



# ***UNDERSTANDING LAND INTERESTS IN GHANA: NAVIGATING THE COMPLEXITIES OF OWNERSHIP AND RIGHTS***

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Land is one of the most valuable assets in the world and Ghana is no exception. It serves as the foundation for economic activities such as agriculture, real estate, and industrial development. However, the concept of land ownership can be complex.

In Ghana, this complexity stems from the country's plural legal system, which recognizes both customary and statutory land interests. Understanding the different types of land interest is essential for investors, real estate developers, and individuals looking to acquire land.

Ghana's land tenure system is deeply rooted in tradition with about 80% of land in Ghana classified as customary land. This means that, the land is owned and managed by stools, skins, clans, or families. Under customary lands, there are a number of land interests. In this thought piece, we will take a close look at what these interests are.

The first interest to consider is the allodial title. This is the highest form of land ownership in Ghana. It is held by stools, skins, clans, or families and is regarded as absolute ownership. Absolute ownership means the allodial title owner is the original custodian.



Another interest under the Ghanaian customary land ownership system is the customary freehold which can be held by individuals or groups who belong to a stool, skin, or family that owns the land. This interest is hereditary and perpetual, meaning, the holder can use the land and transfer the land within the limits of customary law.

Under Abusa tenancy agreements, the tenant keeps two-thirds of the produce while the landowner receives one-third.

There are quite a number of different interests recognised under customary land system and they may be addressed in future articles.

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***Did you know that over 80% of land in Ghana is owned and managed by traditional authorities, yet many struggle to navigate its complex ownership structures?***

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However, because the stool or family retains the allodial title, the freeholder's rights may be subject to communal regulations.

In cases where individuals or groups who are not part of the land-owning family seek to use the land, they may enter into customary tenancy agreements. You may be familiar with these tenancy agreements- *abunu* and *abusa*. *Abunu* tenancy is where land is given to a farmer, and the produce is shared equally between the tenant and the landowner.

In addition to customary interests, Ghana's land system also recognizes statutory land interests that are formally recognized by law.

Leaseholds are one of the most common forms of statutory land interest, especially in urban areas. A leasehold grants an individual or institution the right to use land for a specified period. In Ghana, per law, typically no more than 50 years for foreigners. Leaseholders must comply with the terms of the lease, including rent payments and land use regulations.



In typical Ghanaian parlance, one may say “I bought a parcel of land” but in actuality, you haven’t bought the land, rather, you have purchased the right to use the land for a number of years, within the bounds of land use regulations.

The lease document, commonly referred to as indenture is the document that shows details of the land, the terms and covenants under which the land was leased to the leaseholder and must be adhered to. Failure to do so can revoke the rights of the leaseholder.

Previously, Ghanaian individuals and institutions could hold land under common law freehold, allowing perpetual ownership. However, the 1992 Constitution (Article 267) prohibited the creation of new freehold interests in stool lands, ensuring that land remains under communal or state control. Creating freeholds is prohibited by the law, but existing freeholds can be transferred in their entirety.

The government of Ghana controls a portion of land classified as state lands and vested lands. State lands are acquired by the government through compulsory acquisition and are managed for public purposes, such as schools, roads, and hospitals whilst vested lands are those where the state and traditional authorities share management rights, often for development purposes.

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***Buying land in Ghana isn’t always straightforward—understanding land interests is key to a secure investment.***

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Understanding the different types of land interest in Ghana is crucial for anyone looking to acquire, lease, or develop land. The interplay between customary and statutory land ownership creates a unique but sometimes challenging system that requires legal and professional guidance.

As Ghana’s urbanization and economic development accelerate, ensuring clarity in land transactions will be key to sustainable land management and investment.

