



Land Tenure Center

COUNTRY EXPERIENCE IN LAND ISSUES

ST. VINCENT & THE GRENADINES

by

Dr. Allan N. Williams

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EXECUTIVE SUMMARY

St. Vincent & The Grenadines (SVG) consists of 32 islands and cays of which only eight (8) are inhabited. Its population of 115,900 (2000) is the second largest among OECS, while its economy (EC\$617 million in 2000) is the fourth largest in the sub-region. Agriculture is the mainstay of the economy, amounting to 12% of the total GDP. However, in its attempt to diversify the economy, the Government is focusing on promoting Tourism and offshore Financial Services.

The total area of St. Vincent and the Grenadines is about 96,000 acres, 47% of which are in forests and 32% in agriculture. The total number of parcels of agricultural land is 8,258. About 73% of these agricultural lands are under “Owner or Owner-like” possession. Rental land accounts for about 23% of agricultural land under use. These rental arrangements vary from cash rentals to Government and others to sharing of crops.

The Registrar of Deeds is the main instrument for land administration. The system of registration has been described as an unregistered title system in that the title in the land register may not necessarily refer to any certified plan.

Three institutions influence land management practices in SVG. These are the Department of Lands & Surveys, The Registry and the Physical Planning and Development Board. However, the Department of Lands & Surveys has the ability to link these three because of its ability to define the locality of the parcel of land.

The difficulty in accessing land can be gauged from the large proportion of “informal” rental arrangements and the incidence of squatting. One estimate puts the number of squatters at 16,000. The Forest reserve is threatened by illegal occupation and watershed management becomes a frustrating exercise. Competition for access to land through the continuous increase in land values is evident in the Land market.

St. Vincent & The Grenadines is faced with the challenge of moving from a society organized around large parcels of land owned by Government and a few private estates to a more diversified and viable economy with wider access to property ownership. Although a more vibrant land market can facilitate such a transition, intervention by the State is still required to address the social issues relating to land ownership and access.

1. INTRODUCTION

1.1. Background

St. Vincent & The Grenadines (SVG) consists of 32 islands and cays of which only eight (8) are inhabited. The total land area of is 389 km². A chain of volcanic ranges and small peaks dominates the island of St. Vincent. This includes Mount Soufriere, an active volcano and tourist attraction. This volcano last erupted in 1979 depositing volcanic ash over much of the northern side of the island.

Table 1: St. Vincent & The Grenadines (SVG)

| | | | |
|---|---------|-----------------------------------|----------|
| Population (Year 2000) | 115,900 | Real GDP (EC \$million) 2000 | \$617.16 |
| Urban Population | 55.9% | GDP Growth Rate (Avg. 96-'00) | 3.28 |
| Rural Population | 44.1% | Agriculture (% of GDP) 2000 | 12.3% |
| Population Density (1998) per sq.km. | 287 | Total Area (acres) | 96,000 |
| Life expectancy | 73 | Arable Land (acres) | 68,374 |
| Infant mortality (per '000 live births) | 17.1 | Land used for Agriculture (acres) | 17,800 |
| Poverty Rate | 33% | Agriculture Land as % Total area | 18.6% |

Source: ECCB Annual Report, 2000, National Agricultural Census 2000. OECS Human Development Report 2000.

SVG has the second largest population among OECS member states. Its urban population of 64,000 comprises approximately 56% of the population. Its economy is however the fourth largest in the sub-region and amounts to 12% of the total GDP of the OECS.

Table 2: Comparative Size of Economic Activity within OECS

| Country | 2000 | % OECS GDP |
|-----------------------------|----------|------------|
| Antigua & Barbuda | 1,240.45 | 25% |
| St Lucia | 1,171.90 | 24% |
| Grenada | 692.71 | 14% |
| St Vincent & The Grenadines | 617.16 | 12% |
| St Kitts & Nevis | 559.32 | 11% |
| Dominica | 451.25 | 9% |
| Anguilla | 183.99 | 4% |
| Montserrat | 56.30 | 1% |

Source: Calculated from ECCB Data

1.2. Economic Performance

St. Vincent & the Grenadines is mainly an agricultural economy in which the production and export of bananas continue to play a significant role. In terms of value-added to GDP, the Agricultural sector is the largest contributor of all productive sectors. It is only exceeded by the services sectors, viz., Wholesale and Retail services and Government services.

Table 3: Contribution of Major Sectors to GDP (Constant 1990 Prices)

| Economic Sector | 2000 (% of GDP) |
|--------------------------|------------------------|
| Wholesale & Retail Trade | 17% |
| Government Services | 16% |
| Agriculture | 12% |
| Communications | 12% |
| Construction | 9% |
| Manufacturing | 6% |
| Hotels & Restaurants | 2% |

Source: Central Statistics Office, ECCB Annual Report

GDP growth averaged 4.3% during the period 1997-1999. During this period, banana export earnings ranged from EC\$37 million in 1997 to EC\$51 million in 1999. The year 2000 signaled the beginning of the difficult years. Construction activity declined by 10% reflecting lower public sector investments with the completion of several large projects. Real GDP did grow by 2% but this expressed mainly a recovery in the agriculture sector as banana production grew by nearly one fifth. GDP continued to decline in 2001, due primarily to the impact of a severe drought on agriculture (a 22% reduction in banana output) and lower tourism receipts.

1.3. Economic Challenge

Diversification of the economy is very much on the agenda of the current Government of St. Vincent and the Grenadines, which assumed office in April 2001. While not ignoring the need to restructure the banana industry and to reduce poverty in the rural areas, the Government has proposed a medium-term strategy, which will also focus on¹:

- The development of Tourism and offshore financial services;
- The promotion of private sector activity through enhanced governance;
- Structural reforms and increased public investment in physical and social infrastructure.

There is also the concern with the level of unemployment. In the 1991 census, unemployment was recorded at 19.8%. Although the data is not available for the current situation, the general opinion places the unemployment rate in the vicinity of 20%.

Associated with the high level of unemployment is a high rate of poverty. The Human Development Report 2002, of the OECS Secretariat places the poverty rate in SVG at 33%². This report also indicates that the poverty rate in the rural area is almost three times that found in urban areas.

¹ International Monetary Fund 2001 Article IV Consultation with St. Vincent & The Grenadines, p.7

² OECS Human Development Report – 2002, Table 1.6, p.34

2. LAND AND THE ECONOMY

2.1. Land Resource Uses

St. Vincent and the Grenadines has a total land area of about 96,000 acres. These resources are used for Forestry, Agriculture, Industry and other Buildings. Land use statistics from the Physical Planning Division suggest that about 32% of the land is available for agricultural purposes while 11% is built-up areas. However, the 1998 statistics suggest that only 17,789 acres are actually under agricultural production, equivalent to 19% of the total land area.

Table 4: Land Use according to the Physical Planning Division

| Land use | Acres | % of Total |
|----------------|--------|------------|
| Forestry | 44,819 | 47% |
| Agriculture | 30,935 | 32% |
| Built up areas | 10,170 | 11% |
| Industry | 65 | 0.1% |
| Not identified | | 10% |

Source: Legal Report on St. Vincent & The Grenadines, p. 4

Over 42% of agricultural land (7,466 acres) is used for the production of permanent crops. Banana accounts for 63% (4,741 acres) of this acreage. Banana production still dominates the profile of agriculture in SVG.

2.2. Agricultural Land Tenures

The total number of parcels of agricultural land is 8,258. About 73% of these lands are under “Owner or Owner-like” possession. SVG uses the term “owner-like possession” to include such cases as family lands in which no clear title is vested in any one member. Combining these two categories (Owner and Owner-like) means that one is unable to ascertain the extent of such unclear titles.

Table 5: Land under Various Types of Tenure

| Type of Tenure | Total Agricultural land | % of Total |
|-------------------------------|-------------------------|------------|
| Owner-Owner-like possession | 13,093.8 | 73.6% |
| Rent cash-Government | 1,810.5 | 10.2% |
| Rent cash – Others | 1,037.0 | 5.8% |
| Rented cash for share produce | 378.4 | 2.1% |
| Rented share of produce | 606.9 | 3.4% |
| Rent free/peppercorn tenancy | 237.1 | 1.3% |
| Squatting - Government Land | 401.8 | 2.3% |
| Squatting - Other Land | 62.9 | 0.4% |
| Other | 161.1 | 0.9% |

Source: Legal Report on St. Vincent & The Grenadines, Table 3.1 p. 9

Of equal importance is the level of rental arrangements in SVG. Rental land accounts for about 23% of agricultural land under use. Rental arrangements vary from leases of Government land to informal (oral) arrangements with private landowners. The Lands & Survey Department of the Ministry of Agriculture is responsible for rental of State/Crown lands.

3. ASSESSMENT OF EXPERIENCES

3.1. Land Administration

The Registrar of Deeds is the main instrument for land administration in SVG.. Title deeds are maintained in date order of registration and a deed index number allocated consecutively within each year. Annual volumes of title documents are bound and stored at the Court House. There is a manually maintained annual cross-reference table of name and number.

Nicole Sylvester refers to the Title registration system of SVG as an “unregistered title” system³, in that the title in the land register may not be referable to a certified plan. At most it may contain a general description of the boundaries of the said parcel of land. In order to certify the title as it relates to unregistered land, “searches have to be conducted in relation to the parties to the transaction concerning the land and not in relation to the specific parcel of land”⁴. Indeed, this author correctly concludes that “Title” to the interest in land to be conveyed is thus something that is deduced from evidence. It has to be proven afresh each time a disposition of land is made.

3.2. Land Management

Three institutions stand out in terms of their potential to influence land management practices in SVG. They are the Department of Lands and Surveys, the Registry and the Physical Planning and Development Board. All three of these institutions manage key land information in SVG. However the main basis for functional linkages within these three institutions remains the ability of the Department of Lands and Surveys to define the locality of the parcel of land.

The Department of Lands and Surveys has large-scale topographical maps of settled areas at 1:2500 based on photography dated around 1982. The coverage is about 90% of the country excluding the Forest reserve. The framework for survey control also resides with the Department. The Lands Survey Act of 1973 regulates the operations of surveyors. Thus the Department of Lands and Surveys performs the regulatory functions in relation to the checking and registering of survey plans and computations submitted by Government and private licensed surveyors.

The Department also manages all State/Crown Lands. However, there is some difficulty in the determination of the exact acreage under state ownership. The main reason for the Registry having no records of compulsory land acquisition is that no legislation requires such records to be kept. Under the Land Acquisition Act, an acquisition is considered complete when it is reported in the official gazette.

³ Land Consultancy Report for St. Vincent & The Grenadines by Nicole O.M. Sylvester, February 2002.

⁴ Ibid., p.19

With respect to private lands, The Registry maintains records of land transfers through the registration of deeds. However, the influence of the Registry is tempered to some degree by the cultural expectation of people engaged in land transactions. Some persons are still content with transferring land rights without the benefit of a lawyer or surveyor and do not register their transactions with the Registry. Rental arrangements are most prone to this type of behaviour. The ability to identify locality, however, gives the Department of Lands and Surveys the basis for establishing linkage between the indexing system of the Registry and that of survey plans.

The Physical Planning and Development Board, influences land management practices through its regulatory efforts at land use planning and development control. The Board's responsibilities are detailed in the Town and Country Planning Act 1992.

Mortgaged-secured loans are most demanding in terms of documentary proof of ownership and Planning permission. Where deeds are available, bank solicitors' clerks conduct a title search at the Deeds Registry. Affidavits are also utilized when applicants have only possessory titles. Where the financing of a project does not require commercial support, planning permission is seldom obtained.

4. LAND ISSUES

4.1. Access to Land

The tenure situation in St. Vincent & The Grenadines reflects very much the problem with access to land. Family inheritance obviously plays a role in ensuring access to land. We are unable to quantify its influence because "Owner-like" possession is combined with clear ownership in compiling the data.

The "land reform" programmes play a significant role in providing access to land. The most recent was initiated in 1990 and saw the subdivision of eight estates in plots that were sold to persons for agricultural cultivation.

What should be of importance to planners is that even with the Land Reform programmes, access to land through rental arrangements (a situation characterizing about 23% of land) is still a very prevalent form of tenure. The fact that there is no formal (recognizable) land rental market suggests that nearly a quarter of the land is occupied through informal relationships. Clarification of Policy with respect to rental rates and sale prices for Government lands can influence the emergence of a land rental market and assist in the emergence of "economically viable" access to land so as to complement the social objectives of land distribution.

4.2. Squatting

Squatting on publicly owned land is considered pervasive in St. Vincent & The Grenadines. One estimated puts the number of squatters at 16,000.⁵ This presents a number of problems. The Forest reserve is threatened by illegal occupation, and watershed management becomes dysfunctional. Consequently, policy efforts to prevent the clearing of forests, to encourage reforestation on lands deemed unsuitable for agriculture are continuously thwarted by social forces that drive illegal occupation. While individual Departments of Government may see the problem as one of removal of such persons and termination of such occupation, there are larger questions of land access and intensifying agriculture on lands that are deemed suitable for cultivation.

4.3. Family Lands

Although family land is very common in SVG, the incidence of it as an issue is not known. The term “Owner-like possession” is used in SVG to describe land occupied by persons with a beneficial interest that is not expressed as a legal interest. The practice in SVG is to combine the data for “owned” and “owner-like possession”, so that the latter is indistinguishable.

4.4. Land Markets

4.4.1. Land Market Activity

The emergence of increased activity in the land market has been influenced by the fragmentation of former estates and increased urbanization. This can be seen in the growth in the number of deeds registered. Although more recent data was not obtained, we do know that this process gained momentum in the 1980s. Between 1979 and 1988 the number of deeds increased by 63%.

The market is also registering the growing scarcity of land through the continuous increase in land values. Competition is increasing for various land uses including residential, industrial and agricultural purposes. Government also adds to the competition as it seeks to satisfy the needs to protect the watershed and the Forest reserve and to provide institutional support for shelter and the establishment of small farming enterprises.

4.4.2. Land Valuation & Taxation

A tax is payable on all land included in the tax rolls prepared under the Land Tax Act cap 316. The system of taxation of land relies on a traditional annual rental value (ARV) methodology. This may not be so appropriate where only a small leasehold market exists. Questions have also been raised concerning the lack of real evidence to sustain a system and the fact that the rental value system excludes unused land, which may have considerable capital value for future development purposes.

⁵ Land Consultancy Report for St. Vincent & The Grenadines by Nicole O.M. Sylvester, February 2002. p.13.

The Valuations Department performs all valuations for property taxation/rating purposes and also is required to formally certify market value on all property transactions for Estate Duty and Stamp Duty purposes. The Registrar can refuse to register transfers of property if the value is not certified by Valuations Department. This reinforces the influence of the Valuations Department. The last revaluation took place in 1990, in which some 40,000 properties were involved. There are exemptions for Crown Lands, land used exclusively for worship or education and parcels of agricultural land of 5 acres or less.

4.4.3. Land Information

Land information is a critical part of the land market. However, such information is scattered through different institutions in SVG. The Valuations Department does hold two valuable and well-kept computerised data/information resources. These are the transaction records for Estate and Stamp duty purposes and the 1990 revaluation of all properties on the roll. The Department of Lands and Surveys maintains its records of survey plans. Significant information is also held in databases with the private sector.

4.5. *Natural Resource Management*

Watershed management is also considered a serious problem. There is a legal framework for natural resource management in the only Act regarding forest reserves, the Kings Hill Enclosure Act Cap 239 of 1990. There have been reported attempts to improve the management of the forests. The draft National Forest Resource Conservation Plan (February 1994) done by the Ministry of Agriculture was one that among other things had planned to establish the Mesopotamia Forest Reserve. Because of poor monitoring however, this area has been mostly cleared for agriculture, except for the highest and steepest ridges.

5 . CONCLUSION

St. Vincent & The Grenadines is faced with the challenge of moving from a society organized around large parcels of land owned by Government and a few private estates with the masses of people excluded from property ownership, to a more diversified and viable economy with wider access to property ownership. Although a more vibrant land market can facilitate such a transition, intervention by the State is still required to address the social issues relating to land ownership and access.