



**LAND MARKET IN  
MAPUTO AND MATOLA CITIES:  
PROBLEM AND SOLUTION FOR URBAN PLANNING**

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## 1. Introduction

The present paper entitled “Land Market in Maputo and Matola Cities” comes out in the compass of studies on land market in rural and urban areas promoted by Land and Development Studies Unity (NET) of Eduardo Mondlane University, with support of the Human Sciences Research Council (HSRC), based in Pretoria.

After independence, in 1975, the land was nationalised and has become to the state ownership since 1979. According to the land law and national constitution, “land can not be sold, rent, hired, mortgaged, or any other type of transaction” (Republic of Mozambique, 1979a e 1979b).

However, since the decade of 1980, the demand for land in urban areas increased, specially in the established green zones, peri-urban areas reserved for farming (Roth, Boucher and Francisco, 1995), and in the rural areas, where land was suitable for agriculture or where there are some infrastructure like irrigation systems, water streams, roads and railways (Waterhouse and Vijfhuizen, 2001) the demand for land also increased.

Theories of classical economics postulate that when the demand for land is high, it gains value in economic, social and ecological terms and then creates condition for the establishment of commercial trade transition processes of pieces of land or plots (Bromley and Cernea, 1989; Barrows and Roth, 1990; Platteau, 1996; and Sajaastad and Bromley, 1997).

In Mozambique, the land market is happening and are tends to increase, even though officially land ownership or property still belongs to the state, according to the current land law (Republic of Mozambique, 1997). And while the consequences of this situation are the different ways in which many people try to

obtain rights of land occupation and use, whereby they resort to both formal and informal processes, some questions can be raised, such as:

- ☞ The origin of the land market process in Mozambican cities;
- ☞ The linkage between land market and urban planning processes; and
- ☞ The implication of land market on urban planning process.

The problems that emerged are enormous and this paper will try to analyse these problems, especially those related to urban planning process. The proposal advanced in the second part of this paper it is not intended to constitute an alternative way but simply to vicky off the debate around this issue.

## **2. Methodological procedures**

### *2.1. Localisation of study areas*

The study areas are located in the surrounding areas of Maputo and Matola cities, locally known as the green zones (permanently demarcated and non-demarcated), some sub-urban and peri-urban neighbourhoods and the new occupation areas arising from Maputo development corridor. Thus, the following neighbourhoods were chosen: Albasini, Mahotas, Costa do Sol, Laulane, Congolote, Zonas Verdes, Machava, Jardim, Matola J, Matola D, Matola C, Liberdade, Tsalala and Mussumbuluco as well as the area closed to MOZAL Enterprise. The distribution of these areas are shown in the map 1.

### *2.2. Gathering and analysis of information*

The first step of the research was to get initial information from the past studies made on the urban land markets in Mozambique, mainly in Maputo and Matola

cities, including the land legislation, which approached the creation of green zones and the evolution of urban settlement.

The second step was visiting the study areas to see *in loco* what are the real facts of the problems. At this moment, while it was possible to observe directly, was also conducted interviews to people such as the local leaders (called *administrador* or *secretários*), workers of municipal councils of these cities, especially from Construction and Urbanisation Department (Direcção da Construção e Urbanização – DCU), municipal deputies and individual/residents to obtain information related to the subject.

Finally, the information was combined with the cartography (occupation maps).

### **3. The origin of land market process**

According to urbanistic plans, the core areas of Maputo and Matola cities, called cement area, were reserved for office buildings, apartment blocks and service houses. The sub-urban zones were created to be residential and industrial ones and the peri-urban zones were established as green zones to supply these cities with vegetables, fruits and others fresh agriculture products (Pinsky, 1985). When the cement zone became largely occupied since the 1960's, enormous demand for land surrounding the cities, first in sub-urban zones and second in peri-urban ones increased, mainly in lands reserved for agriculture or future planned expansion of the cities, emerged. Many factors were responsible to this and among these, underlining the Mabogunje position (1992), the most important were:

- (a) Population growth, due to migration, not only from immediate hinterland but also from entire country, looking for security and better living conditions, originated high demand of land for residential and agricultural purposes;

- (b) Income distribution, which determined the space needed and the amount of land required by individual households. The intensive competition which arose from this factor put face-by-face rich people and institutions/enterprises, disputing land in the best and well located areas within the cities.
- (c) The interests of government institutions, tend to pressure the demand and occupation of open spaces and recreational grounds closed to the centre of the cities. The reason for that is the very high ability of these institutions to acquire land anywhere they want, because the state arrangements protect them.
- (d) Inflationing situation in the national economy, that creates the demand of land for speculation, especially as a hedge against inflation.

#### **4. The Linkage between land title and urban planning process**

While the demand for land has increased, its immediate results for urban planning is the lack of fulfilment of existing urbanistic plans. For example, the main categories created in the plan, such as industrial, residential, recreational and green zones were 'assaulted' by people who, with different reasons, tried to get land. No specific delimitation of urban land was clear, and the houses, industries, farms and gardens or recreational spaces mixed with each other, even the space reserved for roads or future avenues was settled by people and their houses.

If this land occupancy is visualized on a map, it is possible to see the mosaic of different types of land use and occupation reflects the lack of observances of whatever had been previously planned (see map 2).

On the other side, while the inflationary pressure on the economy has become the order of the day, many of those who have a lot of money or ample finance resources usually seek to invest in land, not to use it for production or effective occupancy, but for speculation. The reason for that is the trend of land values and prices which increase in an upward spiral. The consequence is that where it has been planned to be industrial and agriculture zone, is now a plot with a wall and grass, that is called “quinta” or “casa de fim-de-semana”. The inverse situation of this side is the concentration of poor people in places with very precarious conditions of water drainage, swampy land, and so on.

## **5. Problems and solutions for urban planning process**

### *5.1. In land market process*

The most important problem for the urban planning process, caused by the development of urban land market, is the great inadequacy of supply for land. It is possible to see the incoherence of policies and procedures to conferring and registering rights and titles of land access, control and use. The problematic situation is the concentration of all land supply power in the hand of central institution, such as DINAGECA or municipal department for construction/building and urbanisation, which imposes an unwarranted bottlenecks.

Although issues of land access, control, rights, tenure, registration and title are some of the most important factors determining the supply of urban land, they do not exhaust the set of constraints. Various regulations governing urban land use often have the same constraining effects on the number of serviced plots available on the market. Such regulations including those governing the minimum size of building plots, the floor area ratios, the setback distance of plots from

road, the minimum extent of rights-of-way, as well as zoning regulations (Mabogunje, 1992).

The constraints in making land easily available through the formal governing mechanism were such as to force people, desperately to provide themselves with shelter, to seek other avenues gaining access to land. The result has been the emergence of a dual land market system.

1<sup>st</sup>: The formal land market caters to middle and upper classes and is generally mediated by estate agents who advertise in newspapers or whose offices are easily identified. However, this kind of system represents (account) a small proportion of land transactions and transfers. These transactions are usually in regard to estate laid out or approved by public authorities for which there are title certificates, deeds or conveyance documents.

2<sup>nd</sup>: The informal land market system that is dominant in matter of land transactions and transfers. There are no advertising estate agents; there are instead land agents or brokers who serve as middleman between families who want to sell their land and individuals who are desirous of buying parcels of lands. Not infrequently, these families also employ the services of land surveyors to help with the subdividing of their land into plots and, where still acceptable, to register the layout with the Land Department of the government. These attestation of land transitions takes various forms from a mere issue of receipt for money received signed by both parties, to the drawing up of a formal conveyance document which is then formally exhausted and registered by a lawyer or a notary public.

Since land nationalisation in Mozambique has been treated purely as a legislative measure and has not entailed practical programs of responding

expeditiously to the demand situation for urban land, most residents are forced to go, surreptitiously and illegally, to the informal market to purchase land and then to seek to secure a legal leasehold from the government. The usual charade is to pretend to have purchased the land, or to have owned it, well before the legislative measure to nationalise. The result is an increase in the time needed to complete the land registration process and therefore to reduce the rate of supply of land to the market.

The most characteristic feature of the urban land market in the Maputo and Matola, in particular, and in Mozambican cities, in general, is the lack of information about the volume transactions, the amount of changing hands, their general pattern of distribution within the city or their prices. The paucity of information makes for imperfect competition and gives rise to serious price distortions. Considerable distortion is also introduced into the market because of the very striking differences in the supply characteristics of land from the formal public and informal private sources:

- Land supply from formal public sources tends to be secure in its tenure and in some cases already serviced at least by road.
- Land supply from informal private sources tends to have a great risk and a perpetual threat of losing it in litigation.

The result is that land supply from formal sources tends to be a premium, while the price of land purchased in the informal market is variable depending on the relative astuteness of the two parties involved.

These factors introduce themselves a further distortion into the land market. Between the initial allocation to individuals by the state and subsequent private transactions of the same plot in the land market, the price difference can be as



much as one time, especially if the plot of land is in the most socially select areas of the cities.

All of these distortions in the land market send confusing signals to agencies concerned with the systematic layout, subdivision and development of building plots in the cities.

### *5.2. In urban planning process*

The Building and Urbanisation Directorate or office – Direcção de Construção e Urbanização (DCU) - of Maputo and Matola cities are expected to be the primary agency for the supply of urban land. The well-known pervasive ineffectiveness of this agency is not simply a product of the contradictory price signals from the market. Much is due to the defects and outmoded nature of the legislative instruments that establish them.

Under the law, the DCU of Matola and Maputo cities are responsible for the preparation of schemes for the provision of serviced urban lands (further information in the Lei dos Municípios).

Given the fact that the planning agencies (DCU) lack the necessary logistical support, it is no wonder that few planning schemes meant that planning authorities perceived their task as one of planning the development of little enclaves (or schemes) of land here and there, rather than taking a holistic view of the growth and development of the cities.

Beyond the preparation of such planning schemes the DCU go to production of a physical master plan, which attempt to represent the future growth of the cities with proposals for zoning, density control, route alignment, wide green belt separating neighbourhoods of different social classes, low-density and low-rise

buildings, wide streets based on the expectation of a highly motorised population, and high standards of housing and infrastructural development.

In spite of the master plan, the general situation has been that the DCU pay little attention to situations and developments in most parties of the municipalities and have very little information on what is happening in regard to the demand of land. Consequently, the urgency and the priority that needs to be given to the serviced land provision makes little input on the official consciousness.

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