Urban Land Information system: “The Benefit and Strategy”

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Background

- Land in Ethiopia is a public property. Ownership residing in the federal state, municipalities is empowered to develop, bank deliver and administer it in their respective local jurisdictions.

- However, that being the institutional feature, perceptions of the various communities about the prevailing land tenure system-both in the urban as well as rural sector-are as wide apart and diverse as the ethnic diversity of the country. In the major urban areas land belongs to the state. In the central highlands of Ethiopia land is owned by peasant associations and the state. In the low lands land belongs either to the indigenous community or the clan.

- Despite diversity in background perceptions, three types of tenure arrangements do concurrently prevail: public lease hold, permit- hold, customary (in the case of Pastoral Regions) and informal.

- In addition to those diversities in tenure perceptions, the majority of the land holdings are not formally registered. Not only that, many of the citizens hardly differentiate the qualitative differences among the existing tenure arrangements.

- Of course, the formal financial services sector provides credits of loans to those lands and landed-properties whose use rights are formally registered. Similarly, the informal sector has a parallel informal credit line to secure loans from traditional informal lenders.

- Besides, the transaction costs of securing land from government agencies are extraordinarily cumbersome and inhibitive to any kind of entry in to land-related investments.

- As a result, two parallel markets-formal and informal markets- have emerged. For that reason, land and landed-property market values are becoming distorted due to the preponderance of market segmentation. Rent-seeking and kleptocratic attitudes and behaviors among civil servants working in the land administration and land delivery bureaucracy-have also become widespread and pervasive.

- Realizing the multitude of institutional challenges that the land sector has encountered, series of measures in the areas of urban land reform have been launched and implemented. Among the many of those new initiatives:-

  - The 2002 re-enacted proclamation, and
  - The current initiative to establish a modern integrated land information system is pivotal steps worth highlighting.
2. **Synoptic Reflection of the 2002 Urban Land Proclamation: Precursor of the Current Reform Initiative**

- In due recognition of the series of gaps in the 1994 Proclamation, the EPRDF-led government reenacted a new proclamation in 2002.

- Accordingly, quite a lot of new clauses and amendments have been stipulated and effected.

- Hence, it were due to those pieces of amendments that the nation-wide construction boom started to flourish.

- Concomitantly, the country’s commercial banks-that remained hesitant about the commitment of the land policy to ensure security of tenure and security of credit began to generously extend billions of Ethiopian Birr of loans to private sector operators who wanted to engage in the booming real estate sector.

- However, there were critical challenges that stood on the way of the smooth and full-fledged implementation of the urban land policy. In this case, despite the registration of positive developments in the property market a host of other policy issues- primarily related to:
  
  - Lack of land and landed- property registration,
  - The persistence of the double-track economy of land-whereby the former administrative allocation is trade system has been let to continue to function side by side with the public leasehold system,
  - Lack of harmonization of urban-rural land administrations,
  - Allocation of land at low administrative prices,
  - Lack of appropriate modalities that address the expropriation concerns of the rural population,
  - Lack of clear-cut policy direction in the management of regularization of informal settlements and development control of urban growth and sprawls etc,

- Remained formidable challenges calling for radical amelioration.

- In this regard, as is indicated in exhibit 1, among the major reasons for failing to effectively address the above mentioned challenges is the absence of an integrated land and landed- property registration and information system that informs policy makers-at the different administration hierarchies: at the Federal, Regional States and Local Authority levels.
Exhibit 1:
The need for establishing an integrated land information has come to the attention of decision makers of city government and municipalities after ten years of alter-ness efforts to install the public leasehold system. Prior to 2010, there were fragmented and localized attempts to collect land-related information and some of them were conducted in a kind of house-to-house city wide census. For the respondents has not been well aware of the entire scheme the reliability of the information was very much doubtful. In addition, whether the respondents were the rightful sources of information hadn’t been verified either.

Besides, the initiative to establish the information system had been oriented towards the organization of a multi-purpose cadastral information system. It aimed at gathering pieces of information spanning all sorts of attributes:- legal, fiscal, topographical, social, economic, demographic, gender.

Despite the ambitious goals of establishing a modern land-based information system, what had been possible to be attained was collection of municipal revenue. That itself has also been accomplished without concurrently putting in place an updating mechanism. Furthermore, due to lax in the security, the system has been exposed to rampant corruption and abuses.

Last but not least, the project had been expedited without enacting pieces of legislations related to security of tenure. Land and landed properties were not formally registered.

Post 2010 Land-Related Information Project Initiatives

- Addis Ababa City Administration was the leading local authority to take up the authority to take up the initiative of organizing a multi-purpose cadastre to be followed by BahirDar (in Amhara Regional state), Makele (in Tigrai Regional State),

- Regarding the introduction of the land information Ethiopia is a late comer.

- Until 1994, the issue of cadastral system has never been seriously considered.

- It was after the 1994 urban land reform proclamation that the issue of establishing a modern land information system has been raised and discussed at the top management level.

- However, the program started spontaneously and in a fragmented manner.

- Besides, the initiative had been was donor driven donor,

  - In content the cadastral systems were technically orientated and capital intensive as well as ambitious in their targets. All started as multipurpose cadastre.
Initially, many of the local authorities which did take up the initiative to introduce the cadastre system, were eager and enthusiastic to aggressively buy the project ideas.

After eight and nine years of experience no one city administration among the pioneers managed to emerge successful.

Rather, they ended up in utter frustrations. The programs, more than being too sluggish to deliver what they were initially anticipated to render, they began to set bad feelings about the need for the establishment of a modern land information management system.

Realizing the ineffectiveness of such sorts of sporadic projects, the then Ministry of Federal Affairs of the Federal Government of Ethiopia hired an international consultancy firm by the name DHV, Netherlands to take up the task of:

- Reviewing the or going cadastre programs and,
- Come up with a set of alternative recommendation,

Accordingly, new route leading towards on establishment of legal registry has been proposed (in Exhibit 2).

Exhibit 2
To address the above short-comings mentioned – by hiring an international consultancy firm -, stakeholder and user need analysis was conducted through interviewing and circulations of questionnaire in the municipalities at the visiting day when there existed long queue, Mortgage banks and municipalities concerns were simultaneously evaluated. The gathering of data has two components:-

- The first were was a general inquiries about identifying
  - The purpose of visiting the land administration department,
  - Frequency,
  - Waiting time to get the service required,
  - Difficulties encountered, etc

- The other has been enquiring about
  - Tenure and property
  - Tenure type occupied and modality of acquisition,
  - Felling of security
  - Claims over the property and border conflict,
  - The reasons for conflict and the resolution mechanisms,

According to the user need assessment, what were discovered was the necessity of establishing a transparent, accountable and efficient land registration system first and move to the rest of cadastre systems in the long run. Hence, it was these findings that triggered the launching of the current land reform program conducted under the auspices of the Ministry of Urban Development and Construction. The program touches upon a host of land related issues, which are believed to facilitate the establishment of an efficient land and property market via the organization of a registry at federal, regional and municipal level.
After reviewing the experience of the capital city and four other regional capitals, the view of consultant was recommended as follows:

- Emphasis should be on the delivery of services to the citizen, on this basis, the registry should be as locally administered.
- For the economic aspects of registration, ensure national laws and standards. This would also aid the integration of the system employing ICT.
- Splitting up the "legal cadastre" through establishing different agencies responsible for the registration and surveying.

The recommendations after being presented to the federal and regional government professional stakeholders forum were finally adopted by the then Ministry of construction and urban development in the year 2006.

However, despite the unopposed reception of the proposals at the stakeholders’ forum level and the Ministry levels it took over 4 years to ultimately secure the final endorsement of the Federal Government.

This has happened due to the lukewarm resistance of the technical staff in the land administrations bureaucracy at the regional levels. Many of the professionals preferred to stick with the discernable setbacks that their cadastre projects encountered.

It was in the midst of this resistance that: the Federal Government took a firm stand to enter in to the reform program via the establishment of the legal cadastre first and move to the rest over time.

Accordingly, the Ministry of Urban Development and Construction has organized a national task force pooled from both the Federal Ministry, Regional States as well as the Federal Cities of Addis Ababa and Dire Dawa,

To that end:

- A program concept paper prepared by the Ministry’s Leadership has been communicated to the Task Fence,
- Based upon the Concept Note, a Terms of Reference outlining background, objective, and scope of the work as well the deliverables was released to the Task Force,
- In compliance with TOR, the Task Force identified the critical gaps of the urban land sector in the areas of:
a) Development and Fine Turning of Policy and Legal Frameworks in the organic Land Law as stipulated in the country’s constitution and civil code,
b) A Framework for the development of a land administration systems and procedures for urban local governments,
c) Development of the Land Management and Administration Organization,
d) Development of a National system and program for urban planning and Land development control,
e) Establishing a three-tiered autonomous Land Registry Office at the Federal, Regional and City Level,
f) Carrying out a nation-wide urban Land Resources Inventory and delineation, monument and mapping of city boundaries,

- The key issues picked up for project idea formulation were as follows:
  o Implementation regulations, guidelines and manuals for land registration.
  o Identification of options for improving the land development, banking, supply of land for different uses (including land pricing, and monitoring of effective land use,
  o Identification of the business processes of the land Administration and Management system,
  o Design of peri-urban land systems and ways and means of urban-rural land conversion,