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South Asia Agriculture and  
Rural Growth Discussion Note Series

## Strategies to Increase Poor Farmers' Access to Land and Related Benefits in India

# INCREASE LAND ACCESS FOR LAND-POOR WOMEN FARMERS

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## INCREASE LAND ACCESS FOR LAND-POOR WOMEN FARMERS



Photo credit: Tyler Roush – Landesa

*This discussion note highlights cross-state experiences with subsidizing land purchases by poor women and facilitating women's group land leasing to increase their productivity and income.*

### 1. OVERVIEW

#### Context

- According to the Socio-Economic and Caste Census (2011), over 56 percent of rural households own no farmland (excluding homestead land adjacent to their house). Landlessness is a key indicator of poverty in India and is particularly prevalent among members of Scheduled Castes (60 percent) and Scheduled Tribes (65 percent). Moreover, only 14 percent of women farmers have formally recorded land ownership rights.
- Although state government programs exist to allocate government land to landless households, many poor households are unaware of their eligibility for these programs, and Land Revenue Departments often have limited capacity to implement the programs.
- Individual women farmers also face financial and social barriers accessing arable land independently through land leasing or land purchase. Several states have therefore supported groups of women farmers to access farmland through informal group leasing.

#### Interventions

- Across 190 villages in Andhra Pradesh (AP), 5,300 landless poor women, 90 percent of whom were Scheduled Caste (SC) or Scheduled Tribe (ST) members, received support to purchase land through a combination of financial and technical assistance.
- Across thousands of villages in AP, Kerala, Odisha, and West Bengal, more than 5,000 women's Self-Help Groups (SHGs) and nearly 16,000 poor households were assisted to informally lease over 20,000 acres of farmland from private owners or informally use government lands with village consent.

#### Impact

- Subsidizing poor women farmers to purchase land increased their incomes by 30-75 percent, shifted their primary income source from wages to cultivation, increased food security, decreased seasonal migration, enhanced women's social status as farmers, and boosted their standing in the family.
- Facilitating SHGs to lease land informally increased their access to land, productivity, farm income, and diversification into high value crops.

#### Lessons Learned

- Subsidizing poor women to purchase land is a cost-effective strategy for increasing their access to land with secure, long-term, and formally recognized rights.
- Informal group land leasing can enable women's SHGs to temporarily access additional farmland of an economic size and help achieve economies of scale and mechanization.
- Still, the lack of formally recorded leases due to legal restrictions on land leasing undermines tenure security<sup>1</sup>. This informality increases the risks for tenant farmers, who lack legal protection against arbitrary rent increases and do not qualify for government agricultural entitlements linked to land ownership records. States may therefore consider reducing restrictions on agricultural land leasing to help strengthen tenants' land tenure and access to agricultural entitlements.
- In the short term, tenure security for the tenants can be strengthened by involving the *Gram Panchayat* (local government) in informal lease recognition to add local legitimacy and by stipulating a minimum lease duration for fallow lands that have been developed using government funds.

1 See the related discussion note: Agricultural Land Leasing Reform in India.



## 2. CONTEXT

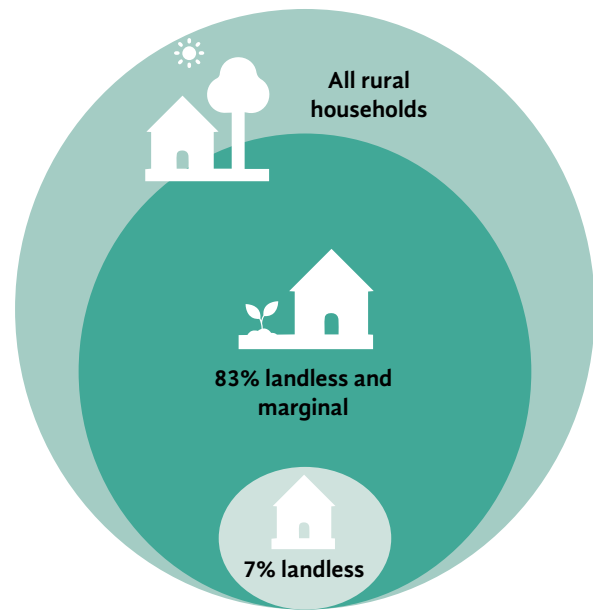
As highlighted in the Draft National Land Reforms Policy and socio-economic surveys, landlessness is one of the key indicators of poverty in India<sup>2</sup>. Since independence, state governments in India have introduced numerous initiatives to facilitate land access for the land-poor. These include government land allocation programs (often requiring joint titles for husbands and wives) and reduced stamp duties and fees for land registered in the name of a woman<sup>3</sup>.

Despite these efforts, rural landless<sup>4</sup> farmers constitute over 7 percent and landless and marginal<sup>5</sup> farmers together represent nearly 83 percent of all rural households in India according to the 70th round of the National Sample Survey (see Figure 1). Among women farmers, only about 14 percent have formally recorded land ownership rights. At the same time, a sizable proportion of the arable land area is left fallow. As of 2014-15, about 26.2 million hectares (ha) or 8.4 percent of total agricultural land was kept fallow<sup>6</sup>.

In this context, agricultural land leasing (tenancy) is an increasingly important strategy to enable productive but land-poor farmers to flexibly access additional land without a large capital investment<sup>7</sup>.

In India, almost 14 percent, or nearly 21.3 million, rural households reported leasing in land in 2013. Most of these households are small and marginal farmers operating on less than 2 ha (see Box 1). Moreover, tenancy incidence is

Figure 1. Landless and marginal farmers as a proportion of all rural households in India



likely under-reported due to state laws banning or heavily restricting agricultural land leasing<sup>8</sup>. While gender-disaggregated statistics on tenancy are not available, anecdotal evidence suggests landowners are reluctant to lease land to individual women farmers, who are seen as less capable farmers than men.



Photo credit: Ritayan Mukherjee – The World Bank

2 Government of India (GoI). 2013. Household Ownership and Operational Holdings in India. National Sample Survey 70th Round. [http://mospi.nic.in/sites/default/files/publication\\_reports/Report\\_571\\_15dec15\\_2.pdf](http://mospi.nic.in/sites/default/files/publication_reports/Report_571_15dec15_2.pdf).

3 See the related discussion note: Help Vulnerable Farmers Access Formal Land Records.

4 The National Sample Survey defines 'landless' as owning no land or less than 0.002 hectares (ha) of any kind of land, including homestead land. This differs from the definition of landlessness in the Socio-Economic and Caste Census, which considers a household 'landless' if they do not own any land other than homestead land.

5 Owning between 0.002 and 1 ha of land

6 GoI. 2016. Report of the Expert Committee on Land Leasing, NITI Aayog, March 31, 2016.

7 Deininger, K. 2003. Land Policies for Growth and Poverty Reduction. Washington, DC: World Bank.

8 GoI. 2013. Household Ownership and Operational Holdings in India. National Sample Survey 70th Round. [http://mospi.nic.in/sites/default/files/publication\\_reports/Report\\_571\\_15dec15\\_2.pdf](http://mospi.nic.in/sites/default/files/publication_reports/Report_571_15dec15_2.pdf).

## Box 1. Available Statistics on Land Tenancy at the All-India Level

	2002-03	2012-13
Tenancy Incidence - Percentage of rural households leasing-in land	12%	14%
Area under Tenancy - Percentage of area leased-in to total area owned	7%	12%
Percentage of Tenants - Small and marginal farmers	56%	86%
Percentage of Tenants - Landless	36%	1.4%

According to the [Land and Livestock Holdings Survey by the National Sample Survey Office \(NSSO\)](#), the proportion of tenants among rural households, as well as the proportion of land that is cultivated on tenancy contracts, both increased between 2002-03 and 2012-13 at the all-India level.

Thus, land leasing remains a crucial land access strategy for land-poor, tenant, and women farmers. However, only 13 percent of the leased-in area is registered<sup>9</sup>. As a result, tenant farmers may be at least partially excluded from agricultural services, credit, and entitlements that require land ownership records to determine eligibility. These entitlements include direct benefit transfers at the central and state levels, subsidized crop loans and insurance, and decentralized public grain procurement in some states, such as Odisha. Many states also require directors of Farmer Producer Organizations (FPOs) to submit copies of their land records as part of the FPO registration process.

### 3. INTERVENTIONS

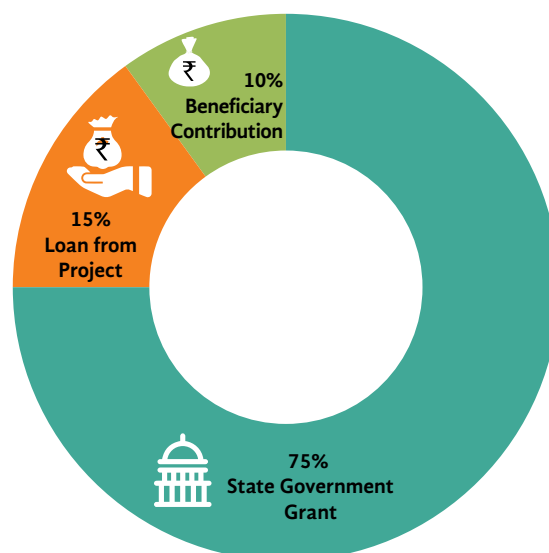
Globally, studies show that giving women direct control over financial resources can enhance their economic empowerment. Since arable land is a key economic asset, several government and non-government initiatives have supported poor women farmers to access additional farmland by providing technical and in some cases financial assistance to help them purchase or informally lease land. This section describes the key activities, actors, and impacts of these interventions.

9 Rao, C. S. 2019. Tenancy Transition and the Effect of Liberalisation on Agricultural Land Leasing, *Social Change*, 49(3) 434-452, 2019, DOI: 10.1177/0049085719863895.

### Intervention 1: Subsidize Poor Women to Purchase Farmland

From 2004-2009, the Society for Elimination of Rural Poverty (SERP)<sup>10</sup> provided technical and financial assistance (see Figure 2) to help landless poor women (mostly belonging to the SC/ST communities) purchase good-quality irrigated land through a World Bank-financed project—Indira Kranthi Patham Bhoomi (IKP-Bhoomi)<sup>11</sup>—in Andhra Pradesh.

Figure 2. Financing model for IKP Bhoomi land purchase scheme



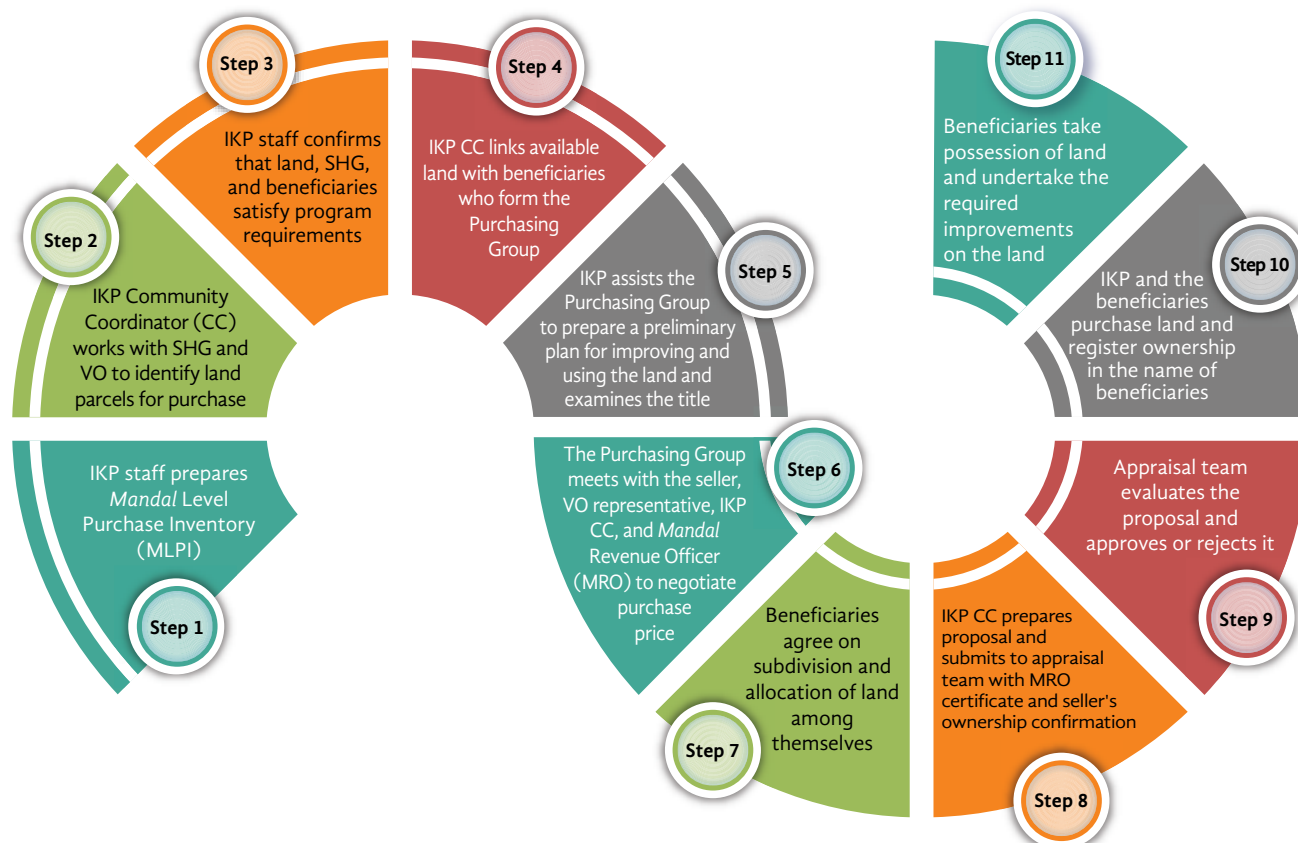
10 SERP is an autonomous society of the Department of Rural Development, Government of Andhra Pradesh. The SERP has implemented many community development projects starting in the 1990s.

11 Indira Kranthi Patham (IKP) is a state-level, community-driven rural poverty reduction project to enable poor households in the state to improve their livelihoods and quality of life through SHGs.

The beneficiary family paid an initial amount equivalent to 10 percent of the purchase price (usually in the range of INR 5,000-10,000 or USD 69-138 per family). The state government subsequently paid 75 percent of the purchase price as a grant (a maximum of INR 45,000 or USD 620 per family), and the remaining 15 percent of the purchase price was provided by the IKP-Bhoomi

project as a loan to be repaid by the beneficiaries in affordable installments<sup>12</sup>. The number of repayment installments was decided by the Village Organization (VO) in consultation with the beneficiary families<sup>13</sup>. Land was mandatorily registered only in the name of women, and state government orders exempted these purchases from registration fees, stamp duties, and transfer duties (see Figure 3).

Figure 3. Workflow Graphic: Land Purchase Support<sup>14</sup>



### Box 2: Impacts of Land Purchase Support<sup>15</sup>

- Implemented in 190 villages of 128 mandals (districts) in AP
- Benefitted 5,300 landless poor families, 90 percent of whom were SCs and STs
- Increased number of landowners (by 3 percentage points) and average landholding size by 0.02 acres overall and by 0.31 acres for the poorest of the poor
- Increased incomes by 30-75 percent, decreased dependence on borrowing and seasonal migration, and shifted primary income source from wages to cultivation<sup>16</sup>
- Enhanced social status of women as farmers and improved their status within the family
- Achieved positive cost-benefit ratio of 1.75<sup>17</sup>

12 Panth, A. S., & Mahamallik, M. 2008. Impact Assessment of IKP Land Purchase Scheme in Andhra Pradesh. Report submitted to Society for Elimination of Rural Poverty (SERP), Government of Andhra Pradesh, Hyderabad.

13 IKP & World Bank. 2015. Land Access Program, APRPRP - Project Completion Report, 2014-15.

14 *Ibid.*

15 *Ibid.*

16 Panth, A. S., & Mahamallik, M. 2008. Impact Assessment of IKP Land Purchase Scheme in Andhra Pradesh. Report submitted to Society for Elimination of Rural Poverty (SERP), Government of Andhra Pradesh, Hyderabad.

17 IKP & World Bank. 2015. Land Access Program, APRPRP - Project Completion Report, 2014-15.

## Intervention 2: Support Women's SHGs to Informally Lease Land for Collective Farming

Several initiatives by government and non-governmental organizations (NGOs) across multiple states have provided technical support to help women's SHGs to (i) informally lease contiguous land parcels from private owners or (ii) informally use government lands with village permission. The aim in both cases is to facilitate

farmland aggregation, economies of scale in production, and mechanization. Some initiatives also provided financial assistance towards rent payments or linked the women's SHGs to agricultural entitlements and services. This section looks at salient features across programs led by [IKP-Bhoomi in AP](#), [Kudumbashree in Kerala](#), [Professional Assistance for Development Action \(PRADAN\) in Odisha](#), and the [West Bengal State Rural Livelihoods Mission \(WBSRLM\)](#) (see [Figure 4](#)).

Figure 4. Workflow Graphic: Group Land Leasing Support



18 Abraham, D. T. 2019. Lease Land Farming by Women Collectives: An Enquiry into Earnings of Kudumbashree Groups. <http://www.cwds.ac.in/wp-content/uploads/2019/04/OccasionalPaper65.pdf>.

### Box 3: Impacts of Group Land Leasing

#### Andhra Pradesh

- About 13,700 acres were leased-in by 15,830 poorest of poor households in 19 districts, covering 201 *mandals* in 1,198 villages<sup>19</sup>
- Increased access to farmland for the poorest of the poor by 0.05 acres (1.3 percentage points) on average<sup>20</sup>

#### Kerala

- Nearly 6,300 acres of fallow land were leased to 4,567 women's SHGs in 2019-20<sup>21</sup>
- Farm efficiency in terms of input-output ratio was higher for group leased land compared to both owned/self-cultivated land and individually leased land, possibly due to better convergence<sup>22</sup> with central and state government support for group farming activities<sup>23</sup>

#### Odisha

- Land aggregation through leasing enabled increased adoption of sustainable production practices (for example, integrated pest management), mechanization, and aggregated input procurement
- The program also enabled diversification into high value crops and reduced labour costs
- Beneficiaries' adoption of improved farming practices led to increased productivity and farm income (up to 4x the national average)

## 4. LESSONS LEARNED

- **Subsidizing land purchases is a cost-effective strategy for increasing land access for the poorest landless households.** Many poor farmers lack the large capital outlay needed to purchase farmland. Subsidizing land purchases through a combination of beneficiary contributions, grants, and loans can help landless families overcome capital constraints and secure ownership rights to farmland. Subsidizing land purchases may not be fiscally feasible for all landless households. However, states could consider adding this strategy to complement their existing government land allocation schemes for landless families given the positive cost-benefit ratio achieved in AP.
- **Women farmers can access farmland and achieve economies of scale through group**

**land leasing.** While many women's SHGs are already engaged in productive activities, their income-earning opportunities are limited by women's low levels of land ownership. The expansion of SHG land leasing across several states indicates that it may be more socially and financially feasible for women farmers to access farmland through land leasing rather than ownership. The success of these initiatives also suggests that landowners may be more willing to lease land to groups of women than to individual women farmers. With technical and in some cases financial assistance, women's SHGs can identify available fallow land, negotiate land leases, and access complementary agricultural services and entitlements. These activities, in turn, can empower women farmers to collectively farm larger parcels of land and achieve economies of scale.

19 IKP & World Bank. 2015. Land Access Program, APRPRP - Project Completion Report, 2014-15.

20 *Ibid.*

21 Kudumbashree. n.d. Kudumbashree Kerala State Rural Livelihood Mission DAY NRLM-AAP 2020-21. Retrieved April 26, 2021, from [https://kudumbashree.org/storage//files/99lx9\\_nrlm%20aap%202020-21.pdf](https://kudumbashree.org/storage//files/99lx9_nrlm%20aap%202020-21.pdf).

22 The group lease farming arrangement under the Kudumbashree Mission had convergence with the Mahatma Gandhi National Rural Employment Guarantee Act, *Panchayats*, agricultural universities, and the Agriculture and Horticulture Departments of the state government.

23 Haque, T., & Nair, J. L. 2014. Ensuring and Protecting the Land Leasing Right of Poor Women in India. Paper presented at the Annual World Bank Conference on Land and Poverty, Washington, DC, March 24-27, 2014.



- **Reducing restrictions on land leasing will help secure tenants' land tenure and enable them to access agricultural entitlements.** In all the cases studied, the lease agreements are informal (not registered), due to the prevailing legal restrictions on agricultural land leasing in most states. As a result, tenants face the risk of landlords either demanding higher rents or preferring to withdraw their land from the lease arrangement due to their fear of losing the land to the tenants through long-term possession, as per existing laws. Moreover, in most states, tenant farmers remain ineligible for many agricultural entitlements linked to land ownership records. As such, states may consider adapting the Model Agricultural Land Leasing Act developed by the NITI Aayog in 2016 to encourage formal recognition of lease agreements and to enable tenant farmers to access agricultural entitlements linked to land records<sup>24</sup>.
- **In the short term, state and local governments can use government orders to bolster tenant farmers' rights and ensure their access to agricultural services.** Tenants' existing tenure security can be strengthened by involving *Gram Panchayats* in informal lease recognition to add local legitimacy to the arrangement and by stipulating a minimum lease duration for fallow lands developed using MGNREGS funds. These actions can be accomplished through government orders, rather than legal reform, and can be considered a low hanging fruit for replication by other states to enhance secured land access for women's SHGs.

<sup>24</sup> See the related discussion note: Agricultural Land Leasing Reform in India.

## ABOUT THE DISCUSSION NOTE SERIES

This note is part of the South Asia Agriculture and Rural Growth Discussion Note Series, which seeks to disseminate operational learnings and implementation experiences from rural, agriculture, and food systems programs in South Asia. It is based on the findings of the *Land Policy Reform for Agricultural Transformation in India Study* under the India Agriculture and Rural Development Advisory Services and Analytical Program. The other notes in this series include:

- Help Vulnerable Farmers Access Formal Land Records
- Informally Register Farmers' Customary Land Rights in Tribal Areas
- Build Farmers' Land Rights Awareness and Last-Mile Access to Legal Aid
- Promising State Initiatives to Increase Poor Farmers' Access to Land and Agricultural Services
- Agricultural Land Leasing Reform in India

**Author:** Mercedes Stickler

**Series editor:** Mercedes Stickler

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