### **2.4.5. Possession**

Possession should not be taken until a significant portion of the agreed-upon compensation offer has been paid. If the remainder is not paid, interest should be charged from the date of possession. People should be given a reasonable amount of time to vacate while keeping the project schedule in mind. Farmers should be given enough time to harvest their crops for the year, or they should receive full compensation for the crops. To ensure that the acquisition process does not take too long, a clear time limit should be established (Keith et al., 2008).

#### **2.4.6. Appeals**

Owners and occupants have the right to contest the compulsory acquisition, which includes the decision to acquire the land, the acquisition process, and the amount of compensation offered. Legislation should allow landowners and occupants to appeal expropriation of their property. Procedures for appealing protect the rights of those who are displaced. At the same time, governments have an interest in providing effective procedures: believing that the appeals process is legitimate will encourage people not to engage in other forms of protest that may result in violence and even death. Many obstacles can prevent people from appealing against government actions if care is not taken. The appeals process may be costly, time-consuming, in a language that claimants do not understand, or technically inaccessible and confusing. If the

hearing is not held locally, poorer people may find it difficult to travel to the review body (Keith et al., 2008).

## **2.5. Principles of land expropriation procedures**

As, the United Nations Food and Agriculture Organization stated that the procedures of expropriation should incorporate the following principles. To begin, the amount of land and land rights required should be kept to a bare minimum. For example, if an easement or servitude can serve the project's purpose, it's not necessary to acquire possession of the land parcel. Second, all displaced parties, including owners and occupants, government and non-governmental organizations, should be included in participatory planning processes. Third, due process should be defined in law with time limits so that people understand and meet critical deadlines. Fourth, procedures should be open and flexible, and carried out in good faith. Fifth, notice should be clear in both written and oral form, translated into appropriate languages, with procedures clearly explained and advice on where to seek assistance. Owners and occupants should be assisted in effectively participating in valuation and compensation negotiations. Sixth, personal discretion should be limited, and the process should be closely monitored and supervised to ensure that the acquiring agency is held accountable for its actions. Last, following payment of at least partial compensation to owners and occupants, the government should take possession of the land, accompanied by clearly defined compensation guarantees (Keith et al., 2008).

## **2.6. Expropriation for Public Purpose in Different Countries**

### **2.6.1. In Ghana**

The 1992 Constitution of Ghana posits a different regime for compulsory acquisition from the period before the Constitution. Whereas the constitution provides that any property compulsorily taken possession of or acquired in the public interest or for a public purpose shall be used only in the public interest or for the public purpose for which it was acquired and that where the property is not used for such purposes, the pre-acquisition owner shall be given the first option for acquiring the property and shall on such re-acquisition refund the whole or part of the compensation paid to him there is no such provision in the pre-1992 compulsory acquisition laws (Larbi, 2008).



### **2.6.2. In German**

Article 14(3) of the German constitution provides that “expropriation shall only be permissible in the public interest.” The public interest requirements have been interpreted to mean that expropriation cannot be undertaken solely for the benefit of the state’s commercial interests or those of a private person. It is possible, however, for a private person to be benefited from an expropriation as long as the expropriation is undertaken in the execution of public necessity (Treeger, 2004).

### **2.6.3. In Latin America**

A common thread in Latin America in relation to expropriation is the democratization process that has been ongoing for the last decades. This process has affected the whole judicial system in many Latin American countries, and thus the regulations regarding expropriation. A common determination for many Latin American countries is the rapid urbanization and growing megacities that have emerged over the last few decades. This has made the need for land in urban and peri-urban areas high and a common way for getting to this land has been expropriation. An interesting observation made in Latin America is the fact that the compensation for expropriated land has been extremely high. This is due to that judges deemed the compensation this way. In one example from São Paulo, Brazil, the compensation deemed was 30 times higher than the market value. This led to a situation where the expropriators, usually the municipality, came in severe debt just for the cause of attaining land for urban development. It also created a market where investors could hold on to strategic located land since they know that they would be very well compensated during the expropriation process (Azuela, 2008).

### **2.6.4. In United States of America**

In United States of America there has been an ongoing debate whether or not expropriation could or should be used as a mean for economic development. The main question here is if “public use” or “public purpose” is justified only for the reason of gaining economic development to an area. This can easily be related to the situation in the case studied in this thesis, where the government expropriates land in order to gain economic growth by establishing a large-scale agricultural facility. In a famous court rule from 2005 the Supreme Court denounces that expropriation can be done solely for economic purposes, hence making it easier for the government to obtain private land for development. The court ruling has been widely criticized

as it is deemed to have to far-reaching consequences for the individual. However, studies shows that the use of expropriation for economic development has remained at a moderate level even after the famous court rule (Kayden, 2009).

## **2.7. Public purpose and Expropriation in Ethiopia**

Mainly, expropriation is intended to facilitate achievement of public purposes. In certain cases, expropriations of privately owned land are intended to address security needs. In addition, certain abandoned properties should be expropriated for public uses. Other reasons for expropriating land include when foreign nationals own too much land, landlords mistreat workers, and so on (Batterbury, 2015).

In Ethiopia the government has constitutional power to expropriate private property for the sake of public purposes. And it clearly stated that “The government may expropriate private property for public purposes subject to payment in advance of compensation commensurate to the value of the property”. So the government of Ethiopia can make such land available for the above purpose is expropriating private landholdings based on public purpose. Especially, this serves the needs of the public or conduces to the comfort and convenience of an entire community, such as railroads, gas, water, and electric light companies, and companies furnishing public transportation (Negi, 2008). Expropriation requires the taking of land and attached properties, as well as the use of expropriation in its implementation, to be convincing and rational. Although there are numerous reasons for expropriation, its overall goal is to benefit society as a whole rather than specific individual (Yirsaw, 2012).

Expropriation of land has become necessary under Ethiopia's current expropriation law to address the steadily growing urban population, which requires more land for building houses and infrastructure, as well as for redevelopment of urban slums to stimulate investment and other services, and for rural development activities. According to the expropriation law, the land that is needed by the government for these and other public purpose activities may become subject to compulsory acquisition. Furthermore, the proclamation defines public purpose as a decision made by the cabinet of a Regional State, Addis Abeba, Dire Dawa, or the appropriate Federal Authority based on an approved land use plan, development plan, or structural plan in the belief that the land use will directly or indirectly benefit the public's economic and social development.

According to this definition, expropriation of private property must undertake only when the expropriation benefits directly or indirectly the greatest society's need (FDRE, 2019).

## **2.8. Land Expropriation Procedures in Ethiopian**

According to article 6 of Ethiopia's current expropriation law, the city or woreda administration has the authority to take over land that has been decided to be expropriated for public purposes. At the same time, the law stated in its provision that city or woreda administrations may expropriate private property for public purposes based on the procedures outlined below.

The **first** procedure is deciding where the proposed project service is public purpose or not based on approved land use plan, master plan structural plan by that governmental organs based on the power. **Second** without urgent investment decision by concerned federal or regional state, the city or woreda administration shall consult and notified to that future expropriated land holders and the surrounding community about the type and importance of the project before handover one year. **Third**, inspection and description for all property have economic value including economic and social loss due to its project must record and measure with the witness of affected peoples for purpose of valuation. The final valuation is highly affected by inspection and description process. **Fourth**, all property and economy loss that measured in step three are changed financial value by appropriate special profession. **Fifthly**, notify to land holders or their agents about the amount of compensation including size and location of the land or house if it's totally displaced. Appropriate payment compensation or provide substitute land is done before the displacement of people from their land holdings. The notice must indicate the time when the land holder must vacate the land and the amount of compensation to be paid to him. The period within which the holder must vacate the land after received appropriate compensation may not be more than 120 days. If the affected person not take the appropriate compensation after notice within 30 days, the compensation payment shall be deposited in the blocked bank of account of the city or woreda administration, after the cash is deposited in the bank, land holders may be forced to hand over, if not take compensation within 120 days, the forced action in timely increase in 30 days related to the previous proclamation. However, where there are no crops, trees or other properties in the land to be expropriated, the holder must hand over the land within 30 days after payment of compensation. The expropriating body may use police force to vacate and take possession of the land (FDRE, 2019).

## **2.9. Compensation in Ethiopian Expropriation Law**

Payment of compensation is the second, but equally important, limitation on the government's power of expropriation. The 1995 Constitution of Ethiopia under Article 40 (8), puts an obligation on the government to pay, in advance, compensation "commensurate" to the value of the property expropriated. In Ethiopia, Article 44(2) states, "All persons who have been displaced or whose livelihoods have been adversely affected as a result of a State program have the right to commensurate monetary or alternative means of compensation, including relocation with adequate State assistance" (Constitution, 1995). The current expropriation law also puts an obligation on the government to pay a different type of compensation for the displaced people. And the law described that the minimum compensation payable to a housing unit may not in any way, be less than the current cost of the house per standard. Furthermore, article 4(2) states that compensation and resettlement assistance compensation for expropriated land shall be restored and improved in a sustainable manner for displaced people. The expropriation law of Ethiopia puts an obligation on the expropriator to pay different type of compensation for the expropriated societies. For instance, according to article 12 of the proclamation, property compensation that is the payment to be made in cash or in kind or in both to a person for his property or permanent improvements situated on his expropriated landholding. At the same time under article 13 of the proclamation there is displacement compensation the payment to be made to a land holder for the loss of his use right on the land as a result of expropriation. And also under article 14 there is compensation for loss of income that is a payment to be made to those who are not displaced but who suffer loss of employment, trade; or rentals, or similar activities as a consequence of expropriation of land for public purposes (FDRE, 2019). Moreover, regarding to the time of compensation payment, the current expropriation law of Ethiopia, stated that before displacing people from their landholding, the city or woreda administration must pay compensation or provide substitute land. As a result, before expropriating affected peoples' holding rights in Ethiopia, compensation must be paid. Therefore, compensation must be paid before expropriating property from the owner (FDRE, 2019).

## **2.10. Resettlement in Ethiopian expropriation law**

The nature and existence of resettlement program in Ethiopia can be inferred from what is envisaged in the FDRE Constitution, Article 44, as follows: “All persons who have been displaced or whose livelihoods have been adversely affected as a result of State programs have the right to commensurate monetary or alternative means of compensation, including relocation with adequate State assistance” (Constitution, 1995).

The expropriation proclamation No, 1161/2019 of Ethiopia defines the word resettlement as “a support provided to people who are physically displaced to enable them generate sustainable income”. And according to article 16(1) the proclamations orders the Regional States, Addis Ababa and Dire Dawa city administrations to establish fund for resettlement. In addition to this as the proclamation explained in article 16(2), the Regional States, Addis Ababa and Dire Dawa city administrations have responsibility to develop resettlement packages that enable displaced people to sustainably resettle. At the same time in article 16(3) of the proclamation expressed that the Urban and woreda administrations shall have the duty to resettle the People displaced on the basis of the resettlement package and allocated budget (FDRE, 2019).

According to the expropriation Reg, No.472/2020 of Ethiopia under article 35(1) the resettlement package shall contain: Residential housing, employment opportunities, and social services. Also it must incorporate the policy and legal basis of the package, the type of the project and its benefits and number of the beneficiaries of the package, the type of support to be given to the displaced, the methodology how they become beneficiaries, dispute resolution mechanisms with residents around or near the resettlement area. So, the development process of the resettlement package must incorporate these issues on its content. And according to sub article two of the regulation the Regional States and Addis Ababa and Dire Dawa administrations must create packages that sustainably resettle the displaced. And also the regulation ordered the woreda and urban administrations to create enabling environments to make settlers participate in the execution of the resettlement package; and ' shall provide support to enable them sustained income. At the same time the expropriation regulation explained that the resettlement package should be prioritized for women, the disabled, orphans and the elderly and organizations working on women’s rights shall participate in the development of resettlement packages (Regulation, 472/2020).

## 2.11. Review of Previous Empirical Research Works

The objective of reviewing of some previous empirical researches related to this study is that, to see some highlight about their strong and weak sides that plays an important role (input) for the issues of land expropriation and compensation process. From the researcher review, five earlier empirical research works were focus on the amount, mode, payment time, and the adequacy of compensation that is being paid to the displaced people. In addition, these studies also focus on the type of problems that exists in the displaced peoples because of the expropriation process. However, as the researcher explains on chapter one in the problem statement section of this study, these studies have not seen the gaps of the expropriation law and its practical applicability. And they did not consider the major implementation challenges of expropriation and compensation law.

In general, the following table shows some highlights through describing the author, and area of study, issues studied, the methodology adopted for the study and the findings of the study.

Table 1: Summary of previous empirical research works

Authors	Study Area	Title	Methods	Results
Gashaw Tenna (2015)	Ethiopia	Land Expropriation and Compensation Payment in Ethiopia	literature review of published materials were used and analyzed narratively	Land expropriation in our country encountered resistance from farmers because of unfair compensation and lack of training before and after compensation (Tena, 2015).
Martin Persson, (2015)	ANRS	Compensation Practices in the Ethiopian Expropriation Process	It is a mixed research approach and used a Case study research design	The affected people are to a large extent dissatisfied with how the expropriation process was undertaken, as well as the amount of compensation received for lost property (Persson, 2015).

Belachew Yirsaw (2013)	Ethiopia	Expropriation, valuation, and compensation in Ethiopia	A mixed-method method and Case study research design were used. Analyzed by descriptive statistics	The problems associated with the legal, technical, institutional and financial aspects of valuation and compensation practices are numerous and that the practices are full of inconsistencies, unfairness, and lack of standardization (Yirsaw, 2013).
Abebaw Abebe (2016)	Addis Ababa	Expropriation, Valuation, and Payment of Compensation; The Law and The Practice in Addis Ababa City	Desk review was made on legal issues and research papers made in the area.	The expropriation, valuation and payment of compensation practices in Addis Abeba are now a day's becoming a cause for dispute and unrest. Especially, the government is solely capturing the value of the land which has expropriated from surrounding farmers (Belay, 2016).
Daniel W/Gebriel(2015)	Ethiopia	Land Rights and Expropriation in Ethiopia	It is qualitative research and were used a Case study research design. The study is examined narratively.	Even though the Ethiopian Constitution provides and guarantees the people's right to common ownership of land, this right has not been fully realized in terms of land accessibility and payment of fair compensation in the event of expropriation (Ambaye, 2015).

Zemenfes G/egziabher (2014)	Mekelle	Farmland Conversion and the Compensation Question in Mekelle (Ethiopia)	It is a quantitative research approach and were used Survey research design	The city advances towards the agricultural hinterland fringe farmers feel threatened of losing their livelihood, and are not happy because of the knowledge that the compensation process is unfair in terms of amount and absence of rehabilitation support for their losses (Zemenfes et al., 2014).
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## CHAPTER THREE: METHODOLOGY

### 3.1. Description of the Study Area

#### 3.1.1. Location

Wolkite is a town and the administrative center of the Gurage Zone for the Southern Nations, Nationalities and Peoples' Region (SNNPR), of Ethiopia. Geographically Wolkite town lies  $8^{\circ}15'50''\text{N}$  to  $8^{\circ}20'00''\text{N}$  and  $37^{\circ}44'35''\text{E}$  to  $37^{\circ}48'45''\text{E}$ . The town is located on the main road from Addis Ababa to Jimma with a distance of 148 km from the country capital Addis Ababa and 198 km from Jimma town. This town lies in latitude of  $8^{\circ}16'60''\text{N}$  and longitude of  $37^{\circ}46'60''\text{E}$  and an elevation between 1718 and 1909 meters above sea level. It is surrounded by Kebena woreda.

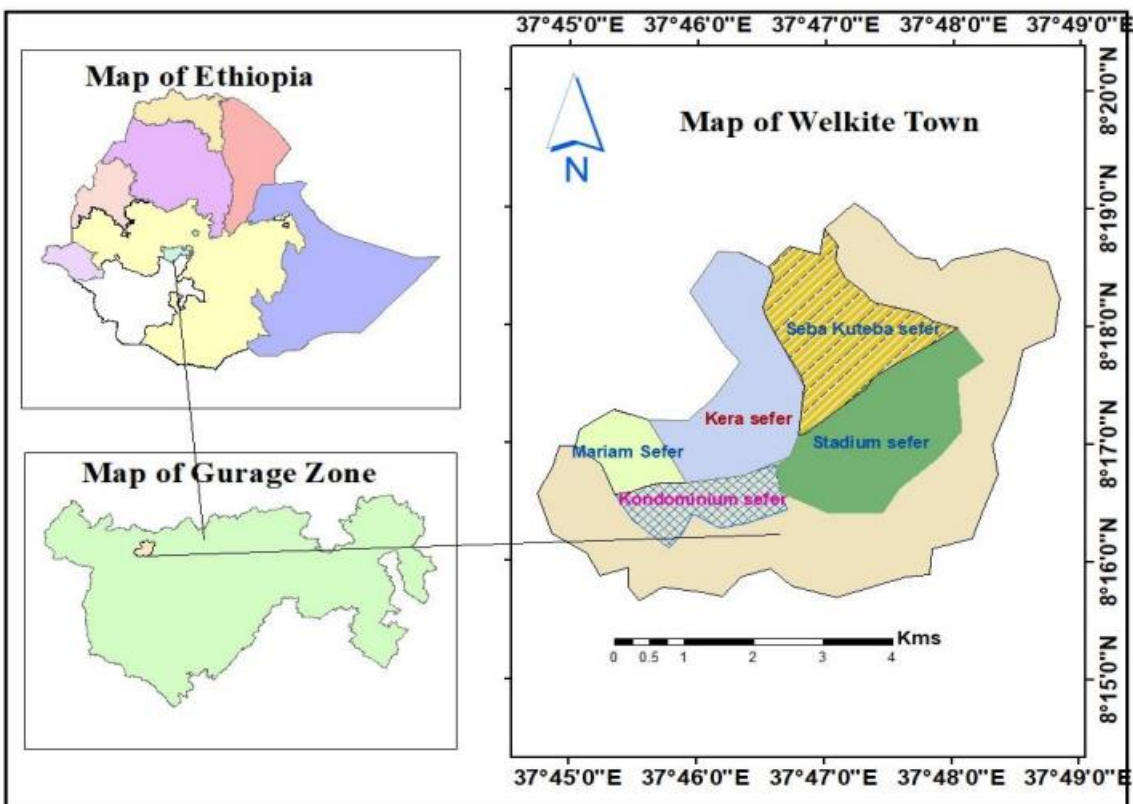


Figure 1: Location map of the study area

Source: Wolkite town municipality office

### **3.1.2. Population and Topography**

According to Central Statistic Agency of Ethiopia, the current projected total population of the town was 77,500 of which 40,556 (54.1%) were male and the rest 34,144 (45.9%) were female(CSA, 2022).Topography of the town is characterized by flat table land, slightly inclined in all directions. There are four rivers surrounding the town flowing in different directions, these are Wabe, Gibe, Walga and Rebu.

### **3.1.3. Economic Activity**

Since the town is in the midway on the road between Addis and Jima, trade is the major economic activity employed in the town, which most passengers who passes through the town use it as a transit and involved in various transactions. Hence, the residents of the town are primarily depending on retail and whole sale trade.

Currently in the town different public purpose activities are performed in different sub city of the town. From these, construction of new bus station, school, hospital, construction of different higher and lower industries and construction of different infrastructures are some of the public purpose those are constructed in different part of the town. So to full fill these and other public interests in the town, expropriation of peri-urban land has been conducted in different time.

## **3.2. Research Methods**

### **3.2.1. Research Design**

Research design is the arrangement of conditions for data collection and analysis in such a way that it aims to combine relevance to the research purpose with economy in procedure. The research design is the conceptual framework within which research is carried out; it serves as the blueprint for data collection, measurement, and analysis (Kothari, 2004). A research design's main purpose is to explain how you will find answers to your research questions (Ranjit, 2011). The purpose of this study is to look into the law and practice of land expropriation and compensation in Wolkite town. As a result, in order to conduct an effective analysis, appropriate data on the actual practice of land expropriation and compensation procedures is required. The information was gathered from individuals involved in property valuation for expropriated property in the municipality as well as from displaced individuals. A survey research design was used because the research was primarily concerned with gathering and analyzing the perceptions and attitudes of displaced people and government offices.

### **3.2.2. Research Approach**

The researcher would use a combination of approaches to gain a better understanding of the research problem. A mixed research approach is a method of conducting an investigation that includes the collection of both quantitative and qualitative data (Creswell, 2017). The researcher used a mixed research method to obtain in-depth clarity of both qualitative and quantitative outcomes at the same time. This mixed approach is appropriate for improving triangulation and a practical, problem-driven approach to understanding a research problem. As a result, a quantitative method is used to assess the perceptions of displaced peoples about the issue of expropriation and compensation practice and law, as well as their level of satisfaction with the compensation. The development of a qualitative approach, on the other hand, is used to obtain complete information from expropriated farmers and administrative officials via key informant interviews and focus group discussions.

### **3.2.3. Sampling Techniques**

For this study, the researcher used both probability and non-probability sampling methods. From probability sampling, the researcher used systematic random sampling through taking due to the presence of a large number of displaced societies in the study area. Additionally, the researcher

used purposive sampling from the non-probability sampling method based on the idea that informants have well-experienced specialized expertise and professionalism in this study to investigate the quality of staff through using key informant techniques. Purposive sampling is characterized by incorporating specific criteria met by participants at the moment of selection and is especially exemplified through the key informant technique (Creswell, 2017).

### 3.2.3.1. Target Population

Target population is a group of individuals (or a group of organizations) with some common defining characteristic that the researcher can identify and study (Creswell, 2017). The target populations of this study were displaced societies (displaced peoples whose land is expropriated based on the current expropriation proclamation for the sake of public purpose), heads and managers of the wolkite town municipality and urban land administrative. According to the information obtained from the municipality, in wolkite town currently, there were 228 displaced peoples, who lost their property because of expropriation for the sake of public purpose based on the new expropriation law (Proc, No.1161/2019). Therefore, for this thesis, the researcher's target populations were the 228 displaced peoples who lost their property because of public purpose based on proc, No 1161/2019.

### 3.2.3.2. Sample Size

To calculate sample size, different authors derived different formulas. For this purpose, the researcher uses the formula set by yemane formula (1967). As a result, the researcher selects 145 sample respondents from the target population by taking a 95% confidence interval based on the following formula.

$$n = \frac{N}{1+N(e^2)} \quad \text{Where, } n\text{- Is desired sample size, } N\text{-is the target population of the study}$$

which is equal to 228, and  $e$  the margin of error (0.05)

$$\text{Therefore, } n = \frac{N}{1+N(e^2)} = \frac{228}{1+228(0.05)^2} = 145.22 \sim 145$$

After this, the samples of displaced peoples were select by using systematic sampling technique. Because, applying systematic sampling technique is more accurate than random sampling technique. To do this, first the list of displaced peoples are obtained from the municipality

information office. Then the representative samples were select through these steps. **First**, determine the interval (k value) by dividing target population by desired sample size. **Second**, by taking that interval, start at random place of population list and take every  $k^{\text{th}}$  name on the list. **Third**, if the end of the list is reached before the desired sample is reached, go back to the top of the list. Mathematically expressed as follows,

$K = N/n$ , were N is target population and n express desired sample size

$K=228/145 =1.57$ , approximately 2 then by using this interval take every 2<sup>th</sup> name on the list until the desired sample size is reached.

Then after, as the researcher select the representative of the displaced societies sample by using systematic sampling technique, next the researcher would select 7 representatives from the municipality and urban land administration office by using purposive sampling. Therefore the researcher collects the data from 152 respondents to conduct this thesis.

#### **3.2.4. Data Source and Type**

The researcher uses both primary and secondary data source to make the study more reliable and complete. Interview, questionnaires, observations and focus group discussion with different displaced peoples, municipality officials, and urban land administration office were the major sources of the primary data. The secondary data includes documentary source from different written documents like published papers, proclamations and regulations.

#### **3.2.5. Data Collection Tools**

Collecting data through different tools leads to accurate research findings. Having this in mind, the researcher would use both primary and secondary data collection instruments. And the researcher has been using the following data collection instruments.

##### **3.2.5.1. Questionnaires**

A researcher prepared and distributed open and closed-ended questionnaires for a total of 145 respondents to get relevant first-hand information. For those respondents who could not understand English, a questionnaire was prepared and translated into Amharic, so that the respondents can easily understand. Data collected from customers through questionnaires are used to investigate the level of compensation satisfaction of expropriated societies in line with

the current expropriation proclamation principle and to measure the legality of land expropriation and compensation practice.

#### **3.2.5.2. Key Informants Interviews**

Key informant interviews involved a series of open-ended questions related to the study. This is preferred because it is flexible, allowing new questions and answers to be brought up during the interview. Therefore, for this study, 2 higher government officials (Heads of the municipality office and urban land administration office) and 5 municipality valuation experts had been interviewed purposively. Without restricting their views with time and information, the informants were provided with open-ended questions. They were interviewed face to face and their responses are also recorded manually. The reason to apply this instrument is to assess the attitude, views and opinions of key informants about the challenges to the implementation of expropriation laws.

#### **3.2.5.3. Focus Group Discussion**

To obtain relevant information, two focus group discussions have been conducted. The members of these FGD were selected purposively from the displaced landholders and municipality experts. There were seven members of each group who took part in discussions and answer the question raised by the researcher. This discussion provided an opportunity for participants to express or share their views and discuss views with other participants, which give a clear understanding of the given question.

#### **3.2.5.4. Document Review**

This instrument is mainly used for acquiring data to assess the content and its procedures of the current expropriation law of Ethiopia. In this case, the researcher also uses the FDRE constitution, the current as well as the replaced expropriation law of Ethiopia, the regulations about expropriations, and different documents that relate to expropriation and compensation practice. And the data collection instruments and respondents of collection instruments are presented in the following table.

Table 2: Data collection tools

Data collection tools	participants/source of the data collection tools	Aims to use the data collection tools
Questionnaire	Displaced peoples	To assess the expropriation, compensation and resettlement practice of the study area in terms of legal principles and procedures
Key informant interview	Head officers and valuation experts of the municipality	To assess the attitude, views and opinions of key informant interviewees about the legal gaps and challenges for the implementation of expropriation procedure and compensation principles.
focus group discussions	Selected displaced peoples and municipality's experts	To obtain relevant information from the discussants about practicability of the expropriation procedures in the study area.
Document review	The FDRE constitution, the current as well as the replaced expropriation law of Ethiopia, the regulations about expropriations	To examine the content and procedures of expropriation, compensation and resettlement law of Ethiopia. And to evaluate the practice of expropriation, compensation and resettlement in the study area with respect to the principles and procedures of the law.

### 3.2.6. Procedures of Data Collection

Before the questionnaire was distributed to respondents, a pre-test (pilot test) was carried out in the municipality office and in different part of the study area. This has helped the investigator to ensure language lucidity and check appropriateness of the items to be contained in questionnaires. Pilot test also has helped the investigator to get feedback whether the questionnaire was constructed properly especially in detecting some redundant, ambiguous and unclear items. Then survey questionnaires were distributed for 145 displaced people respondents and for seven KII. Accordingly, all survey questionnaires were distributed and properly filled and returned back except six respondents. Two focus group discussions were conducted with 14

participants for two days after finishing key informant interviews with purposively selected informants.

### **3.2.7. Data Analysis and Interpretation**

The process of bringing order, structure, and meaning to a large amount of collected data is known as data analysis. The process of attaching meaning to the data is data interpretation (Ranjit, 2011). In this study to address the objective of the research and to analyze the data, descriptive statistics were used. The data were analyzed by employing Micro-soft excel. Finally, the analyzed quantitative data were presented by using, statistical tools such as tables, graphs, bar charts, and pie charts. The qualitative data would be analyzed and expressed in descriptive (narrative) form and integrate with quantitative analysis.

### **3.2.8. Data Validity**

Validity is the extent to which data collection methods accurately measures what we intended to measure (Covert, 2007). The data for this research was collected in the form of questionnaires, interviews and focused group discussion from the informants of the city residents and land experts. Before the data collection tools were distributed to the informants, it was modified repeatedly and then distributed for the respondents. Therefore, this is one of the measures to approve the data validity.

### **3.2.9. Ethical Consideration**

During the data collection process, the majority of respondents were participated willingly. The researcher first informed respondents about the nature of the research and requested their consent to respond by introducing the purpose of the study as a fulfillment of master degree program and not for any other hidden agenda and requested the respondents to respond on a voluntary basis. The researcher also committed to report the research findings in a complete and honest manner. The appropriate acknowledgment was made for the use of plentiful works of others with proper citation. Generally, ethical issues were raised at each stage of a research process and the researcher was given due attention because of the nature of the study area.



## CHAPTER FOUR: RESULTS AND DISCUSSION

### 4.1. Introduction

This chapter deals with the presentation, interpretation and analysis of data, which was collected from displaced households, valuation committees, and concerned government experts through structured questionnaires, interviews, and focus group discussions. The recorded response that was obtained from the interview and focus group discussion was analyzed and interpreted, together with findings that were obtained from the responses to a questionnaire.

### 4.2. Respondents Rate

The response rate is the number of respondents who completed semi-structured questionnaires correctly divided by the total number of participants in the sample. And response rate of 70% and above is deemed ideal (Baruch, 2008). Based on this assumption, the response rate for this study was satisfactory, which improves generalization confidence. The study is conducted by distributing different questionnaires to 145 the selected sampled of Gurage zone Wolkite town per-urban displaced farmers, out of which 139 (95.86%) were filled and returned while 6 (4.14%) of the questionnaires were not returned after distribution. Therefore, the response rate of the questionnaire was approximately 96 percent.

Table 3: Respondents' rate of response

<b>Variables</b>	<b>Total</b>	<b>Percentage (%)</b>
Total questionnaires distributed	145	100
Total questionnaires returned from respondents and valid	139	95.9
Questionnaires distributed but not returned	6	4.1

### 4.3. Demographic Characteristics of displaced people Respondents

The data collected to achieve the specified goals of the study is gathered from respondents with a wide range of demographic characteristics. The first section of the questionnaire contains the participants' demographic information. This section of the questionnaire asked for a limited amount of information on respondents' personal and professional backgrounds. As a result, the demographic information of the displaced society's respondents has been summarized and

presented in various figures and tables. These variables include gender, education levels, marital status, family size, and age distribution.

#### 4.3.1. Gender Composition of Respondents

As shown in figure 2 below, from the total respondents, 106 (76.25%) respondents were males whereas the remaining 33 (23.75%) respondents were female. Therefore, it is possible to conclude that majority of respondents are male. And it also indicates that, in the study area the ownership right of the expropriated properties belongs to male.

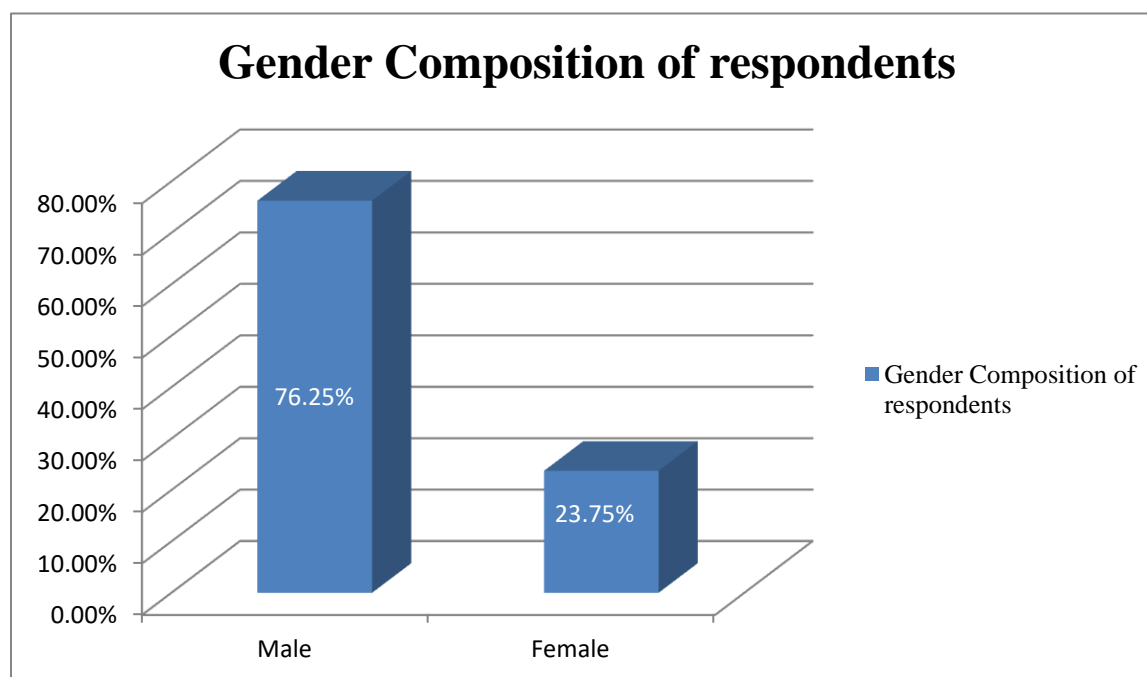


Figure 2: Gender Composition of Respondents

Source: A household survey July, 2022

#### 4.3.2. Age Distribution of Respondents

The age distribution of the displaced people respondents that is shown in table 4 indicates that the majority of the sample of respondents has an age group from 45 to 65 constituting 52.52% of total respondents and this is followed by the age group of 25 to 44 consisting 28.06% of the interviewed households. This indicates that the expropriation process discourages the most productive age group of the respondents. The detail of the age distribution of the respondents is indicated in the following table (table 4).

Table 4: Age of the respondents

<b>Age groups</b>	<b>Frequency</b>	<b>Percent (%)</b>
18-24	9	6.47
25-45	39	28.06
46-65	73	52.52
Above 65	18	12.94
Total	139	100

Source: A household survey July, 2022

#### **4.3.3. The marital Status of Respondents**

There are several types of marital status: single, married, widowed and divorced. As indicated in the following table (table 5), from the total respondents, 81.29 % of the respondents were married, 10.07 % respondents were divorced. Therefore, the majority of the expropriated respondents (113) were married. This shows that most of the respondents form their family and they would have large family sizes as compared to other respondents. So they need permanent living in the study area. Moreover it is clearly presented in the following table.

Table 5: Marital Status of respondents

<b>Marital Status</b>	<b>Frequency</b>	<b>Percent (%)</b>
Single	3	2.16
Married	113	81.29
Divorced	14	10.07
Widowed	9	6.47
Total	139	100

Source: A household survey July, 2022

#### **4.3.4. The family Sizes of the Respondents**

As shown in table 6, the majority of the displaced people respondent's (58.27 %) have a family size of 4-6 and about 22.31% have a family size of 7\_10. Moreover, the family size of the displaced peoples respondents clearly presented in the following table (table 6).

Table 6: Family Size of displaced people's respondents

<b>Family size of respondents</b>	<b>Frequency</b>	<b>Percent (%)</b>
1_3	27	19.42
4_6	81	58.27
7_10	31	22.31
Above 10	–	0
Total	139	100

Source: A household survey July, 2022

As shown in the table 7 above, most of the respondents in the study area have large family size. And they need permanent and comfortable living area to sustain their life. Unless they have to compensated in adequate way to restore and sustain their life.

#### **4.3.5. Educational background of the respondents**

Figure 3, shows that most of the respondents of displaced societies, 54 persons (38.85%) were illiterate. A total of 43 persons (30.93%) had reading and writing skills. The number of respondents attaining primary and secondary school was very few that is 21 persons (15.11%) and 13 persons (9.35%) respectively. Only 8 persons (5.75%) of the respondents were educated up to diploma or degree level. Generally in the study area most of the respondents are illiterate. Therefore, the low level of education affects the people's ability to participate in the formal parts of the expropriation process and it will be harder for them to understand the information given by the authorities. Furthermore the low level of education will make it more difficult for the displaced people to re-establish a new life after the expropriation and relocation, as well as properly utilize the compensation given by the government. The overall educational back ground of the respondent is clearly presented in the following figure as follows

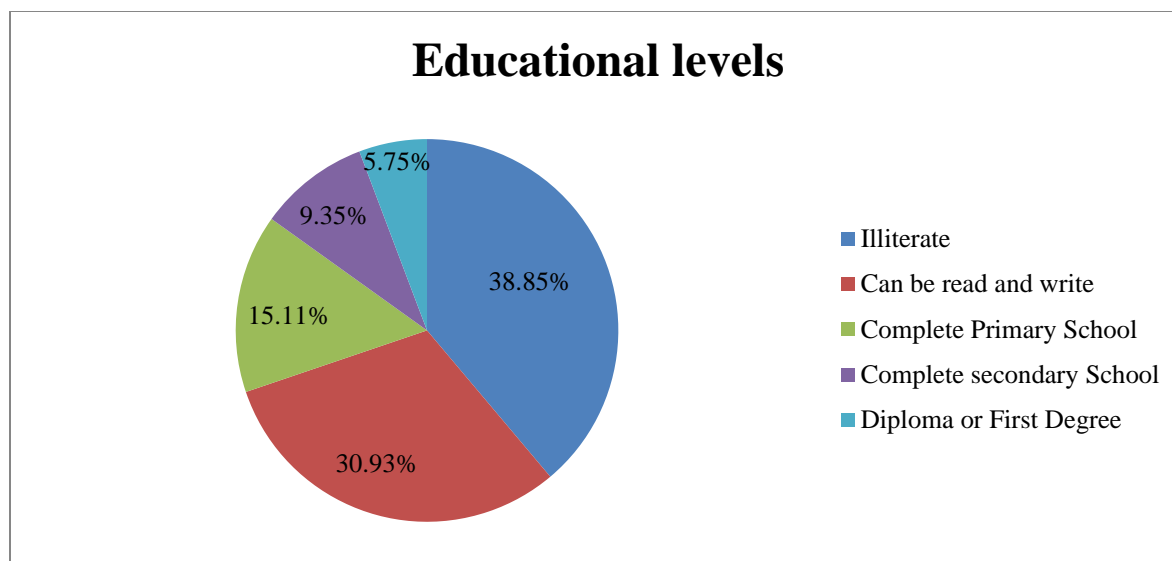


Figure 3: Educational levels of respondents

Source: A household survey July, 2022

#### 4.3.6. Occupation of Respondents

According to table 7, from the total respondents 69 (49.64%) respondents were pre-urban farmers, 27 (19.42%) respondents were merchants and 27 (19.42%) respondents were self employment whereas the rest 16 (11.51%) were government employers. Table 7 indicates that, the majority of the respondents were farmers. This indicates the expropriation in wolkite town mostly affects the peoples those who engages on farm activities. The occupation of the displaced people respondents generally presented in the following table as follows.

Table 7: Occupation of respondents

<b>Occupation of the respondents</b>	<b>Frequency</b>	<b>Percent (%)</b>
Pre-urban Farmers	69	49.64
Merchants	27	19.42
Government employers	16	11.51
Self employers	27	19.42
Total	139	100

Source: A household survey July, 2022

#### **4.4. Demographic characteristics of key informant interviewee**

In addition to the displaced people respondents, to conduct this study the researcher has taken 7 key informant respondents from the wolkite town municipality office (government valuer group and higher officials who were participating in the process of expropriation and compensation). And from these respondents, 2 respondents were the head officer of the municipality and urban land administration office. These 2 higher officials' respondents have first degree educational levels and the head officer of the municipality has civil engineering educational background. Whereas the urban land administration head officer has sociology educational background. From the two respondents, the head officer of the municipality has two year experience in real property valuation and takes property valuation training in different time. Whereas head the officer of urban land administration has no experience in real property valuation but he takes different trainings that has relation with property valuation.

And from the seven respondents, the remaining five respondents were members of government valuer group. From the five respondents, two respondents have diploma educational level. But the remaining three respondents have first degree educational level. With regarding to educational back ground, two respondents have civil engineering educational back ground. The other two respondents have geography educational back ground. The remaining one respondent has land administration and surveying educational back ground. From the five respondents, one respondent has above two year experience in real property valuation. However the remaining four respondents have below two year experience in real property valuation. Regarding to taking of different property valuation training, only two respondents were take local property valuation training. However, the remaining three respondents were not taken any training relating to property valuation.

#### **4.5. The Practice of Expropriation Procedure**

According to article 4 (sub-article 4) of the current expropriation law where land is expropriated for a public purpose, the procedure shall be transparent, participatory, fair and accountable (FDRE, 2019). From this provision, everyone can understand that the practice of land expropriation process is legal; *first*, its procedure must be transparent. i.e. the practice of expropriation procedure must be done openly and the information should be freely and reliably accessible to displaced peoples. Because transparency is a critical component for the effective

and efficient functioning of the expropriation processes. *Second*, it has to be participatory, which means the practice of the expropriation process must incorporate the displaced peoples in its procedure. *Third*, the expropriation procedure must be fair, which means the expropriation has to be carried out based on the rule and regulations and the compensation payment must be in a manner of fairness. *Finally*, the procedure shall be accountable. This means for every question about the expropriation process, the concerned government authorities must take a responsibility for their action. Therefore, the researcher assesses the practice of land expropriation procedure which is applicable in the study area based on the principle of participatory, transparency, and accountability. And it is presented as follows.

#### **4.5.1. Participation in the Process of Expropriation**

To achieve the goal of land expropriation for a public interest, public participation is necessary to ensure that the compensation is just and the purposes of land expropriation are for the public interest. People should be informed with appropriate information and included in decision-making processes when there is the possibility of impacts on their life. Because public participation is necessary to ensure that the compensation is to be just and the purposes of land expropriation are for the public interest. So, the practice of expropriation and compensation process should incorporate the displaced peoples in its procedure. And it is also important to minimize different complaints which are claimed by the displaced people regarding the practice and implementation of the expropriation process.

As describe in the section of procedures of land expropriation in the current expropriation law of Ethiopia above, the first procedure is notifying the land holder for public participation about benefits and the general process of the project. However, the data from the respondents and the discussants revealed that most of the displaced societies in the study area were not pre-informed about the overall land expropriation process and they did not get legal advice about the expropriation procedures. In addition, according to the data gathered from the displaced peoples through a questioner, in the study area also were not invited for public discussion before expropriation. This means the displaced peoples were not part of the discussion during the determination of the purpose of the expropriation. The displaced peoples raised serious concerns about the expropriation's purpose. They claimed that sometimes the expropriation is not based on the public purpose justification; rather it is simply due to the interest of the administrative organ. And they states as evidence for this idea, in the town most of the time land is expropriated under

the guise of public purpose and gives the land for private investors. However, those investors have fenced the land for a long time without using it for the purpose for which it was expropriated.

Article 8 (1(a)) of the current expropriation law also stated that “The City or Woreda Administration shall consult landholders who are to be displaced at least one year before they handover their holdings on the type; benefits and the general process of the project”(FDRE, 2019). However, according to the data collected from the respondents, from the total respondents, 101(72.66%) respondents does not get consultation based on the specified time from the concerned government authorities about the type; benefits and the general process of the project.

In addition to the expropriation proclamation, Reg, No. 472/2020 on article 4 sub article 1 also stated that a written notice shall be sent to all concerned landholders and proof of receipt by such landholders shall be provided (Regulation, 472/2020). However, as the response of the respondents, most of the displaced people in the study area did not receive any notice for consultation from the concerned government authority, rather most of the time the consultation program is announced on a notice board. This makes it difficult for the displaced people to get consultation on time. Generally, the practice of land expropriation process in the study area is not performed based on the necessary principles of participatory. This becomes an obstacle to accomplishing the expropriation process in the required time and it increases complains that raises from the displaced peoples about the practical legality of the expropriation procedures.

#### **4.5.2. Transparency in the Process of Expropriation**

Transparency implies that the process of decision-making has to be done openly and the information should freely and reliably accessible. It is a critical component for the effective and efficient functioning of expropriation and compensation processes. Based on this framework, accessibility of information, clarity of rules and openness in decision-making are the major indicators to test the applicability of transparency to the expropriation and compensation process in Wolkite town. And respondents were asked whether the information was accessible, clarity of rules and openness in decision making concerning expropriation and compensation practice. Accordingly, first the respondents were asked whether they obtain information about the overall expropriation and compensation process easily or not. Concerning this question, out of the total



sample respondents, 113 (81.29%) respondents replied as they were unable to obtain information easily about the overall expropriation and compensation process. The remaining 26 (18.71%) respondents replied as they easily obtained information about expropriation and compensation process. Second respondents were asked whether there is an open decision-making process in the town about the expropriation process or not. Accordingly, about 117 (84.17%) of the respondents said that there is no open decision-making process regarding expropriation and compensation practice in the town. This is clearly presented in the following table as follows.

Table 8: Respondents response about the existence of transparency

	<u>Response item</u>	<u>Frequency</u>	<u>Percentage</u>
Have you get information about the overall expropriation and compensation process easily?	Yes	26	18.71
	No	113	81.29
	Total	139	100
Is there an open decision-making process in the town about the expropriation process?	Yes	22	15.83
	No	117	84.17
	Total	139	100

Source: A household survey July, 2022

#### **4.5.3. Accountability in the Process of Expropriation**

Accountability is manifested by the terms of answerability, responsibility, liability and anticipation of account giving. It is mainly concerned with government institutions making accountable to the people who are influenced by their decisions (Swaranjothi, 2009).

However, as respondents were asked about their perception of the accountability of concerned government organs downward to the people. The majority 117 (84.17%) of the respondents disagreed and the remaining 22 (15.83%) respondents responded agree on the accountability of concerned government organs downward to the people. Likewise, the interview finding indicated that Valuers/estimators were only accountable upward to their leaders but not downward to the public about their decision on compensation. This implies there is a failure of their responsibility to the public at the bottom level. The response of the respondents regarding to the accountability has been presented in the following table as follows.

Table 9: Respondents response about the existence of accountability

Do you agree that the concerned government organs were accountable downward to the people during the practice of expropriation process?	Response item	Frequency	Percentage
	Yes	22	15.83
	no	117	84.17
	Total	139	100

Source: A household survey July, 2022

Generally, according to the data that the researcher gathered from the respondents, the Legality of land expropriation and compensation procedural practice in the study area falls under a question mark because as described by the respondents there is weak participatory, the expropriation and compensation procedures are not practiced transparently, the implementation of law about expropriation and compensation procedures were very weak, there is no accountability of the concerned government organ downward to the people, and also there was a fraud, bribe and corrupt activity from the government as well as from affected peoples in the expropriation process.

#### **4.6. The Practice of Compensation Payment**

As the researcher describe on compensation in Ethiopian current expropriation law section of this study, the government has the right to expropriate private property for public purposes if compensation equal to the property's value is paid in advance. The FDRE constitution emphasizes that compensation must be paid in advance and be proportional to the value of the property. Nevertheless, as the researcher collected data from the respondents, compensation was not paid in advance for displaced people, which is against the prescribed legal right of the displaced societies. And the satisfaction level of the displaced people about the compensation, they received was generally low. According to article 4(2) of the current expropriation law, compensation and resettlement assistance compensation for the expropriated land shall sustainably restore and improve the livelihood of displaced people. And set it as one principle of the proclamation. But, as the researcher gathered data from the respondents; the amounts of compensation that they received from the government have no consistency with the compensation principle of the expropriation law. Because as the respondents claimed that, the substituted land given for the displaced people to construct a new house is not the same as the previous land in different situations. For instance distance from the city center (CBD) is very far,

it is not developed in different infrastructures such as; road, electricity, water, school, health center, religious institution, and others. And the data gathered from displaced people through a questioner, most of the time the local government in a new site asks extra or additional cost from displaced peoples for the fulfillment of these infrastructures. And also as the displaced respondents stated, most of the time the substituted land given as compensation for the displaced people is not necessarily the same as the amount of land taken, neither in terms of area nor quality. Also sometimes the government does not make the land that is given to the displaced peoples free from illegal occupiers. Therefore as the respondents said that the illegal occupiers intimidate them.

Article 12 (5) of the current expropriation law also stated that “where the property on the land can be relocated and continue its service as before, the cost of removing, transporting and erecting the property shall be paid as compensation”. However, as the researcher confirmed in the study area, the local government did not properly implement and paid compensation according to what the law says above. Since, the displaced peoples were not compensated for the cost of removing, transportation, or erecting rather than they were paid only costs for the building material and had given substituted land as compensation. And as shown in table 10 below, in the current study, the majority of respondents were dissatisfied with the amount of compensation that they received from the government for the expropriated properties.

According to the report of food and agriculture organization (FAO), Compensation should be based on equity and equivalence principles and is intended to compensate them for their losses. And in determining compensation, the equivalence principle is critical. The displaced owners and occupants should not be enriched or impoverished as a result of the expropriation (Keith et al., 2008). However, as the researcher perceived from the respondents of displaced people, the compensation amount that is paid to the displaced people was not based on the law and it was not based on the principle of equity and equivalence. So, this can raise critical questions on the practical legality of expropriation and compensation process in the study area. The overall satisfaction levels of the respondents are presented as follows.

Table 10: Levels of displaced peoples Satisfactions with Compensation

<b>Satisfaction levels</b>	<b>Frequency</b>	<b>Percent (%)</b>
Highly satisfied	11	7.91
Satisfied	19	13.67
Dissatisfied	72	51.80
Highly dissatisfied	37	26.62
Total	139	100

Source: A household survey July, 2022

A recent study reported that the amount of compensation granted to displaced landholders is often insufficient to reconstruct their livelihoods after expropriation. The World Bank's Land Governance Assessment Framework found that displaced populations in Afghanistan, Brazil, Ethiopia, South Africa, South Sudan, Tanzania, and other countries were in many cases not granted sufficient compensation for expropriated land (Hailu, 2016).

With regard to payment time of the compensation for the displaced peoples, the current Ethiopian expropriation law states as, compensation shall be paid before expropriating the property from the owner. And it stated that the city or woreda administration shall Pay compensation or provide substitute land before the displacement of people from their landholding (FDRE, 2019). However, according to the data as the researcher gathered from the displaced people through questioner, there is a significant dissatisfaction by displaced peoples regarding to compensation payment time. And they stated that, even the expropriation law obliged the expropriator to pay compensation for displaced peoples before displacing them from their property, most of the time the woreda administration did not pay full compensation on the specified time for displaced people. And as indicated in the table 11 below, from the total respondents 88% of the respondents have received the compensation from the expropriator before displaced them from their property. Whereas the rest of 12% of the respondents have received the compensation from the expropriator after displaced them from their property.

Table 11: Respondents' responses about payment time of compensation

When you have received the compensation for your property?	Response item	Frequency	Percentage
	Before expropriation	122	87.77
	After expropriation	17	12.23
	Total	139	100

Source: A household survey July, 2022

Furthermore as the data from discussants highlighted that there are some displaced peoples who did not receive compensation yet for their property expropriated in the year of 2020 and 2021. Generally as the researcher gathered the data from the respondents, most of the displaced people are dissatisfied with how the expropriation process was undertaken, as well as the amount of compensation received for lost property.

#### 4.7. Resettlement Practice

The current expropriation law of Ethiopia defines the word resettlement as “supports provided to people who are not physically displaced to enable them generate sustainable income”. According to article 16 of the current expropriation law of Ethiopia, the Regional States, Addis Ababa and Dire Dawa city administrations establish fund for compensation payment and rehabilitation. And they are responsible for developing resettlement packages that allow displaced people to resettle in a sustainable manner. Generally, article 16 mandates the appropriate body to develop resettlement packages that may enable displaced people to sustainably resettle and obliged urban or woreda administrations to the duty to resettle people displaced on the basis of resettlement package and allocated budget (FDRE, 2019). However, as the researcher gathered data from the respondents, there is no any action taken by the woreda or urban administrations to sustainably resettle the displaced peoples. And as the respondents claimed that, the local government did not transparent to give full information about the resettlement packages and its implementation situation.

Moreover, expropriation regulation (Reg, No. 472/2020) obliges the woreda and urban administration to participate the settlers in the execution of resettlement packages and provide support to enable them sustained income. Nevertheless, as the researcher perceived from respondents the urban or the woreda administration were not participate the displaced peoples in the resettlement package. Furthermore, there were no any supports provided to the displaced

peoples by the urban administrations to get sustainable income. And also, as the researcher gathered data from the respondents, even nobody taught them what to do with the paid compensation money or how to spend it, and there was no follow-up from the concerned body.

Generally as presented in figure 4 below, the results revealed that the majority of respondents, about (75%) of respondents were used the compensation money for daily consumption. And they face serious challenges, because they have no options for sustaining themselves once the money runs out. This improper use of expropriated funds occurs because the relevant government organ failed to provide training and support on the use of funds for alternative businesses. About (15%) of the respondents used the money for leasing agricultural land. However, farmers and discussants also reported about the challenges that farmland is too expensive to lease or too far from their home. This makes difficult to use their compensation money for like purposes. The rest of (10%), respondents used the money for commercial business and other purpose. It is clearly presented as follows

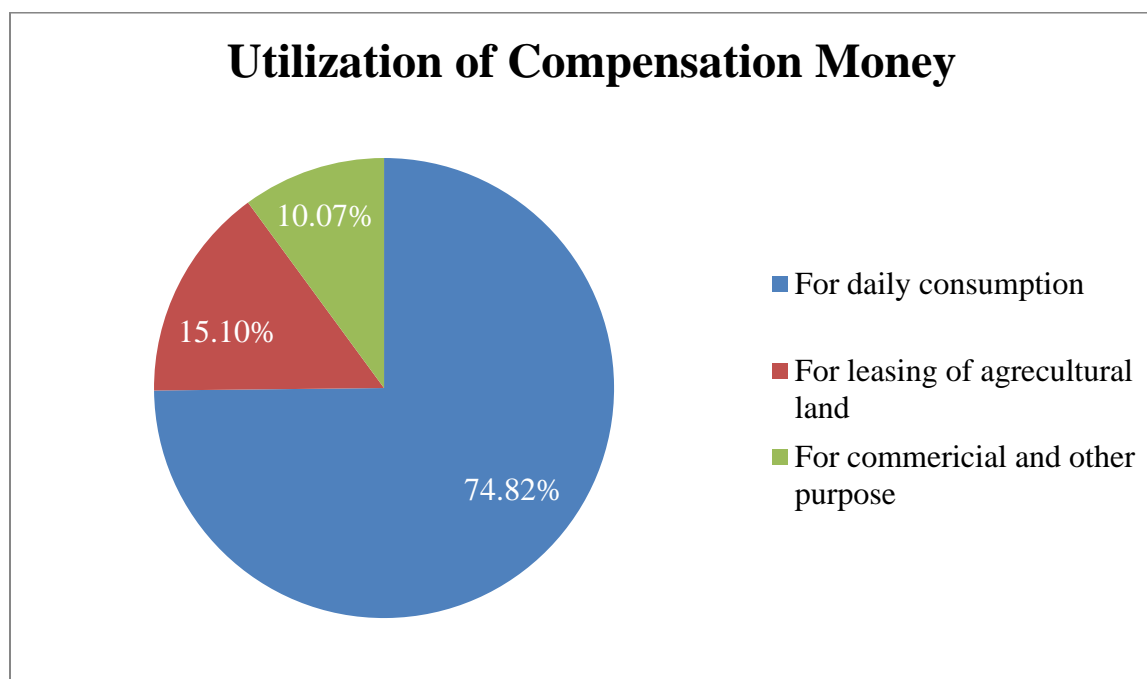


Figure 4: Utilization of Compensation Money

Source: A household survey July, 2022

According to Theodorus Kweyamba, the application of compulsory land acquisition is exercised, without providing an alternative resettlement area or paying fair compensation is likely to make the livelihoods of many households more unstable (Kweyamba, 2015).

#### **4.8. Major Implementation Challenges of Expropriation and Compensation law**

In Ethiopia the government expropriates private property to promote sustainable development throughout the country and to provide different public facilities for the greatest societies. Therefore, to rectify and fill gaps pictured in the former law and to make the implementation system of expropriation and payment of compensation more effective, the government amends and enacts the current expropriation law. Accordingly, the current expropriation and compensation law of Ethiopia include the following provisions in its contents. It gives priority rights to develop land to the landholders; landholders whose holdings are within the redeveloped urban area have a priority right to develop their land in accordance with the plan, either individually or collectively. Furthermore, rural landholders for agricultural use shall have first priority rights to develop their land holdings in accordance with the land use plan, either individually or collectively. The law gives objections rights to the displaced peoples on the public purpose decision where their land is not expropriated based on an approved land use plan; master plan; or structural plan. Also, it gives rights to the displaced people to Plant seasonal crops and starts other activities on the land except for perennial crops and buildings where the compensation is not paid within three months of the notice on the amount of compensation. And at the same time, it stated that the displaced people can develop any kind of activity approved by the plan and that does not affect the government's ongoing cost of development of the site where compensation is not paid within six months of the notice on the amount of compensation. It increases the rate of multiplication for compensation of land; the landholder will be paid displacement compensation which is equivalent to fifteen times the highest annual income he generated during the last three years preceding the expropriation of the land. It obliged the expropriator to compensate for the social and moral damages of displaced peoples; displaced people shall be compensated for the breakup of social ties and moral damage they suffer as a result of expropriation. Moreover, the current expropriation law includes the payment of displacement compensation for communal landholdings. The concept of Rehabilitation is absent under proclamation number 455/2005. But the notation of Rehabilitation is found under article 16 of Proclamation number 1161/2019. And it states as, urban or woreda administrations will be

responsible for relocating displaced people in accordance with the resettlement package and budget. Therefore it increases emphasis on resettlement.

However, as the researcher gathered data from the respondents and through examining the expropriation law, even the government amends and enacts different law relating to land expropriation; there are different challenges that affect the implementation of the expropriation and compensation law in the town. These are legal gaps of the expropriation and compensation law, lack of skillful experts in valuation and compensation, the unwillingness of displaced peoples to remove their property on the specified time, miss understanding of the expropriation proclamation by the displaced peoples, and absence of clear real property valuation policy and standardized valuation system are some of the major implementation challenges of expropriation and compensation law. These challenges are discussed clearly below.

#### **4.8.1. Gaps of Expropriation and Compensation Law**

As the researcher gathered data from respondents and through examining the current expropriation law, there are some legal gaps in the provisions of the current expropriation law that prejudice the proper implementation of expropriation law. And these legal gaps were explained as follows:

Article 13(1a) of the expropriation law states that a landholder who is to be displaced permanently shall be substituted for a reasonable proportion of the land taken from the area shall be given a substitute land if it is available. The law predicts the possibility of providing substitute land to peasants who lost their land under expropriation. However, because of the scarcity of land in our country, replacement land is not easily accessible, and Even where a substitute land is available the fertility, location, and sizes are not clarified.

Similarly, article 13(1c) of the law states that where equivalent land is not available the landholder shall be paid displacement compensation which is equivalent to fifteen times the highest annual income he generated during the last three years preceding the expropriation of the land. However this compensation system doesn't consider the farmers' lifetime right in the land with life-long income from their land, livestock, other landed assets, and the right to pass it to the coming generations. Hence the government deprives them of their rights on the land and the amount of compensation is not sufficient and not equal when we compare to the benefits get



from the land by possessing it for an unlimited period. Three years“ or „fifteen years“ appear to be baseless, unscientific, and do not offer valid justification.

Furthermore, Article 13(2a) of the law also states that a rural landholder whose landholding has been provisionally expropriated shall be paid displacement compensation for the lost income based on the highest annual income during the last three years preceding the expropriation of the land until repossession of the land. However, if the land is taken for fifteen years (temporarily) the compensation amount will be the same as the compensation paid when landholding is expropriated permanently. For instance, if person x loses his/her land because of public purpose permanently and he/she receives displacement compensation which is equivalent to fifteen times the highest annual income he/she generated during the last three years preceding the expropriation of the land. And person y loses his/her land because of public purpose temporarily for fifteen years and he/she receives displacement compensation for the lost income based on the highest annual income during the last three years preceding the expropriation of the land multiplied by fifteen. Therefore, the amount of displacement compensation paid for person x and person y will be equal. This can raise critical questions on the fairness of compensation that is paid for permanently expropriated peoples.

#### **4.8.2. Lack of Skillful Experts in Valuation and Compensation Practices**

Valuation and compensation experts are essential to adequately compensate displaced people at the time of compulsory acquisition. The existence of compensation valuation experts can pave a way for the owner of the expropriated property to get an adequate amount of compensation. According to article 17 sub article 1 of the current expropriation law, Compensation for the Property situated on land to be expropriated shall be evaluated by certified private institution or individual consultant valuers based on a nationally approved valuation method. Whereas on same the Proclamation article 17(2) stated that when there is no private certified property valuation organization or individual consultant, the compensation shall be evaluated by an autonomous government organization established for that purpose. Similarly, this proclamation on article 17 (3) concludes that, where the organizations under sub-articles 1 and 2 of this article do not exist, it shall be, considering the location of the expropriated land evaluated by the valuation committee established by the relevant urban or woreda administrations comprising proper professionals (FDRE, 2019). However, in the study area, the valuation experts are not organized based on the proclamations. Furthermore, it is evident from the study area most of the

members of property valuation experts in the study area are not qualified and experienced in property valuation. And they are not well enough to give full descriptions of the valuation system of the expropriated property for displaced peoples. Therefore, the displaced people were not informed about the valuation systems of their properties. The findings also show that 77% of the displaced people complained to the woreda and town administration concerned with the amount of compensation estimated for their property resulting due to lack of commensurate compensation, lack of knowledge in the legal framework, is the major reason for the continual existence of complaints on the inadequacy of amount of compensation. Therefore, the absence of skillful experts in valuation and compensation practices is one of the major implementation challenges of the compensation principles.

#### **4.8.3. Unwillingness of Displaced Peoples to Remove Their Properties on Specified Time**

According to the data gathered from the KII, the other main challenge to implement the expropriation process in the required time is that most of the time the people who are proposed to be displaced and whose property is proposed to be expropriated are not willing to leave and remove their properties on the specified time. Because the expropriated landholders were not satisfied by expropriation and opposed the amount of compensation they paid. Therefore, expropriated landholders are not voluntarily leaving their properties. This became an obstacle to conduct or promote the expropriation process at the specified time; especially when the expropriation is needed for urgent investment purposes.

#### **4.8.4. Miss Understanding of the Expropriation Law by the Displaced Peoples**

As the researcher gathered from the respondents and KII, most of the respondents in the study area are illiterate. And according to the data collected from experts of municipality and urban land administrations office as a group discussion, because of the illiteracy of the displaced peoples, most of them were interpret the proclamation in a wrong way and they raises different incorrect Complaints about the practice of expropriation law. And also as the KII respondents conclude that some respondents did not well know about their rights and responsibilities related to their property.

#### **4.8.5. Absence of Clear Real Property Valuation Policy and Standardized Valuation System**

According to the response of the KII respondents, the other major challenges to implementing the expropriation law were the absence of a clear real property valuation policy and standardized valuation system at a federal or regional level. According to the perceptions of key informant interviewers, the absence of a clear real property valuation policy and standardized valuation system, the valuation activities have been practiced arbitrarily by a committee without proper bases and approaches with inconvenient procedures. And this may affect the amount of compensation and right of the displaced communities and become a means for complaints about the fairness of the compensation payment.

## **CHAPTER FIVE: CONCLUSION AND RECOMMENDATION**

### **5.1. Conclusion**

In Ethiopia, land expropriation is used for both rural and urban development activities, as well as private and government development projects, with payment of compensation. This research was mainly aimed at assessing the policies, practices, as well as law that applies to the issue of land expropriation and payment of compensation in Wolkite town. And specifically it evaluates the practice of expropriation procedure of the town with respect to the principles and procedures of the law. It assesses the compensation payment practice of the town in line with the compensation principle's of current expropriation law. Finally it identifies the major implementation challenges of expropriation law in Wolkite town. Along with the objectives of this study, the finding from the perception, feeling and experiences of the respondents and document review on the issue of land expropriation and payment of compensation in Wolkite town concluded as follow:

The expropriation law of Ethiopia proclaimed that the expropriation process has to be undertaken based on certain procedures. It also states that the expropriations of land for a public purpose, the procedure shall be transparent, participatory, fair and accountable. However as the finding of this researcher, the expropriation procedure which is applicable in the study area for the expropriation process usually was not based on the principle of transparency, participation, fairness and accountability. And also, the law prescribes that expropriation has to take place if and only if for the sake of public purposes and with payment of commensurate compensation. Therefore, in the expropriation law of Ethiopia, public purpose and payment of compensation are the way to limit the government's power of expropriation. However as the researcher perceived from respondents of displaced peoples, sometimes the expropriation is not based on the public purpose justification; rather it is simply due to the interest of the administrative organ. Furthermore, Even though the expropriation law states that compensation and resettlement assistance for expropriated land must be used to sustainably restore and improve the livelihoods of displaced people, the majority of respondents were dissatisfied with the amount of compensation they received from the government. And as the researcher found, because of the absence of providing any training to displaced peoples regarding the use of compensation money for alternative business, the majority of the respondents expend their compensation money for daily consumption. Generally, as the researcher gathered data through questioner, interview and

FGD from displaced peoples, the practice of land expropriation procedures and compensation payment in the study area is not consistent with the procedures and principle of current expropriation law of Ethiopia.

To rectify and fill gaps pictured in the former law and to make the implementation system of expropriation and payment of compensation more effective, the government of Ethiopia amends its former law and enacts the current expropriation law. However, as the researcher gathered data from the respondents and through examining the expropriation law, still the expropriation and compensation law has some legal gaps that create grievances on its clarity and on the implementation of the expropriation process. Furthermore, in addition to the gaps of the expropriation and compensation law, lack of skillful experts in valuation and compensation, the unwillingness of displaced peoples to remove their property on the specified time, miss understanding of the expropriation proclamation by the displaced peoples, and absence of clear real property valuation policy and standardized valuation system are some of the major implementation challenges of expropriation and compensation law.

## **5.2. Recommendation**

Based on the findings of the study and conclusions made, the following recommendations were forwarded by the researcher:

- ✚ Landholders should be informed with reasonable time about the amount of compensation and the time of compensation where their land is going to be expropriated.
- ✚ The local government should provide enough time for public consultation or comment on the proposed plan.
- ✚ The government should give knowledge best (training of legal issues) for the valuers and valuations Committee about implementation of expropriation procedure and compensation principles.
- ✚ The government should increase the fairness and amount of compensation paid during expropriation and reduce the question of the inadequacy of compensation by increasing public participation, transparency, and accountability in the expropriation procedures and compensation process.
- ✚ Compensation should be paid within a reasonable time frame and possession should be taken after a significant portion of the agreed-upon compensation offer has been paid.

- ✦ The local government should apply what the expropriation law says and the compensation should be calculated and paid in line with the legal framework.
- ✦ The government should organize a clear valuation policy and standardized valuation system as well as create skillful valuation experts to reduce the question of fairness of compensation
- ✦ The federal, regional, and local government should create awareness among the societies by using different communication instruments when it enacts a new proclamation, regulation as well as directives.
- ✦ Awareness creation on laws, regulations and directives on expropriation, valuation and compensation should be made to the expropriated societies before the expropriation is conducted.
- ✦ The woreda and urban administrations or the concerned organ of government should Support and ensure the improvement of the livelihood of displaced farmers and must create awareness in the expropriated societies about the use of compensation money.
- ✦ To reduce the compliance with compensation dissatisfaction of displaced communities, the government should manage the expropriation process by formulating different sectors to minimize the action of corruption, fraud, and bribery
- ✦ Private valuation consultation companies in the country that could serve as alternative valuers are essential for the estimation of the property for cross-checking. So the government should initiate the Private valuation consultation companies.

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## Appendix I

**Bahir Dar University**

**Institute Of Land Administration**

**Post Graduate Program in Land and Real Property Valuation**

### **Questionnaire Prepared for displaced Peoples**

Dear sir/madam,

Please be informed that I am a post graduate student in the Bahir Dar University. The purpose of this questionnaire is to collect primary data for conducting a study on the Topic, “Assessment of Land Expropriation and Compensation in Ethiopia: the Law and Practice in Case of Wolkite Town of Gurage Zone” for the partial fulfillment of the requirement of MSc; in real property valuation. I kindly request you to provide me reliable information. Please try to answer the question according to the instruction provided by the researcher.

Thank you in advance for your cooperation

### **Part I. Demographic Characteristics displaced people respondents**

1. what is your gender/sex                      A, male                      B, female
2. Please select your age group    A, 18\_24                      B, 25\_44                      C, 45\_64                      D, Above 65
3. what is your Marital status    A, Married    B, Single    C, Divorce    D, Widowed
4. Please select your Family Size group    A, 1\_3                      B, 4\_6                      C, 7\_10                      D, Above 10
5. Education level    A, Illiterate                      B, Can be read and write                      C, Complete Primary School                      D, Complete Secondary School                      E, Diploma or First Degree
6. Occupation    A, Farmer    B, Merchant    C, Government Employer    D, Lever Worker

### **Part II. Questions for displaced people respondents about payment of compensation and its payment time**

1. Have you received compensation for the property that you have lost because of expropriation?

A, Yes                      B, No

2. What is your level of satisfaction regarding to the payment of compensation?

A. Highly satisfied    B. Satisfied    C. Dissatisfied.                      D. Highly Dissatisfied.

3. If your answer for question number 2 is **dissatisfied** what is the reason for not satisfying?

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4. For what activity you were uses the money that you receive from the compensation?

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5. Is there any assistance or advice given to you from the government body on how to do business by the money paid to you as compensation for the land expropriated?

A, Yes

B, No

6. If your answer for question number 8 is **yes**, can you list it?

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7. When you have received the compensation for your property that you lost in case of expropriation? A, before expropriation B, after expropriation

### **Part III. Questions for displaced people respondents about the overall expropriation processes**

1. Have you receive a notice before expropriation from the concerned body for consultation?

A, Yes

B, No

2. If your answer for question number 1 is **yes**, have you involved in the expropriation process?

A, Yes

B, No

3. If your answer for question number 2 is **yes**, how and in what manner you were involved in the expropriation process?

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4. Do you think the expropriation process that was practiced in the town is successfully conducted in according to the procedure of current expropriation law?

A, Yes

B, No

5. If your answer for question number 4 is no, what were the defect? Can you mention it?

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6. Is there accessibility of information, clarity of rules and openness in decision making concerning to expropriation and compensation practice? A, Yes B, No
  7. Do you agree that the concerned government organs were accountable downward to the people during the practice of expropriation process? A, Yes B, No

## **Appendix II**

**Bahir Dar University**

**Institute Of Land Administration**

**Post Graduate Program in Land and Real Property Valuation**

### **Interview Questions for Key informants interviewers**

Interview Questions for Key informants of the concerned government body and Valuation committees.

Dear sir/madam,

Please be informed that I am a post graduate student in the Bahir Dar University. The purpose of this questionnaire is to collect primary data for conducting a study on the Topic, “Issue of Land Expropriation and Compensation In Case Of Wolkite Town, Gurage Zone: the Law and Practice” for the partial fulfillment of the requirement of MSc; in real property valuation. I kindly request you to provide me reliable information. Please try to answer the question according to the instruction provided by the researcher.

Thank you in advance for your cooperation

### **Part I Demographic Characteristics of KII respondents**

1. Please specify your education level\_\_\_\_\_
2. Please specify your educational background \_\_\_\_\_
3. Please specify your position \_\_\_\_\_
4. How many years of experience do you have?\_\_\_\_\_
5. Have you taken any training related to property valuation?\_\_\_\_\_

### **Part II. Questions for KII respondents about the overall expropriation processes**

6. How would you measure the level of affected communities satisfaction related to compensation?

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7. Is there any support that your organization provides to enable the farmers successfully engage in other viable economic activities? A, Yes B, No

8. If your answer for question number 2 is **yes**, Can you mention it?

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9. Are there any problems that are raised by the affected communities with the question of expropriation and compensation? A, Yes B, No

10. If your answer for question number 4 is **yes**, Can you mention it?

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11. What mechanisms were done by the municipality to solve expropriation and compensation-related problems?

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12. Is there strict follow up whether the expropriated land is used for the intended purposes on time?

A, Yes B, No

13. Do you think the amount of compensation and resettlement assistance compensation can sustainably restore and improved the livelihood of the expropriated communities?

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## Appendix III

**Bahir Dar University**

**Institute Of Land Administration**

**Post Graduate Program in Land and Real Property Valuation**

### **Part V: Questions for Focus group discussant**

Focus group discussion with affected communities and with the experts of the municipality and experts of urban land administration office

Dear sir/madam,

These questionnaires are prepared for experts' of municipality and urban land administrations and affected communities to collect data for partial fulfillment of master's thesis in real property valuation about the Issue of Land Expropriation and Compensation In Case Of Wolkite Town, Gurage Zone: the Law and Practice. Therefore you are highly requested to provide your genuine response. So your kindnesses to respond to the following question are necessary to achieve its ultimate objective.

### **Focus group discussion Questions for experts' of municipality and urban land administrations office**

1. Discuss the major challenges for the implementation of expropriation laws and payment of compensation \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_
2. List and discuss about the new idea or the new thing which are incorporated in the current proclamation of Ethiopian expropriation law \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_  
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 \_\_\_\_\_  
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3. Do you believe that the current Ethiopian expropriation law has its own defect? Please list and discuss if there,

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**Focus group discussion with selected displaced communities**

1. Discuss about the overall applicable laws and practices of the current expropriation processes in the town?

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