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The World Bank

Report No: ICR00001058

IMPLEMENTATION COMPLETION AND RESULTS REPORT  
(TF054686 and TF054637)

ON A  
LEARNING AND INNOVATION LENDING (GRANT)  
IN THE AMOUNT OF US\$3.0MILLION  
TO  
WEST BANK AND GAZA  
FOR A  
LAND ADMINISTRATION PROJECT

June 25, 2009

Sustainable Development Department  
Middle East and North Africa Region

## CURRENCY EQUIVALENTS

(Exchange Rate Effective: January 28, 2009)

Currency Unit = New Israeli Sheqalim (NIS)

NIS 1.00 = US\$ 0.25

US\$ 1.00 = NIS 4.0

## FISCAL YEAR

January 1 to December 31

## ABBREVIATIONS AND ACRONYMS

FMS	Financial Management Specialist
GOF	Government of Finland
HR	Human Resources
IDRC	International Development Research Center of Canada
ISRR	Implementation Status and Results Report
LPTF	Land Policy Task Force
LRS	Land Registration System
M&E	Monitoring and Evaluation
MIS	Management Information Systems
MOF	Ministry of Finance
MOJ	Ministry of Justice
MOLG	Ministry of Local Government
MOP	Ministry of Planning
MOPWH	Ministry of Public Works and Housing
MTR	Midterm Review
NLPF	National Land Policy Framework
NP	Notary Public
Program T	the Palestinian Authority's "Land Administration Program"
PA	Palestinian Authority
PDP	Palestine Development Plan
PDO	Project Development Objective
PLA	Palestinian Land Authority
PLC	Palestinian Legislative Council
PMCC	Project Management and Coordination Committee
PMT	Project Management Team
PRDP	Palestinian Reform and Development Plan
QBZ	Qarawa Bani Zied
SESP	Socio-Economic Stabilization Plan
TFGA	Trust Fund Grant Agreement
TL	Team Leader
UNRWA	United Nations Relief & Works Agency for Palestinian Refugees in the Near East
WBG	West Bank and Gaza

Vice President:	Daniela Gressani
Country Director:	A. David Craig
Sector Manager:	Ann Bjerde
Project Team Leader:	Ibrahim Dajani

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<b>A. Basic Information</b>			
Country:	West Bank and Gaza	Project Name:	GZ-LAND ADMINISTRATION
Project ID:	P080892	L/C/TF Number(s):	TF-54637,TF-54686
ICR Date:	06/27/2009	ICR Type:	Core ICR
Lending Instrument:	LIL	Borrower:	PLO FOR THE BENEFIT OF PA
Original Total Commitment:	USD 3.0M	Disbursed Amount:	USD 2.3M
<b>Environmental Category: C</b>			
<b>Implementing Agencies:</b> Ministry of Planning Palestinian Land Authority			
<b>Cofinanciers and Other External Partners:</b>			

<b>B. Key Dates</b>				
Process	Date	Process	Original Date	Revised / Actual Date(s)
Concept Review:	06/25/2004	Effectiveness:	03/31/2005	
Appraisal:	11/22/2004	Restructuring(s):		
Approval:	01/26/2005	Mid-term Review:	02/15/2006	06/23/2006
		Closing:	12/31/2007	12/31/2008

<b>C. Ratings Summary</b>	
<b>C.1 Performance Rating by ICR</b>	
Outcomes:	Satisfactory
Risk to Development Outcome:	Moderate
Bank Performance:	Moderately Satisfactory
Borrower Performance:	Moderately Satisfactory

<b>C.2 Detailed Ratings of Bank and Borrower Performance (by ICR)</b>			
Bank	Ratings	Borrower	Ratings
Quality at Entry:	Moderately Unsatisfactory	Government:	Moderately Satisfactory
Quality of Supervision:	Moderately Satisfactory	Implementing Agency/Agencies:	Moderately Satisfactory
<b>Overall Bank Performance:</b>	Moderately Satisfactory	<b>Overall Borrower Performance:</b>	Moderately Satisfactory

<b>C.3 Quality at Entry and Implementation Performance Indicators</b>			
<b>Implementation Performance</b>	<b>Indicators</b>	<b>QAG Assessments (if any)</b>	<b>Rating</b>
Potential Problem Project at any time (Yes/No):	Yes	Quality at Entry (QEA):	None
Problem Project at any time (Yes/No):	Yes	Quality of Supervision (QSA):	None
DO rating before Closing/Inactive status:	Moderately Unsatisfactory		

<b>D. Sector and Theme Codes</b>		
	<b>Original</b>	<b>Actual</b>
<b>Sector Code (as % of total Bank financing)</b>		
Central government administration	68	30
General public administration sector		30
Law and justice	10	30
Other industry	4	
Sub-national government administration	14	10
Tertiary education	4	
<b>Theme Code (as % of total Bank financing)</b>		
Administrative and civil service reform	17	20
Land administration and management	33	40
Legal institutions for a market economy	17	40
Personal and property rights	33	

<b>E. Bank Staff</b>		
<b>Positions</b>	<b>At ICR</b>	<b>At Approval</b>
Vice President:	Daniela Gressani	Christiaan J. Poortman
Country Director:	A. David Craig	Nigel Roberts
Sector Manager:	Anna M. Bjerde	Hedi Larbi
Project Team Leader:	Deepali Tewari	Ibrahim Khalil Dajani
ICR Team Leader:	Deepali Tewari	
ICR Primary Author:	Sati Achath	
	Julia Dhimitri	

## F. Results Framework Analysis

### Project Development Objectives (from Project Appraisal Document)

The objective of the project is to assess the feasibility of introducing reforms in land administration, within an emerging government structure, by enabling the formulation of policy, legal, and institutional changes to achieve efficient procedures for the issuance of land titles and registration of property transactions, and transparent processes for the management and disposal of public land.

### Revised Project Development Objectives (as approved by original approving authority)

#### (a) PDO Indicator(s)

Indicator	Baseline Value	Original Target Values (from approval documents)	Formally Revised Target Values	Actual Value Achieved at Completion or Target Years
<b>Indicator 1 :</b> .				
Value quantitative or Qualitative)	None	Land Policies endorsed by the LPTF and the Cabinet, and forwarded to PLC for ratification (recently the PLC has agreed to have a Presidential decree to speed up the approval process).		Land policy framework has been endorsed by LPTF and approved by Cabinet on April 21, 2008.
Date achieved	11/30/2004	12/31/2008		12/31/2008
Comments (incl. % achievement)	The PLC has not been in session since June, 2007 due to the internal political crisis. Therefore, some degree of uncertainty surrounds the policy studies and draft land laws.			
<b>Indicator 2 :</b> .				
Value quantitative or Qualitative)	None	Revised regulatory framework endorsed by LPTF approved by the Cabinet		The legal and regulatory framework has been endorsed by LPTF and is awaiting Cabinet approval.
Date achieved	11/30/2004	06/04/2008		12/31/2008
Comments (incl. % achievement)	The PLC has not been in session since June, 2007 due to the internal political crisis. Therefore, some degree of uncertainty surrounds the policy studies and draft land laws.			

<b>Indicator 3 :</b> .				
Value quantitative or Qualitative)	0%	40% of unclear land titles in pilot areas are settled and registered by beneficiaries		Titles for less than 2% of the 1,880 registered parcels, have been issued.
Date achieved	11/30/2004	12/31/2008		12/31/2008
Comments (incl. % achievement)	Low rate is attributed to: Law allows 5 yrs to claim titles; people used to receiving free services; 1% fee viewed expensive; miscommunication that titles issued at no cost; and agricultural landowners are not in a hurry to pick up titles.			
<b>Indicator 4 :</b> .				
Value quantitative or Qualitative)	None since 1967	land title settlement activities have been resumed		Systematic land registration has resumed through LAP in the three pilot locations.
Date achieved	11/30/2004	12/31/2008		12/31/2008
Comments (incl. % achievement)	An additional positive unintended outcome was the commitment of US\$60,000 by the PA for the launch of the systematic land registration in Bethlehem.			
<b>Indicator 5 :</b> .				
Value quantitative or Qualitative)	Non-transparent public land allocation mechanisms.	Public land allocation policy adopted and applied.		A public land management policy has been adopted. by Cabinet Apr 21, 08. Application of Its application is pending.
Date achieved	11/30/2004	03/31/2008		12/31/2008
Comments (incl. % achievement)	Public land management policy adopted by Cabinet 4.21.2008 equivalent to 85% achievement. Pending translation into action and creation of PLA Board of Directors responsible for review and decisions on public land disposal.			

**(b) Intermediate Outcome Indicator(s)**

Indicator	Baseline Value	Original Target Values (from approval documents)	Formally Revised Target Values	Actual Value Achieved at Completion or Target Years
<b>Indicator 1 :</b> .				
Value (quantitative or Qualitative)	None	40% of the land titles in pilot areas to be settled and registered.		Titles for less than 2% of the 1,880 registered parcels, have been issued.
Date achieved	11/30/2004	12/31/2007		12/31/2008
Comments (incl. % achievement)				

achievement)				
<b>Indicator 2 :</b>	.			
Value (quantitative or Qualitative)	None	Ten students attending an elective course in Public Land Management.		Not done.
Date achieved	11/30/2004	12/31/2008		12/31/2008
Comments (incl. % achievement)				
<b>Indicator 3 :</b>	.			
Value (quantitative or Qualitative)	0 - 4% of total staff	30% of total staff with improved skills		6% (or 20) PLA staff with improved knowledge and experience in Land settlement activities. Additional 3% (or 10) new surveyors are currently receiving in the field training.
Date achieved	11/30/2004	12/31/2008		12/31/2008
Comments (incl. % achievement)				
<b>Indicator 4 :</b>	.			
Value (quantitative or Qualitative)	0 - 4% of total staff	30% of total staff with improved skills		
Date achieved	11/30/2004	12/31/2008		
Comments (incl. % achievement)				

### G. Ratings of Project Performance in ISRs

No.	Date ISR Archived	DO	IP	Actual Disbursements (USD millions)
1	04/07/2005	Satisfactory	Satisfactory	0.00
2	11/14/2005	Satisfactory	Satisfactory	0.30
3	05/02/2006	Satisfactory	Moderately Satisfactory	0.30
4	06/15/2006	Moderately Satisfactory	Moderately Unsatisfactory	0.43
5	12/20/2006	Moderately Unsatisfactory	Moderately Unsatisfactory	0.50

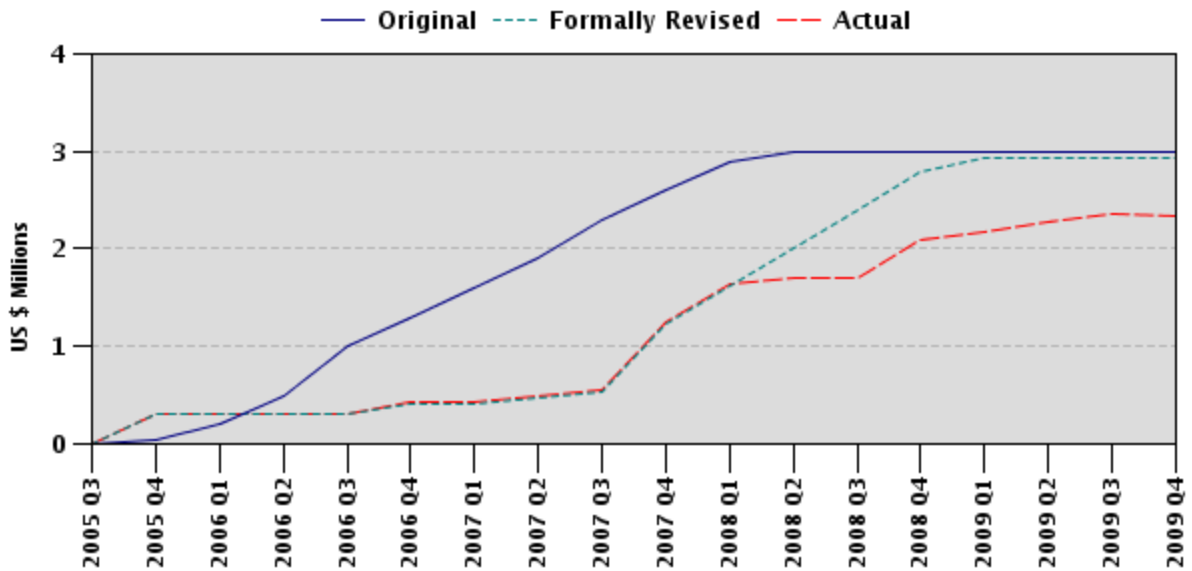


6	04/09/2007	Moderately Satisfactory	Moderately Satisfactory	0.56
7	06/23/2007	Moderately Satisfactory	Moderately Satisfactory	1.11
8	12/19/2007	Satisfactory	Satisfactory	1.71
9	06/23/2008	Satisfactory	Satisfactory	2.10
10	09/29/2008	Moderately Unsatisfactory	Moderately Unsatisfactory	2.18

## H. Restructuring (if any)

Not Applicable

## I. Disbursement Profile



Project ID:P080892

Project Name: West Bank and Gaza Land Administration Project

Team Leader: Ibrahim Dajani

TL Unit:

ICRR Type: Core ICRR R

Report Date:

## 1. Project Data

*Name:* West Bank and Gaza Land Administration Project *L/C/TF Number:* 54637 / 54686

*Country/Department:* West Bank and Gaza *Region:* Middle East and North Africa

*Region*

*Sector/subsector:* General Public Administration (30%); Central Government

Administration (30%); Law and Justice (30%); Sub-national Government Administration (10%)

*Theme:* Law and Policy Making (P); Property Rights (P); Participation and Civic Engagement (S)

### Key Dates

			<i>Original</i>	<i>Revised</i>
<i>Project Concept Note</i>	06/25/2004	<i>Effectiveness</i>	02/15/2005	04/29/2005
<i>Appraisal</i>	11/24/2004	<i>MTR</i>	02/15/2006	06/23/2006
<i>Board Approval</i>	01/26/2005	<i>Closing</i>	12/31/2007	12/31/2008

*Borrower Implementing Agencies:* (i) Ministry of Planning and (ii) Palestinian Land Authority

*Other Partners:* Government of Finland

STAFF	Current	At Appraisal
<i>Vice President:</i>	Daniela Gressani	Christiaan Poortman
<i>Country Director:</i>	A. David Craig	Nigel Roberts
<i>Sector Manager:</i>	Anna Bjerde	Hedi Larbi
<i>Team Leader at ICR:</i>	Ibrahim Dajani / Deepali Tewari	Ibrahim Dajani
<i>ICRR Primary Author</i>	Sati Achath / Julia Dhimitri	

## 2. Principal Performance Ratings

(HS=Highly Satisfactory, S=Satisfactory, MS=Moderately Satisfactory, MU= Moderately Unsatisfactory, U=Unsatisfactory, HL=Highly Likely, L=Likely, UN=Unlikely, HUN=Highly Unlikely, HU=Highly Unsatisfactory, H=High, SU=Substantial, M=Modest, N=Negligible)

<i>Outcome:</i>	<i>S</i>
<i>Sustainability:</i>	<i>L</i>
<i>Institutional Development Impact:</i>	<i>MS</i>
<i>Bank Performance:</i>	<i>MS</i>
<i>Borrower Performance:</i>	<i>MS</i>

	QAG (if available)	ICRR
Quality at Entry:	N /A	<i>MU</i>
Project at Risk at any time:	N /A	

### **3. Assessment of Development Objectives, Design, and of Quality at Entry**

#### *3.1. Original Objectives*

1. The “Land Administration Program” (Program) is a long term commitment by the Palestinian Authority (PA) to achieve the goal of enhancing economic growth by developing an efficient and trusted system of land registration and cadastre that would increase the number of formal land transactions and collateralized lending, enhance local revenues from land and property related fees and taxes, create efficient property markets, and establishing a transparent system for public land management.
2. The path to delivering on this commitment is fraught with challenges: political, security, economic, social, and institutional. The territorial space of West Bank and Gaza over which the Palestinian Authority has control is not contiguous, and the fragmentation of the territory is exacerbated by a regime of movement and access restrictions imposed by the Israeli government. According to the Oslo Accords, the West Bank is divided into Areas A (17 percent), B (24 percent) and C (59 percent). In Area A the PA has full civil and security control, in Area B the PA has civil control and security is controlled jointly by the PA and Israel, and in Area C Israel has full civil and military control. The Palestinian economy continues to contract under the pressure of economic restrictions and political instability, and public and private investment exhibit a declining trend.
3. At the time of project preparation, land administration and registration within the PA controlled areas was slow and lacking in resources. While close to 90 percent of land in Gaza was registered, only about 28 percent of the land in the West Bank was registered. In addition to the many challenges for implementing the PA’s Land Administration Program, was the fragmented legal framework for land administration and management in the West Bank and Gaza (WBG). This framework was complex due to the historical legacies of Palestinian, Ottoman, Jordanian and Israeli laws, many heavily influenced by British and Egyptian laws – these had not yet been consolidated cohesively to support an efficient program of land administration. Mechanisms for the management of public lands were inefficient and opaque, institutional arrangements for land management were ineffective, and the rate of land related disputes was high.
4. In 2002 the PA merged the functions of administration, surveying, registration, and state land management, and consolidated them under one institution, the Palestinian Land Authority (PLA), reporting to the Council of Ministers. As a young institution, lacking resources, technical capacity and a governance structure to deliver on this expanded mandate, progress on surveying and registration of land, was slow, and many properties remained outside the formal registration system. The Ministry of Planning, although responsible for land use planning and policy making, had also not delivered on its mandate. It had not developed standards or procedures for policy making.
5. On January 26, 2005, the Bank approved a Grant of US\$3.0 million to support a Learning and Innovation Loan (LIL) for the Land Administration Project (LAP). This LIL marked the first phase of the Bank’s support for the PA’s Land Administration Program. Against an Appraisal estimate of US\$6.0 million, US\$4.476 was made available for the LAP: US\$3.00 million as a grant from the World Bank and US\$ 1.476 million from the Government of Finland as co-financing for the project. Additionally the Government of Finland also provided EUR 1.17 million (US\$1.3 million) as parallel finance.

6. The goals of the LAP were aligned with the Bank’s Country Assistance Strategy approved by the Bank Board on December 2, 2003, which aimed to achieve a balance between emergency assistance on the one hand, and preparing Palestinian institutions for the eventual assumption of sovereign responsibilities associated with future Palestinian statehood.

7. The development objective of the LAP as written in the PAD was:

“to assess the feasibility of introducing reforms in land administration, within an emerging government structure, by enabling the formulation of policy, legal, and institutional changes to achieve efficient procedures for the issuance of land titles and registration of property transactions, and transparent processes for the management and disposal of public land.”

### 3.2 Revised Objectives:

8. The PDO in the Trust Fund Agreement was:

*“the objective of the project is to assess the feasibility of introducing reforms in land administration by enabling the Palestinian Authority to formulate policy, legal and institutional measures required to put in place: (a) suitable procedures for the issuance of land titles and registration of property transactions; and (b) transparent processes for the management and disposal of public land.”*

9. The PDO appears revised in the Implementation Status and Results Reports (ISRRs) as follows:

*“the objective of this project is to assess/learn the extent of commitment and readiness of the PA to reforming land administration by introducing policy, legal and institutional changes to achieve efficient procedures for the issuance of land titles and registration of property transactions, and transparent processes for the management and disposal of public land<sup>1</sup>”.*

10. *Assessment of development objectives:* The PDO as stated in the PAD or TF Agreement, although not consistent in language, set a clear bar of assessing feasibility of reforms as the prime objective of the project. This required first and foremost, gaining knowledge on what changes are needed, and then knowledge of what it would take to implement that change. So the project basically sought answers to three questions below. Answers to the first two questions below were to enable an assessment of the feasibility of developing an appropriate framework for surveying and registration work, which when applied at scale, would lead to an increase in property transactions. The answer to the third question below would inform on what it would take to develop and then implement a public land management strategy.

*Question 1:* Is it possible to develop a cohesive policy framework, efficient laws and institutions through participatory processes? And can corresponding regulations be established for a sequenced step by step implementation?

*Question 2:* Will improvements in surveying and registration services lead to an increase in registration and property related transactions?

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<sup>1</sup> This PDO is consistent with the PDO presented in the PAD at the time of the Decision Meeting (November 18, 2004)

Question 3: Is it possible to develop a data base of public land, and implement the use of transparent procedures for the management, use, and disposal of public land?

11. The project's design erred in making the assumption that feasibility would be assessed only if the changes needed were implemented. As a consequence of this assumption, it raised the bar of success from "learning" about what was needed, to a much higher bar of implementation of the changes needed within the project's life. It therefore linked the achievement of this higher bar of success to the PA's ability to carry out the reforms that were articulated during the course of the project, within the project's life.

12. The difficulty and complexity of achieving change through legislation is a huge challenge even in countries that are politically stable; the expectation that legislatively led change could be brought about within the three years of the project's life in an environment that prevails in WBG, was hugely unrealistic. The changes that needed to be made were indeed identified during the course of the project. Also identified was what it would take, in terms of resources and time, to implement these changes.

### **3.3 Original Components**

13. A large number of studies and activities were thematically packaged under the following four components:

14. **Component 1: Land Policy Formulation and Development of Regulatory Framework (US\$1.3 million):** This component would support consensus building, through consultations and public hearings, for the formulation of a national land policy documents and an action plan for implementation, and the revision of the regulatory framework governing land administration. Priority land policy areas under study include: (i) land registration study to identify the registry's current degree of accuracy and the factors limiting its use; (ii) the functioning of land markets to identify land market distortions and policy options; (iii) land disputes and resolution mechanisms; (iv) management and disposal of public land to identify reforms in priorities, standards and processes of public land management; (v) property valuation; and (vi) the legal and institutional framework for land administration to identify areas of legal and jurisdictional ambiguity and/or overlap, and recommend policy options and improvements to the legal framework.

15. **Component 2: Piloting of Systematic Land Registration and Modern Land Office (US\$1.9 million):** This included: (i) piloting land surveying, systematic titling and registration in areas A and B under PA jurisdiction in and around Ramallah, the West Bank, using several pilot locations selected respectively in urban/residential, peri-urban and rural areas; and covering in total 10,000 dunums (1,000 ha); (ii) pilot establishment of modern land offices in two locations in Ramallah, the West Bank and Gaza with the goal of establishing clear, monitorable service standards through re-engineering office functions, staff training, and introduction of technologies to improve efficiency and transparency.

16. **Component 3: Piloting of Public Land Inventory and Management Strategy (US\$0.7 million):** This component would support the establishment of an inventory of public land in areas A and B in two municipalities, one in the West Bank and the other in Gaza, and the development of a public land management strategy and instruments. The public land inventory would primarily focus on State land, but also on municipal land holdings where feasible. This component would complement the on-going work financed by the International Development Research Center of Canada (IDRC) and undertaken by the Ministry of Planning's Geographic Center and Technical

Support Directorate involving the digitization of Jordanian cadastral maps (until 1967) and development of a Geographic Information System (GIS) database of State land, along with procurement of some computer equipment and training.

17. **Component 4: Institutional Development (US\$1.7 million):** This component would support: (i) institutional development to the PLA to be able to undertake its mandate efficiently and effectively; (ii) strengthening education programs in land administration/management and surveying; (iii) strengthening private sector capacity in surveying; (iv) public awareness and community participation campaigns; and (v) project management support for both the MOP and the PLA, including performance monitoring and evaluation and distillation of lessons learned

18. Finally unallocated funds to the amount of US\$0.4 million would support: (i) any additional technical assistance that may arise through the project; and (ii) any increase in the cost of the project components.

### 3.4 Revised Components

19. *The project's components were not revised*, although the scope of the planned activities under Components 2, 3, and 4, did change, as did the funds available for the project – from a PAD estimate of US\$6.0 million to an actual availability of US\$4.476 million:

No activities were undertaken in Gaza due to a change in the security and political situation following the election of Hamas in March 2006.

Under Component 2, systematic surveying in pilot areas was completed, covering a larger area than originally planned in the West Bank, as a result of the additional resources for LAP made available by the Government of Finland. Under Component 3, the piloting of a public land inventory in the West Bank was not completed due to the lack of availability of aerial photographs at a suitable scale due to security restrictions by the Government of Israel.

Under Component 4, due to the withdrawal of USAID's support, the institutional building activities, for example the delivery of courses on ground surveying and the capacity building of the private surveyors had to be scaled back<sup>2</sup>. The project's closing date was extended from December 31, 2007 to December 31, 2008 to enable the finalization of the analytic work and the drafting of new laws, completion of the additional surveying, and completion of the re-engineering of the PLA's offices in Ramallah.

### 3.5 Quality at Entry

20. Quality at entry is rated moderately unsatisfactory by this ICRR.

21. While the choice of a LIL as an instrument for the project was appropriate for the context, key design features were unsatisfactory.

22. A LIL was an appropriate instrument to choose for the LAP for the following reasons:

- Substantial knowledge gaps needed to be filled before specific reforms for specific outcomes that would be needed could be identified.

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<sup>2</sup> USAID had also planned to finance in parallel other pilot land settlement activities in mutually agreed areas as well as the modernization of the PLA's offices (Supervision Mission Aide Memoire, June 20-25, 2005).

- There was a need to better understand what instrument would be feasible to achieve the desired outcome.
- Experimentation with systematic surveying was essential to assess capacity constraints, both on the private sector and the public sector side, before a model for scaling up could be developed.
- It was important to pilot in different kinds of locations before scaling-up, so the sites for piloting were carefully selected to generate learning about surveying in urban, semi-urban, and rural areas and parcel sizes in different locations.
- There was a need to understand why the formal registration system was underutilized so that the PA could address the impediments in the future.
- It was also important to clarify before scaling-up, the institutional roles and responsibilities, the specific requirements to prepare the institutions to deliver on their mandated responsibilities, and estimates of the resources and time that would be needed to implement the next phase of support for the PA's Program.

23. However, quality of entry with respect to the design of the LIL is rated *moderately unsatisfactory*, for the reasons discussed below.

24. The project's objectives were not very clearly formulated, which led to tenuous links between the objectives, outputs and performance indicators. As the project was a LIL that was aiming to assess feasibility, the tenuous links established in the PAD could be partly due to inexperience with M&E design, but importantly also due to selecting indicators from other land administration projects that may have been sector investment loans (SILs). This lack of logical links between "objectives to outcomes" and between "components to outputs" is evident in the Annex 1a of the PAD, where outcome indicators are assigned not just to the PDO, but also to each component. The confusion created by this lack of logic on the M&E framework, becomes evident during implementation, as the number of PDOs reported upon in the ISRRs change (in content and number), often being intermingled with intermediate outcome indicators. A third factor could be the inherent complexity of developing "learning" indicators, or indicators that measured "learning".

25. The lack of logic in the selection of indicators can be traced to the underlying assumptions that were unrealistic. For example, the assumption that surveying would lead to the issuance of titles *within the project's life* caused the project to include a numeric indicator for the issuance of titles. The original project objectives emphasized "titling" rather than "registration", even though properties had to first be surveyed, then registered (i.e. recorded in the PLA's land registry), after which property owners would seek to receive their titles upon demand. Learning about the first two steps, surveying and registration, was needed before titles could be issued, particularly in a context where this was to be initiated after forty years. As a result of the way the objectives were formulated, the project selected performance indicators that were logically linked to "titles". The project thus tracked an indicator on which data could be gathered comprehensively only five years after completion of surveying and registration in keeping with the prevailing Palestinian law that gives people five years to pick up titles to their property. The project's life was initially three years, and then extended to four years.

26. An indicator that tracked registration would probably have been more appropriate and encouraging for the PLA. Additionally in the context of WBG, where the first task is to reduce the level of informality by bringing property owners into the PLA's land registry, an output indicator that tracked surveying and registration, and another separate indicator that tracked titles issued, may have been more appropriate.

27. The original design life of the project was too short relative to the number of activities that had to be implemented, particularly because the technical design of some activities became possible only after analytic work supported by the project was completed. For example, it was the completion of several concurrent studies in May 2007 that highlighted the additional factors that affect the issuing of titles<sup>3</sup>. Had this knowledge been available at appraisal, it could have influenced the dialogue with the client, the design of the project, the sequencing of procurement, and ultimately a realistic assessment of both the time needed for the project, and the choice of performance indicators. Similarly, the project established a percentage target for the number of parcels that would have titles issued in the pilot areas at Appraisal, without *technical* knowledge that could only be gained with implementation. For example, the target was established without knowing the average density of parcels in the pilot areas. The density of parcels has implications for both the costs of surveying, the time this would take, and ensuring that the design of the activity is linked to the availability of skilled human resources for implementation within the design life of the project.

28. The project's design did not adequately recognize the capacity constraints in the implementing agencies. While the design benefited from the design of other land administration projects, it was not adequately adapted to the prevailing context. It set up expectations that were not realistic in the context of both the prevailing political and security situation in WBG, as well as the weak capacity of newly created implementing agencies.

29. The design also failed to ensure that an adequately qualified and staffed implementation unit, which had been trained in at least procurement and financial management, was in place by Appraisal. Experience demonstrates that in the absence of a team of staff dedicated to project preparation and implementation, implementation suffers. This should have been a condition for Appraisal, in addition to expressions of the PA's commitment and policy commitment.

30. Despite these design shortcomings, which may easily have caused tension during implementation as a consequence of an unrealistic performance bar set by the project's design, the process of this ICRR demonstrates that it is in fact, the learning from the ambitious number of concurrent activities packaged under this LIL, that provides both the rationale as well as the parameters for selectivity in the next phase of support. It is clear that the next phase must focus on accelerating surveying and registration within procedures customized to rapidly expand coverage of surveying and registration, within a time frame a priori, established by the PA to achieve its long term goal. It is this decision by the PA that will determine the choices that will be made for scaling-up support for systematic surveying and registration.

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<sup>3</sup> The additional factors that affect registration include the requirement that the property owner produce proof of payment of property taxes in the form of a "tax clearance" from the Ministry of Finance's tax department, including any accumulated property taxes by the previous owner and provide proof of this payment through a "debt free" certificate from the municipality; a registration fee of 1 percent of the property value; as well as education taxes, utility bills etc.



## 4. Achievement of Objectives and Outputs

### 4.1 Outcome/achievement of Objectives

31. Even though the original objectives of the project could have been stated with greater clarity, the achievements of the LAP need to be assessed against: (i) its contribution towards identifying the requirements for WBG's long term program for a secure and efficient strategy for completion of surveying and registration of privately held land in the WBG<sup>4</sup>, and (ii) for underscoring the enormous challenges for public land management which need to be realistically addressed to enable first and foremost, an inventory of land in the future.

32. *Outcome:* The outcome of the LIL is rated *satisfactory* because of its catalytic role in initiating concurrent and significant advances in policy development, surveying and registration, dispute resolution, land management and capacity development, which now enable prioritization of interventions. The LIL provided an opportunity for substantial learning, advanced consensus building, and pioneered several activities that have not been undertaken before.

33. Implementation of the project has:

- (i) Generated *policies* that have established a clear and strategic direction for the efficient, transparent and effective management of WBG's scarce land resources.
- (ii) Enabled the conceptualization of the scale of the task ahead, and generated critical data, knowledge, informed on capacity building needs, which together can now enable the development of a realistic *operational strategy* that optimizes resources for systematic surveying and registration of all urban, rural, and semi-urban areas in Areas A and B of WBG, e.g. knowledge of parcel sizes has enabled some basis for the estimation of the total number of parcels there might be – which in turn has a bearing on estimating the costs of the Program, and therefore the strategy for the Program; and
- (iii) Generated debate for the first time, as well as demand from diverse stakeholders, for *improved governance* in systematic surveying and registration and public land management.

34. *An important unintended* outcome of the project was the legitimacy it has provided to women's voices on their legal rights. For example, almost 40 percent of the land in one area is owned by women – ownership by women in the additional areas will be known once the evaluation currently being undertaken by the Government of Finland is completed. The project empowered these women with ownership, giving them greater social influence, and raised public awareness about women's rights. The project also institutionalized the practice of the inclusion of at least one woman as member of the land settlement committee and village council.

#### *On (i) policy contributions:*

35. A National Land Policy Framework was developed through consensus building amongst diverse stakeholders, followed by draft new laws that will address a complex set of land management and administration issues in WBG upon their passage.

#### *On (ii) strategy for resources for surveying and registration*

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<sup>4</sup> The project envisaged a subsequent large-scale program at Appraisal.

36. As a result of the very preliminary findings from the pilot activities, it is now estimated that there are about 1.4 million parcels or about 3.2 million dunums<sup>5</sup> of land in WBG to be surveyed and registered – the pilots have become the only basis for such an estimate in the West Bank. Completing this task within a realistic time frame and in an affordable way, will require substantial innovation; knowledge transfer; resources; re-orientation and operational reorganization of the Palestinian Land Authority; as well as enhanced capacity of both the public and private sector to deliver desirable results.

37. The costs of such a program, excluding administrative costs, could vary between US\$240 million to US\$600 million, possibly even as low as US\$110 million, depending on the level of innovation that is integrated into the program, as well as the packaging of procurement. With the existing level of innovation integrated into the PLA's operational plans, it could take the PLA over 80 years to complete a national program costing about US\$280 million over this period<sup>6</sup>.

38. The project has demonstrated the power and efficiency of partnerships with municipalities and the private sector to enable concurrent progress of surveying in multiple locations. Without embracing this innovation, it will not be possible to complete surveying and registration of all properties in Areas A and B within a realistic, affordable, and acceptable time frame in WBG.

*On (iii) demand for improved governance*

39. The project unleashed open discussion amongst diverse stakeholders on land registration issues for the first time, with candid debate on the strategic and political importance of land and the need for its conservation and proper management for future generations. The stakeholder relationships catalyzed through participatory processes by the project are sustained, as demonstrated by the successful workshop aimed to tease out lessons from LAP 1 where stakeholders unanimously expressed demand for (i) measurable progress indicators from activities executed by the PLA; (ii) increased efficiency in the PLA's operations; and (iii) broad public access to the PLA's plans for systematic surveying and registration, which discloses prioritized areas, criteria for establishing priorities, and a time table for its activities in these areas.

40. *Achievement of Objectives:* The project was able to assess the feasibility of introducing reforms for (i) efficient procedures for the issuance of land titles, and registration of property transactions. The project was not able to assess the feasibility of introducing (ii) transparent processes for the management and disposal of public land.

41. On (i): above, it is feasible to introduce reforms in the immediate term that can lead to efficient procedures that create incentives for registration. More efficient procedures for surveying and registration can be introduced as soon as a critical decision is taken by the PA on the overall time frame within which it would like to see the PLA complete this task. Reforms for moving toward the issuance of titling are also feasible, although over the medium term. Accelerating surveying and registration is of highest priority in order to secure tenure for the Palestinian population. This would broaden the number of municipalities that can benefit from increased revenues as a result of registration, and demonstrate tangible action to the people on the

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<sup>5</sup> A dunum is the unit used for the measurement of area in many countries that were part of the Ottoman Empire. 1 dunum is the equivalent of 1000 square meters.

<sup>6</sup> Action Plan submitted by the PLA to the World Bank on May 29, 2009.

ground. This foundation once established, can be embellished by reforms to the rules that govern the issuance of titling over the medium term.

42. Both the knowledge and the experience from the implementation of activities under Components 1 and 2 highlight that the promulgation of new rules, regulations, and instructions by the PLA to supersede current practices for surveying, registration, will enhance the efficiency of surveying and registration. Enhanced efficiency will encourage more owners to come forth, and it will be possible for the land registry to include a critical mass of properties. Once this happens it would inspire greater confidence in the public, drawing more properties into the registry over time.

43. To progress beyond a registration system towards a more efficient and affordable path for property titles, additional steps will be needed to create incentives for owners of registered properties to come forward to get titles and keep their titles updated. The institution of such incentives will require the PA to make tradeoffs, particularly with respect to costs of getting a title. From the better understanding of land markets, land management, and property taxation issues that derive from the various studies supported by Component 1, the PA is in a stronger position to assess these tradeoffs, which was not possible before the LAP.

44. In terms of introducing reforms through legislative action, draft laws that cover a broad spectrum of reforms were developed. There is consensus amongst professional associations, communities, NGOs, civil society organizations as well as PA agencies, on the overall strategic direction of these new land laws. The passage of these laws by the Palestinian Legislative Council has not taken place as the Council has not been in session since June 2007 – they have however, been approved by the Cabinet and are being reviewed by the “Higher National Committee for the Legislative Plan”. These draft laws contain provisions for the management of public land, and these provisions are expected to be a specific area of review by the Legislative Committee, which was reviewing these laws at close of project.

45. It is expected that the passage of these laws will:

- Consolidate the West Bank and Gaza<sup>7</sup> legislation on systematic and sporadic registration and clarify certain provisions related to registration of transactions.
- Simplify and standardize tenures and clarify transferability of land under certain tenures.
- Reduce overlaps between the roles of land registry and public notaries.
- Limit and ultimately phase out the use of irrevocable powers of attorney.
- Allow and establish rules for foreign ownership.
- Provide a legal framework for a public land inventory, for recording and management of public land.
- Set clear and transparent procedures for acquisition of public land to ensure fair compensation.
- Phase out rent control regimes.
- Enable the integration into a single system the records of private, public and waqf land.
- Limit the use of land registration for tax purposes (which will significantly contribute to establishing a critical mass in the land registry).

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Gaza applies the Egyptian land law, while the West Bank applies the Jordanian land law.

- Enable flexibility in survey standards.
- Allow for adequate provision of time and resources, for systematic surveying adjudication and land registration.
- Offer options for dispute resolution.
- Enable the development of clear definitions of “public purpose and compensation”.
- Provide an adequate legal framework for the establishment of the PLA missing since its establishment in 2002.

46. Last but not least, the passage of these laws will enhance security of titles by providing options to incorporate a guarantee system to support reliability and conclusiveness.

47. The adoption of participatory processes for the formulation of policies that have established a clear and strategic direction has helped kick start debate on land sector reform in WBG. Once the laws based on this overall policy direction are passed and come into effect, there is expected to be greater popular demand for their enforcement, contributing to improved governance.

48. The project successfully tested innovations for surveying, developed a written manual for procedures for settlement, and implemented a computerized land registration system in Ramallah as a first step towards establishing a comprehensive land information system. It also generated critical knowledge to inform on steps that will be needed to create incentives for owners of registered properties to come forward to get titles and keep their titles updated. As a consequence of the project, there is an increased demand for systematic surveying from municipalities. Additional resources were allocated by the Palestinian Land Authority during the project’s life for scaling-up surveying in Bethlehem. Hebron municipality signed a memorandum of understanding with the PLA for surveying in its jurisdiction, using the municipality’s resources.

49. On (ii): it was not possible to assess the feasibility of introducing transparent processes for the management and disposal of public land, because the piloting of the public land inventory did not take place.

50. Both the selection of municipalities as well as determination of the scale of the area where inventory would be piloted was to be determined during implementation, in consultation with the LPTF. Detailed costs for this therefore, could only be developed during implementation, as the scale of public land to be included would be a determining factor for costs<sup>8</sup>. A decision to procure aerial photographs for Ramallah Municipality was taken in March 2007, but procuring aerial photography at the appropriate scale was first delayed, and then ultimately not possible because of restrictions imposed by the Government of Israel on flights over the West Bank.

#### 4.2 *Outputs by Components*

*Component 1: Land Policy Formulation and Development of Regulatory Framework  
PAD US\$1.3 million, 21.6 % of Total Original Project Estimate of US\$6.0 million; Actual Disbursed US\$1.082,056 or 83.2% of the PAD estimate for Component 1*

51. Component 1 is rated satisfactory.

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<sup>8</sup> The costs of acquisition of satellite imagery or aerial photos depend on the area covered.

52. Six complex studies were completed as planned and integrated into one report (the National Land Policy Framework), and draft laws were drafted. The six studies were: (i) a land registration study to identify the registry's current degree of accuracy and the factors limiting its use; (ii) a land market study to identify land market distortions and policy options; (iii) a study to identify resolution mechanisms for land disputes; (iv) a study of the management and disposal practices of public land to identify reform priorities, develop standards and processes of public land management; (v) a property valuation study; and (vi) a study of the legal and institutional framework for land administration to identify areas of legal and jurisdictional ambiguity and/or overlap, and recommend policy options and improvements to the legal framework.

53. The new draft laws that cover a broad spectrum of reforms were: (i) Land Rights law; (ii) Land Registration Law; (iii) Eminent Domain Law; and (iv) Institutional Framework for the Palestinian Land Authority.

*Component 2: Piloting of Systematic Land Registration and Modern Land Office  
PAD US\$1.9 million, 31.6% of Total Original Project Estimate of  
US\$6.0 million; Actual Disbursed US\$1,232,163 or 64.8% of the PAD  
estimate for Component 2.*

54. This component is rated satisfactory.

55. 38 percent more area than the initial target area of 10,000 dunums was systematically surveyed (this includes the area surveyed by the additional funds from the Government of Finland, supervised by Finmap<sup>9</sup>). A detailed manual for cadastral surveying, adjudication and registration as well as all the necessary forms were produced. However, these are yet to be revised based on the procedures used during the pilots, as the rationale for these new procedures was to test their feasibility to become mainstreamed as regulations before scaling-up<sup>10</sup>. The component enabled the development of very preliminary indicators of both unit costs of surveying (not including administrative costs), as well as average parcel sizes in urban, semi-urban and rural areas (see table below), creating *some* basis for estimating these for the future, in a context where there was no basis.

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<sup>9</sup> WBG LAP Progress Report # 14 (October 1-December 31<sup>st</sup>, 2008)

<sup>10</sup> The manual for cadastre surveying adjudication and registration could not be revised during the project's life as a result of the delay in the implementation of Component 2.

**Indicative Table based on Analysis of two sets of Contracts in the pilot areas<sup>11</sup>**

<i>Pilot sites</i>	<i>Surveyed Area dunums / sqm</i>	<i># of parcels</i>	<i>Average parcel size dunums / sqm</i>	<i>Average Unit cost per parcel for surveying</i>	<i>Average Unit cost per dunum for surveying</i>
Betunia (urban)	5,965 / 5.965m sqm	3,176	2 / 2000	\$172	\$86
Bir Nabala (peri-urban)	1,623 / 1.623 m sqm	1,260	1.3 / 1300	\$112	
Qarawat bani Zeid (rural)	6,280 / 6.28m sqm	1,712	3.5 / 3500	\$483/ \$205 <sup>12</sup>	\$138/ \$59 <sup>13</sup>
Total	13,868 / 13.868m sqm	6,148			

56. Re-engineering of the PLA's offices in Ramallah was completed in December 2008, enabling all the departments of the PLA to be located in one building, which improved work-flow in the PLA. A Computerized Land Registration system was implemented, capable of generating and printing a complete land registration record. All registration records in five villages were scanned and entered in the system, and are now searchable. More than 600 registered properties had been captured by the system by the time the project closed. Computerized data management systems have also been established. A number of forms are available electronically, including digital maps and scanned copy of documents that establish the proof of ownership of property. A settlement committee was established in the PLA, was trained in Jordan in 2006, and received on-the-job training as well<sup>14</sup>. This committee has since trained other PLA staff. The pilots enabled on-the-job training for 20 staff of the PLA and private sector surveyors.

57. Although these figures in the table above derive from a very small sample, it is surprising that the average parcel size for the urban areas is larger than for the peri-urban area. *An evaluation of the pilots is underway by the Government of Finland, and may shed more light on the anomalies evident from the data above, including exactly how much of the land surveyed is indeed registered.* Nevertheless, this data is the only guide for developing estimates for an accelerated program for systematic surveying in the future. Implementation of the settlement activities demonstrated that future programs that support scaling up of systematic surveying adjudication and registration, must be preceded by a program to establish an adequately sized pool of qualified, well trained, and full-time land settlement judges so that disputes can be resolved in a timely way. In the first lot of contracts for which information is available, there were a total of 348 disputes, of which 269 were resolved.

58. Important knowledge gained from the pilots demonstrated to the PLA the efficiency gains for surveying work in WBG, when the PLA involved the private sector in surveying. This (i) enhanced the PLA's role from the "doer" to the "supervisor"; (ii) sparked the growth of private

<sup>11</sup> This ICRR revised and analyzed the costs based on contracts awarded to three surveying companies. More reliable figures based on field data collection and analysis are expected to be available from the evaluation underway, being supported by the Government of Finland.

<sup>12</sup> These figures represent the unit costs per parcel from two separate contracts, the first awarded by the PLA, and the second financed through additional financing provided by the Government of Finland.

<sup>13</sup> Contracting surveying to the private sector proved to be efficient. Procurement packaging also appears to have made a substantial difference to unit costs. The contract awarded by the PLA in 2007 for about 2000 dunums presents an indicative unit cost of \$135 per dunum. A contract awarded almost a year later for twice the area by the additional funds provided by the Government of Finland, presents unit costs of about \$59 per dunum.

<sup>14</sup> A study tour organized for the PLA Chairman, senior technical staff, MoP policy development officer, Birzeit University Law Institute staff, team leader of the LAP implementation unit, and a private sector representative to be supported by the Government of Finland, was cancelled by the client.

firms for surveying; and (iii) released the PLA's resources to focus on the more strategic and complex work of adjudication and registration.

*Component 3: Piloting of Public Land Inventory and Management Strategy (PAD US\$0.7 million, 11.6% of Total Original Project Estimate of US\$6.0 million, Actual Disbursed US\$56,847 or 8.1 % of the PAD estimate of Component 3.*

59. This component is rated unsatisfactory as it could not be implemented due to factors outside the control of the implementing agencies as well as the PA.

60. The piloting of an inventory of public land in the two selected municipalities was not implemented. A decision on the selection of the municipality as well as the area or scope that would be covered for the pilot public land inventory was made during implementation as planned. At that time, the funds budgeted for this component at Appraisal proved to be inadequate, particularly for the acquisition of aerial photographs (the technology choice on which the design of this component depended). It was also discovered that aerial photographs needed could not be acquired due to Israeli restrictions on flights over WBG.

*Component 4: Institutional Development (PAD US\$1.7 million, 28.3 % of Total Original Project Estimate of US\$6.0 million; Actual disbursement US\$1,126,318 or 66.2% of the PAD estimate of Component 4.*

61. This component is rated moderately satisfactory, because its implementation required ownership of its subcomponents by different agencies, financing from different donors, and there was little clarity on who championed institutional development.

62. Nevertheless, an institutional analysis of the PLA was completed in November 2005. This included a comprehensive strategic plan for reorganization, as well as a strategic human resource development plan for the PLA. An action plan with resource requirements was prepared to guide future interventions. However, there appears to have been resistance to change in the PLA, and it is unclear what impact, if any, there has been on the leadership and staff of the PLA.

63. Despite the withdrawal of USAID's commitment to support an education program for surveyors in 2006, the project completed within the available resources, an education needs assessment for strengthening an educational program in land administration and surveying in WBG. This assessment identified suitable regional and international institutes<sup>15</sup> for delivering graduate and undergraduate programs in surveying, property valuation, land registration and tenure management, as well as land planning, and records management. The study also identified strategic partnerships and twinning arrangements, as a result of which a twinning program between the Technical University of Munich and Birzeit University was initiated resulting in the development of a Master's degree program in Land Management and Administration, the first of its kind in the country.

64. USAID had also committed US\$0.9 million for a training program for surveyors, establishment of an association of surveyors, and hardware and software support for strengthening the capacity of the PLA. Nevertheless, with the available resources, a new

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<sup>15</sup> The assessment of programs delivered by international institutions included 9 universities in Australia, Canada, and the United Kingdom.

licensing program for private surveyors, including a manual for licensing, was developed. As a result of this licensing program, there are about three times as many licensed surveyors as before the project, i.e. about 200 licensed surveyors in the West Bank.

65. A public awareness and community participation campaign, which included radio spots, fliers, brochures, posters and banners was designed and successfully executed in the pilot sites.

#### 4.3 Efficiency

*(Net Present Value/Economic Rate of Return, cost effectiveness, e.g. unit rate norms, least cost and comparisons and financial rate of return)*

66. No economic or financial assessment of the project was done at appraisal, making it difficult to evaluate the incremental benefits at the end of the project. Although the pilot areas were small, preliminary data from an analysis of the pilots suggests that the new approaches tested by the project, namely (i) the contracting surveying to the private sector, and (ii) the appropriate procurement packaging of surveying contracts, have led to efficiency gains in terms of unit costs of surveying. Anecdotal reports in the supervision aide memoires alluded to the doubling and often tripling of the price of land after registration.

67. Additionally, the computerization of land registration has contributed to improvements in the availability and quality of data on land in the pilot areas.

#### 4.4 Institutional Development Impact:

68. The institutional development impact of this LIL is rated *moderately satisfactory*. The impacts of institutional development for a project of this nature and within the context of land issues in WBG need to be assessed by way of the impact on the broader group of stakeholders that are affected by land administration and land management issues in WBG. The impact on this group, as a result of the project, cannot be denied, and is rated satisfactory from that perspective. However, the impact on one of the two implementing agencies is less clear, which leads to downgrading the overall rating moderately satisfactory. There were also a substantial number of changes in the leadership of the implementation agencies during the project's life. The rationale for a moderately satisfactory rating for institutional development is discussed below.

69. The project's outputs and processes have generated knowledge; catalyzed open debate on land issues for the first time with a broad stakeholder group that could, with some support, become formalized and institutionalized; and the eventual passage of laws will generate greater popular demand for their enforcement. In other words, the underpinning for good governance in the land sector now exists, although it may require additional catalytic support to sustain and strengthen it.

70. The PA itself has demonstrated strong commitment for reform of land management and administration both before and during the project. Scarce PA budgets were allocated to introduce systematic surveying and adjudication in Bethlehem and Hebron. There was a sustained pace of progress with the policy making processes throughout the project's life, with the involvement of a broad range of stakeholders, although the PLA remained less enthusiastic than others to embrace change and innovation, despite the challenges that lie for the PLA to deliver results with urgency.

71. Despite this limited enthusiasm on the part of the PLA, the project has distilled both internal reorganization, as well as capacity building needs for the PLA. Until this project there had been no analytic work to either inform internal re-organization needed with the consolidation



of functions in the PLA in 2002, nor any assessment of staffing needs for this young institution. Given the PA's commitment to scaling-up surveying and registration and the political impetus to expedite the work, the PA now has a clear road map for the transformation of the PLA *if* it has to deliver on its expanded mandate, within a pre-determined time frame that should be established *a priori* to enable technical preparation of the next phase.

## **5. Major Factors Affecting Implementation and Outcome**

### *5.1 Factors outside the control of government:*

72. *The outcome of the project was not affected.* Outcomes were satisfactory despite the inherent complexities of land sector reform in most countries, and the specific challenges due to the political and security situation in WBG. This situation deteriorated even further with the election of Hamas in March 2006, after which the interaction of donor staff and their consultants with some authorities, became more challenging.

73. *Implementation of the project was affected.* The political and security conditions that arose during implementation, namely the election of Hamas in Gaza, made it impossible to implement any activity in Gaza. The withdrawal of donor commitment to specific activities resulted in their reduced scope in keeping with available financial resources. The piloting of a public land inventory for which aerial photographs were to be acquired, was not implemented due to Israel's restrictions on flying over the West Bank. However, with respect to the piloting of the public land inventory, had this benefited from rigorous technical preparation and appraisal, the challenges for its implementation would have been clear from the start, and a more informed and realistic decision could have been taken.

74. The fact that the PLC has not been in session since June 2007, has delayed passage of the draft laws, and the future of these laws remains uncertain.

### *5.2 Factors generally subject to government control:*

75. Three factors that were within the control of the PA and affected implementation were: (i) not taking a policy decision to decide on the fee structure associated with the issuing of titles; (ii) delays in appointing appropriate staff in implementation units; and (iii) inability to bring about effective inter-agency coordination so that the PA's institutions took collective responsibility for the project.

76. *Fee structure associated with the issuing of titles:* Misuse of the property rights system by previous Palestinian occupants has led to mistrust and the promotion of secrecy amongst property owners regarding property transactions. Despite many improvements made by the PA in its formal registration system, formal registration services in the West Bank have remained largely underutilized. This is partly because of the onerous requirements related to land registration that the PA has established, and partly because of insufficient trust in any government system as WBG has never enjoyed an independent sovereign government. The project was unable to learn about the potential impacts of a good incentive system on demand for registration, because the PA was reluctant to "pilot" a new set of rules for the pilot areas that it may be unable to apply to the rest of the country due to equity considerations and risk of potential revenue losses.

77. *Appointment of appropriate staff in implementation units:* Recruitment of appropriately qualified technical staff for key positions in project implementing agencies is a factor that is usually under a government's control. In the case of WBG, the lack of the PA's attention to

staffing issues in the project management units, led to an almost continuous shortfall in staffing of the project management teams in the implementing agencies, and ultimately contributed to implementation delays. Both the project management unit teams in MoP and PLA remained insufficiently staffed for the entire duration of the project. *In fact until the last year of implementation, the PLA offices in Ramallah lacked a Team Leader. A Team leader came on board only nine months before the project closed.* The Team Coordinator in the Gaza office of the PLA provided back-up support which, in the absence of face-to-face interactions with Bank teams and the PLA team in Ramallah, proved to be incredibly challenging.

78. *Inability to bring about inter-agency coordination:* In the absence of the PA creating incentives for inter-agency collaborative team-work, so that the two implementation agencies would have assumed greater collective responsibility for progress on LAP 1 activities, implementation suffered, and funds remained unutilized at the time the project closed.

### 5.3 *Factors generally subject to implementing agency control:*

79. Relationships between the two implementing agencies, the Ministry of Planning and the Palestinian Land Authority deteriorated significantly towards the latter years of the project. As a consequence, the implementing agencies did not come together to request an extension of the project's closing date to enable the utilization of the unspent project funds.

### 5.4 *Costs and financing:*

80. Of the total of US\$4.7 million for the LIL, a total of US\$3.0 million was made available by the World Bank, and US\$1.476 million by the Government of Finland as co-financing for the LIL. Of this total US\$4.476 million, US\$3.58 million or 80 percent of the total grant was spent. From the IDA portion of the grant, 77.7 percent was disbursed, and from the Government of Finland's co-financing contribution, 84.6 percent was disbursed. Undisbursed balances of US\$ 668,415 and US\$226,347.85 from the World Bank and the Finland Grant respectively, were cancelled on April 30, 2009.

81. The Government of Finland also provided EUR 1.17million (US\$1.3 million) in parallel finance, including EUR 800,000 to complete systematic surveying of the pilot area planned at Appraisal, which was not administered by the project.

## **6. Sustainability**

### 6.1 *Rational for Sustainability rating*

82. The project's sustainability is rated *likely*.

83. *Institutionally:* Sustainability of the PLA, as with any land authority in any country, will depend on how quickly and efficiently, it is able to develop a critical mass of registered properties in its land registry, which in turn would lead to trust in its systems with more owners coming to register transactions. On the one hand, this will require the PA to assess tradeoffs it may need to make to create incentives for people to register their property. On the other hand, this will require the PLA to embrace innovation, craft partnerships, and optimize inputs so that it is able to expand the number of properties in its registry as quickly and as cheaply as possible. Systematic surveying, as opposed to sporadic surveying, is an activity that is usually a one-off activity supported by donors in developing countries, which offers the opportunity for a land authority to develop the critical mass of properties in its registry.

84. The PLA is an institution that is still in its infancy with a limited number of professional staff. There is substantial support from stakeholders to see the PLA grow into a strong and able organization, and with the right leadership, resources, and donor support.

85. *Physically:* Sustainability of the re-engineered offices and of the computerized land registration system will depend on the financial resources that are made available to the PLA, and the capacity of staff to deliver the services needed to build the registry, and keep it updated. During the ICRR Mission, the Bank was informed that the PLA had received US\$6.0million from the PA for its operations for one year, and that the PLA had recruited IT staff to provide in-house support for the land registry.

86. *Financially:* In 2005, the gross income for the PLA was US\$5.4million. Its operating costs reached US\$2.65million, of which 86 percent or US\$2.24million was spent on staff salaries. While the PLA is not operating with deficits, its revenue, i.e. the resources to expand its program, were low, only US\$2.75million. The PLA will be unable to finance a program for systematic surveying and registration without sustained donor support over the next ten to fifteen years. This time frame presumes adequate reforms, either through the passage of laws, or through the promulgation of a Presidential Decree, or through the issuance of new regulations and instructions within the existing law, to enable the integration of substantial innovation, realignment of human resources, and the integration of technology to make the program affordable.

## 6.2 *Transition arrangement to regular operations:*

87. It is uncertain how the PLA will transition from the pilot to a regular operation. A follow-on operation supported by IDA and the Government of Finland is planned. In the absence of donor support, if the PLA mainstreams into its work at a bare minimum the small innovations piloted under this LIL, the ICRR estimates that the cost of completing the task of systematic surveying and registration of areas A and B in the West Bank financed through budget transfers from the PA, could be as high as US\$280million and take a very long time.

## **7. Bank and Borrower Performance**

### ***Bank***

#### *7.1 Lending*

##### *Preparation*

88. The Bank's performance during preparation is rated *moderately unsatisfactory* and the rationale for this rating is discussed below.

89. The project's objective was consistent with the Bank's strategy to maintain a medium term development agenda. The Bank provided leadership in coordinating donor support for institutions involved in the land sector.

90. However, project preparation time between PCN review on June 22, 2004 and Appraisal between November 20-30, 2004, was far too short - less than six months. An alleged break-in at the PLA offices and the theft of some land records in the first week of March in 2004, appears to

have led not only to expediency in preparing this project, but also to an expansion in its scope<sup>16</sup>. As a consequence of the short preparation period, many decisions that would have affected the project's design and should have been taken during preparation were postponed to be taken during implementation. This affected the preferred sequencing of activities to complete the project within its initial life.

91. The advice given to the team during project preparation on the PDO and selection of indicators was confusing and contradictory. The task team was not given clear advice on indicators that could have tracked learning outcomes or processes, rather than measurable performance indicators as the team was advised to do.<sup>17</sup> During preparation, the team was advised that there was little justification for the inclusion of a pilot for the management and transparent use and disposal of state land<sup>18</sup> in the absence of knowledge about the size and importance of state land and the issues associated with its management and use. This advice was not heeded. Critical technical advice to the team that systematic surveying and registration would be feasible only if the minimum required human resource capacity would be in place to support it, was also not heeded - the project proceeded with the inclusion of a pilot for systematic surveying and registration.

92. The inconsistency in the PDO between the Decision stage PAD, Appraisal stage PAD, PDO as stated in the Trust Fund Agreement, and the changed PDO as presented in the ISRRs did not get attention. But perhaps the most striking weakness in this project's preparation and implementation was the skill mix of the Bank's task teams<sup>19</sup> – there was no cadastre specialist or surveyor on the team throughout preparation.

## 7.2 Supervision

93. The Bank's performance during supervision is rated *moderately satisfactory*. The project was supervised twice a year. The task team's presence in the Country Office, and the location of the TTL in the region, enabled timely follow-up throughout implementation. Sustained implementation support was provided to the client's weakly staffed project management units on procurement and financial management issues, and included guidance on drafting TORs, work plans, procurement plans etc. The team sustained a dialogue with the client, and constantly kept the Country Director and the Country Management Unit, and the sector unit informed and sought guidance, although this was largely on operational and not technical issues.

94. But there were constant changes in the composition of supervision mission teams, and supervision missions did not benefit either from continuity in staffing needed for a project of this nature, or from strong technical expertise in surveying and cadastre, which was a fundamental area of focus in the project. Consequently, Aide Memoires and ISRRs rarely informed on the specific content of the studies that were done, and it is unclear whether specific technical

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<sup>16</sup> An alleged break-in at the PLA offices and the theft of some land records in the first week of March in 2004, appears to have led not only to expediency in preparing this project, but also to an expansion in its scope from a focus on land registration issues to supporting the PLA in safeguarding and strengthening management of land records within an examination of the policy framework with the aim of unifying laws and regulations governing land administration, a land market study, an assessment of the three primary land regimes/markets, land registration and administration systems, as well as modalities for strengthening the PLA in terms of strategy formulation (Internal Memo March 17, 2004).

<sup>17</sup> The advice given to the team at the PCN review meeting when the project was called the Municipal Finance and Land Titling Project.

<sup>18</sup> Peer Reviewer Comments, June 15, 2004: Frank Fulgence K. Byamugisha, Operations Advisor (AFTSD).

<sup>19</sup> A check of the educational professional expertise of members of the donor teams reveals that there was never a cadastre and surveying specialist.

information was distilled from these various outputs, and if so, whether this was integrated into the team's dialogue with the client. Given the weak capacity at the client end, and the complexity of issues involved in such a project, supervision teams should have included stronger technical skills in surveying and registration.

95. The Bank lost the opportunity to revisit the PDO and performance indicators at the time of the mid-term review (June 2006), despite this being an explicit mission objective; instead, a decision to revisit the PDO and performance indicator was postponed to the next supervision mission (November 2006), at which time this was neither a mission objective, nor was this done.

### 7.3 Overall Bank performance

96. The Bank's overall performance is rated *moderately satisfactory* for the reasons given above.

## **Borrower**

### 7.4 Preparation

97. The Borrower's performance during preparation is *not rated* as there is little to assess this by. The Bank's cycle of project preparation started in February 2004, under a different project of which land titling was a component<sup>20</sup>. Apart from a sector policy note for the LAP PAD, there is no other evidence that would enable an assessment of the Borrower's performance during preparation over this period.

### 7.5 Government Implementation Performance

98. The Borrower's performance during implementation is rated *moderately satisfactory*.

99. The PA maintained its commitment during most of the project life, despite the fact that over the implementation period, the government changed four times. The political will and commitment to reform the land sector was reconfirmed by all the four administrations. For example, the 10<sup>th</sup> government which came to power in March 2006 demonstrated its commitment by: (i) not dissolving the LPTF; (ii) launching the systematic land registration process after it had stalled for 40 years; and (iii) requesting the PLC that it delays its consideration of the draft Land Law which had been before it for some time, in order to benefit from the deliberations and studies planned under the project.

100. The LPTF, established formally on September 4, 2004, was chaired by the Minister of Planning, and comprised of senior officials from the Ministries of Finance (MOF), Justice (MOJ), Public Works (MOPWH), Local Government (MOLG), the PLA, and representatives from the private sector, and remained consistently committed to the project, despite changes to its composition five times over the implementation period. The LPTF was given "brief notes" on particular key points of land policy, which seemed to have enabled the LPTF to move more quickly to adopt the various recommendations made by the international advisors regarding the policy and regulatory framework. The LPTF in turn provided initial feedback on policy directions prior to submission to the Council of Ministers recommended them to the Cabinet for action.

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<sup>20</sup> PCN Review Meeting February 19, 2004 for the Municipal Finance and Land Titling Project.

101. The PA administration officials worked closely with the Bank's project team on a continual basis, and cooperated fully with the task team. At the MOF, appropriate levels of review and approval were usually in place; financial accountability and follow-up was observed, and expenditures were duly authorized before they were incurred; and documentation was maintained properly for periodic review.

102. However, having assumed the responsibility of implementing a project with two of its agencies, the Borrower was unable to ensure full utilization of the grant made available for the LAP. Low disbursements were brought to the attention of the Borrower in the Aide Memoire of the April 1-10, 2008 supervision mission, when the undisbursed balance stood at 36% with the project due to close in 8 months. Ultimately, of the total US\$6.0 million made available to the Borrower, only US\$3.475 or 58 percent of the total grant was spent.

#### 7.6 *Implementing Agency*

103. There were two implementing agencies with collective responsibility for implementation. Together their performance is rated moderately satisfactory.

104. Project Management Teams of both implementing agencies issued regular quarterly and annual financial reports, which were received by the Bank on a timely manner. Annual Audit reports were received by the Bank on time and auditors' opinions were always unqualified. Auditors' Management Letter did not include material weakness in internal control system nor reported any material misstatement in the Project Financial Statements for both agencies. An effective internal control system was maintained to ensure that project expenditures were properly authorized, supporting documents were maintained, accounts were reconciled periodically and project assets, including cash, were safeguarded.

105. Procurement of all works, goods and technical services under the project followed the Procurement Guidelines "*Procurement under IBRD Loans and IDA Credits*". The implementing agencies submitted all required quarterly and annual reports more or less in a timely manner. These reports were informative. The status of performance indicators were incorporated in all progress reports and served as valuable input to Bank supervision mission reports.

106. However, project implementation units were not established in time, and consequently the implementation of all activities was delayed. Implementing agencies were unable to attract and retain appropriately qualified and experienced staff in their project implementation units in a timely way.

107. The leadership of the MoP, despite three changes over the project's life, remained committed to the project throughout the project implementation period. The Chairman of the PLA changed three times over the project's life, although commitment to the project was greatly diminished during the last year of implementation, when there was a marked deterioration in the PLA's willingness to implement the project. A Team leader for the PLA project unit was recruited only in the last year. Most of the PLA's activities under the project were initiated very late in the project's life. With technical assistance, the completion of some of the activities did occur, although the delay in their execution limited the potential for impact on the operational efficiency of the PLA. The PLA was unable to critically assess the impact of regulations that constrain the PLA's efficiency and performance, and take concrete steps to improve their operations with the PA's resources.

108. It is possible that the PLA’s lack of commitment to the project was linked to the perceived lack of legitimacy of the reforms that were being proposed by the new draft laws in the absence of approval by the parliament - this notwithstanding that the promulgation of laws by Presidential Decree is provided for in Article 43 of the basic law, and can be amended or rejected by the PLC. Because legislation by Presidential Decree can be more sensitive in some areas than others, Presidential Decrees may not be perceived to have a uniform level of legitimacy in all areas where they are issued. Given the sensitivity of land issues in WBG, the Bank’s perseverance to have these draft laws approved quickly may not have been a good judgment call.

### 7.7 Overall Borrower Performance

109. In light of the Borrower’s and implementing agencies’ performance discussed above, the overall Borrower’s performance is rated moderately satisfactory.

## 8. Monitoring and Evaluation

110. *M&E Design.* As stated earlier in Section 3.5, the lack of clarity in the project’s objectives led to tenuous links between the objectives, outputs and performance indicators for the LIL at the *design* stage. So “outcome” indicators were assigned at design stage not just to the project, but even to components, for which indicators should have informed only on outputs. In any case, this confusion created room for inconsistent treatment and interpretation by the project management teams, Bank task teams, and policy makers.

111. *M&E Implementation:* Notwithstanding the shortcoming in the design of the M&E framework, during *implementation* there was substantial reporting by both the client teams in their progress reports. Client performance on reporting improved as implementation advanced, both due to consistent requests by the Bank supervision team to improve reporting, as well as due to their commitment to this project. ISRRs consistently reported on the key performance indicators, even though as implementation advanced, the number of PDOs on which ISRRs reported changed – this is attributable to the lack of clarity at the design stage (see table below).

112. *M&E Utilization:* Progress towards achieving the targets established by the performance indicators was an important agenda item for supervision missions, and influenced for example, the reallocation of funds to ensure the indicator for the policy formulation was met.

<i>PDO Indicators in the PAD (01/26/2005)</i>	<i>PDO indicators in ISRRs (04/07/2005; 11/14/2005)</i>	<i>PDO indicators in ISRRs (11/14/2005 – 09/25/2008)</i>
1. Land policy recommendations (and subsequently consolidated land policy document and time-bound action plan) endorsed first by the LPTF, then by Cabinet and forwarded to the PLC for consideration.	1. Recommendations on Land policy, improvements to regulatory frameworks for land administration, endorsed first by LPTF, then by Cabinet and forwarded for PLC consideration (ISSR 04/07/2005)	1. Recommendations on Land policy, improvements to regulatory frameworks for land administration, endorsed first by LPTF, then by Cabinet and forwarded for PLC consideration.
2. Recommendations to improve regulatory framework for land administration endorsed first by LPTC, then by Cabinet and forwarded to the PLC for consideration.	2. Increased number of private surveyors (these two PDO indicators were in the ISSR of 11/14/2005)	2. Recommendations for revised regulatory framework endorsed by the LPTF and Cabinet and forwarded to PLC for consideration
3. Key government stakeholders start implementing action plan policy recommendations regarding (i) improved titling/registration procedures (simplified steps, revised fee structure, etc.); and (ii) transparent methods for public land disposal/valuation.		3. Unclear land titles in pilot areas settled and registered by beneficiaries.

public land disposal/ valuation.	
4. Consensus on general directions of the long-term land administration program by LPTF.	4. Improved PLA service delivery efficiency in pilot offices as measured against established service standards: (i) resumption of land title settlement activities.
	5. Improved public land management in pilot areas as measured against established standards; (ii) Transparent public land allocation mechanism applied.

## 9. Lessons Learned

113. ***Implementation of the PA’s Land Administration Program will require a designated key member of the PA’s Executive Branch to whom involved ministries, line agencies and donors can come to iron out impediments to progress.*** Given the importance of land in WBG, there must be sustained support for the land sector at the highest levels of the PA. Despite the commitment of the PA to the reforms in the land sector, and the commitment of the donors to support this important priority, substantial project resources were not spent. A key lesson from this is that without collective responsibility for implementation of WBG’s Land Administration Program amongst key agencies, and incentives to instill and sustain that sense of collective responsibility, the PA will be unable to create adequate demand for registration, will be unable to establish a critical mass in a land registry while there is donor support, and lose an important opportunity.

114. ***In a complex environment like the land sector in WBG, flexibility is needed in the design of the follow-on operation to ensure the application of practical solutions.*** As a result of the current project, it is now possible to develop a comprehensive operational strategy for scaling up systematic surveying and registration along four possible scenarios: (i) a scenario where the passage of new draft laws is considered a pre-requisite for scaling-up; (ii) a scenario where there is a presidential decree for specific changes within the existing law; (iii) a third scenario wherein the PLA promulgates instructions and guidelines to enhance the efficiency of surveying and registration within the limitations of its mandate; and (iv) a fourth scenario where there is no change. For each of these scenarios, it is now possible to estimate the time and cost of completing surveying and registration of Area A and B in the West Bank. However, given the prevailing political uncertainty in WBG and the continued need for substantial capacity development in the PLA, it’s not clear under which scenario future support to the Program will proceed. Even after a decision is made, substantial time and technical assistance will be needed to develop new instructions and guidelines for systematic surveying, and build the capacity of the PLA, during which period it would be redundant to support field work in accordance with old procedures. These would be a pre-requisite for the design of a SIL. Under all scenarios however, it is very clear that remaining engaged is critical to advance the agenda forward, particularly since this is so important for the Palestinians.

115. ***Systematic (mass) surveying is a more efficient and cost-effective use of scarce resources than sporadic (on-demand) surveying and is an opportunity to establish a critical mass in the land registry that is essential for sustainability.*** In WBG, as per existing law, a systematic adjudication is likely to result in more properties being registered than would be the



case with sporadic registration<sup>21</sup>. However, systematic surveying in the absence of a revision to the fee structure for registration, is not going to lead to a critical mass of entries in the land registry. In order to guarantee a sustainable land registry, not only must systematic surveying be scaled-up, but it must be done with a revised fee structure for registration, in the absence of which, expended resources on systematic surveying (high for the public sector) will not lead to the desired outcome of reduced informality<sup>22</sup>.

116. ***Municipalities can be critical partners for expediting the process of systematic surveying because they have the incentive to expand the property tax base as well as deeper knowledge and closer relations with their community.*** The Ministry of Finance<sup>23</sup> collects property taxes on behalf of the local governments, and then remits 90 percent of the collection to the local governments, keeping 10 percent of the collection as administrative charges for tax collection.<sup>24</sup> As property taxes are a major source of internally generated revenue for municipalities, the incentives for them to have all the properties within their jurisdictions brought into the formal registration system<sup>25</sup> are high. Partnering with the municipalities to expedite reduction in the high level of informality is the most expedient way for the PLA to create the critical mass in its land registry – without which its future sustainability will be unlikely. A partnership with municipalities would enable concurrent systematic surveying across the country, and at the same time be the most efficient because of the use of private surveyors by municipalities. Under such an option, the PLA would have to ensure the integrity of the information received by the land registry field offices

117. ***Land records management can be improved in partnership with the data base that exists with the municipalities and the Ministry of Finance, to better detect and prevent fake, double, overlapping and spurious registration records.*** The next phase of support to the land sector would do well to include support for data transfer/exchange between municipalities, Ministry of Finance to be linked to the land registry in the PLA. Land ownership information should be available in the public domain, and should be capable of providing efficient and effective access to all users. The PLA should include in its public awareness campaign, procedures and policies relating to land, including guidelines for processing claims, in an effort to build trust in their system – this will be critical to establishing a critical mass of properties in the land registry so that future financial sustainability can be better ensured.

118. ***Building stronger trusting teams across donors and the Bank is important.*** To institutionalize team behavior, Administration Agreements for Trust Funds (in the case of co-financing of projects) or a Memorandum of Understanding (in the case of parallel financing of projects) or some other appropriate documents, may include: clear articulation of mutually acceptable roles and responsibilities amongst donors; guidelines for collaboration amongst them

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<sup>21</sup> The demand for sporadic registration in WBG is low. In 2004, across all the 8 regional PLA offices, only 188 properties were registered. The trend from the Ramallah offices suggests that significantly fewer properties were registered in previous years. Ramallah, Bethlehem, Jericho and Nablus were the only offices to register 20 or more properties in one year.

<sup>22</sup> The pilot experience has demonstrated that in the absence of a downward revision of the current fee structure for registration, future investments in systematic surveying are not going to lead to the expected benefits of an expanded land registry.

<sup>23</sup> The Ministry of Finance maintains the only comprehensive record of land for the country for property taxation purposes.

<sup>24</sup> Land Registration Study, May 2007.

<sup>25</sup> With an estimated 28 to 30 percent of the properties registered, the level of informality in the property market was expected to be about 70 percent. However, the Land Market Study completed in July 2007, estimates that the level of informality is about 85 percent, i.e. 85 percent of the properties are not part of the PLA's land registry.

and their consultants; modalities for information sharing; commitment to plan joint missions, or agreements to “delegate” their role for those missions that a donor is unable to participate in; and so on. Progress reports prepared by the client, as well as procurement and financial management reports prepared by Bank staff, must be shared equally amongst all donors; by the same token, any progress reports or evaluations prepared by donor staff or their consultants must be shared with the Bank. All efforts need to be made to build trusting teams and common shared view of the project as well as the operating environment within which the project is to be implemented. There is also a need for donor staff to appreciate that the procurement guidelines that apply to all Bank-supported projects (obliging Bank task teams to ensure their application), are developed on the basis on international best practice, and are approved by the shareholders of the World Bank. Often inadequate appreciation of this fact creates tension between donor and Bank teams, as donor staff perceives procurement policies as “Bank procurement”.

*Recommendations for the next project*

119. ***The next phase of support should focus only on activities that are within the control of the PLA.*** Given the importance of rapidly expanding systematic surveying and registration (even in the absence of the actual issue of tiles) in the context of the land sector in WBG, it is important to sequence activities in terms of priority and realism. Multiple complex components requiring substantial legislative changes in order to affect behavior, should be avoided in the low capacity and politically complex environment of WBG. Additional activities that are essential for enhancing the capacity of various entities to support the Palestinian Land Administration Program, but are not within the direct mandate of the PLA, for example, support to educational institutions, capacity building of the private sector, sustaining forums for debate, consensus building, knowledge sharing, etc. should be supported concurrently, but not under the same project in order to keep projects simple.

120. ***The PA must be willing and able to commit funds to the PLA for each of the years of the next project.*** This letter of intent should be a pre-condition for Appraisal. The PA must also provide donors with a Letter of Intent to create and maintain a comprehensive list of state land assets and an immovable property register.

121. ***The PLA on the other hand, must commit to use funds allotted by the PA in accordance with using the same methodology that it would apply to donor funds, for scaling up systematic surveying and registration.*** This is essential to avoid one of the pitfalls encountered under the first project, when the PLA’s attention got diverted to activities it supported with internal funds, to the neglect of the pilot activities funded by donors<sup>26</sup>. It is also important for the PLA to imbibe, integrate, and mainstream the innovations that led to efficiency gains in the pilot projects.

122. ***Scaling-up systematic surveying and registration will be feasible only if the minimum required human resource capacity is in place.*** To support the PLA in implementing its expanded mandate, the next project should focus on building the capacity of the PLA, and enhance surveying capacity in the country (private engineers and surveyors, municipalities). Support for the next phase must be designed to ensure that there is adequate capacity in both the public and private sectors before or at the start of the next phase – capacity building measures must be

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<sup>26</sup> The ISRR of 09/25/2008 records that the PLA shifted its focus from the LAP’s pilot areas for systematic land registration (about US\$2million) to the PA’s financed small pilot in Bethlehem (US\$60,000). This divide between the same activity financed from different sources was detrimental to satisfactory completion of the pilots.

implemented and in place, before the start of surveying activities, as the design of this program will depend on the capacity. The role of the private sector will continue to grow if WBG expands its program for systematic surveying, as the volume of survey work will increase. Not expected to decline, is the trend to limit the size of the civil service.

123. ***Partnerships with municipalities and willingness on the part of the PLA to embrace technology should be essential elements of the next phase of support.*** In accordance with the design parameters being applied by the PLA, the time and costs to complete systematic surveying of 3.2 million dunums will be 80 years and cost about US\$280 million.

124. ***The next project should focus on systematic surveying and registration only after regulations and instructions are in place, and there is adequate capacity in the PLA to monitor and evaluate the surveying activities.*** Getting the regulations and instructions developed before investments are committed to systematic surveying and land registration will require, as in the case of many similar projects, cooperation between multiple stakeholders on the legal and institutional levels. There may be a need to split support in the land sector into two projects to avoid more than one implementing agency, as highlighted in 119.

125. ***A fully staffed qualified project management team must be established in the PLA before Appraisal.*** This is essential to ensure that staff is adequately trained in the multiple aspects of project management, procurement, financial management, and reporting, and that the next project does not suffer from the kinds of delays and inefficiencies that plagued the LIL, ultimately leading to underutilization of the funds made available.

126. ***The Bank must ensure that that the preparation of the next project benefits from professional with training and experience in surveying and cadastre,*** and that project preparation is sound, including a sound assessment of the client's readiness for implementation.

**Partner Comments**

*(a) Borrower implementing agency:*

*(b) Co-financiers*

*(c) Other partners (NGOs/private sector):*

## **Additional Information**

## Annex 1. Key Performance Indicators

127. The performance indicators below are from the Project Appraisal Document Report No. 30406-GZ dated January 26, 2005. It is recognized that these indicators are considered to be inadequate to capture the learning outcomes from this LIL. Also as highlighted earlier, there were inconsistencies between the PDO indicators in the PAD, and the PDO indicators in the ISRRs. For example, the PAD had four outcome indicators. The first ISSR in 2005 reported on one PDO indicator, the second ISSR in 2005 reported on 2 PDO indicators, and all the nine subsequent ISRRs reported on five PDOs.

128. For the sake of consistency, this ICRR reports on the key performance indicators in the PAD. These are a smaller subset of the included a Project Monitoring Plan, which was monitored and reported on. Baseline data on some indicators was to be collected during implementation. However, several indicators assumed progress far beyond that would have been possible within the project's life, because some actions, particularly those requiring reorganization and institutional strengthening and capacity building would require additional resources and considerable amount of time; other indicators would require follow-on work to develop procedures, which would then be applied, in order to lead to efficiency gains.

129. For the purpose of this Annex, this ICRR has attempted to map, as best as possible, indicators reported on during implementation, to those outlined in the Results Matrix of the PAD. This reporting is drawn from not just ISRRs, but importantly from progress reports submitted by the client as well.

### Outcome/Impact Indicators:

<i>Indicator/ Matrix</i>	<i>Projected in the last ISRR</i>	<i>Actual/ latest Estimate</i>
Outcome Indicators from the pilot project		
1. Land policy recommendations (and subsequently consolidated land policy document and time-bound action plan) endorsed first by the LPTF, then by Cabinet and forwarded to the PLC for consideration	Land policy framework endorsed by the LPTF, and approved by Cabinet in April 21, 2008. No implementation action plan has been decided on for follow up.	Land Policy Framework has been endorsed by the LPTF. Preliminary endorsement for these policies was provided by the cabinet on April 21, 2008, and forwarded to the Higher National Committee for the Legislative Plan in order to provide appropriate recommendations to the cabinet.
2. Recommendations to improve regulatory framework for land administration endorsed first by LPTC, then by Cabinet and forwarded to the PLC for consideration.	The legal and regulatory framework is currently being reviewed by the Cabinet's Legal Committee.	Land Policy Framework has been endorsed by the LPTF. Preliminary endorsement for these policies was provided by the cabinet on April 21, 2008, and forwarded to the Higher National Committee for the Legislative Plan in order to provide appropriate recommendations to the cabinet.
3. Key government stakeholders start implementing action plan policy recommendations regarding (i) improved titling/registration procedures (simplified steps, revised		

fee structure, etc.); and (ii) transparent methods for public land disposal/ valuation.		
4. Consensus on general directions of the long-term land administration program by LPTF.		

### Output Indicators:

130. This ICRR has attempted to provide information in matrix below (which was in the PAD), although this was not exactly the same matrix presented in the ISRRs. The ICRR has mapped information available from project documents into the M&E Monitoring Framework in the PAD.

Indicator / Matrix	Projected in last ISRR	Actual / Last Estimate
<i>Output indicators by component</i>		
<p><b>Component 1: Land Policy Formulation and development of regulatory framework</b></p> <p>1. Priority land policy studies (registration, land markets, land disputes, property valuation, public land management, legal and institutional framework review/proposed legal improvements) completed and their recommendations endorsed by the LPTF</p> <p>2. Formulation of land policy through participatory processes and implementation action plan completed</p> <p>3. Recommendations for revised regulatory framework completed and endorsed by the LPTF</p>		<p>All policy studies were completed (registration, land markets, land disputes, property valuation, public land management, legal and institutional framework review/proposed legal improvements, NLPF)</p> <p>32 policy statements drawn from studies were endorsed by stakeholders and LPTF on February 2008 and the Cabinet on April 2008.</p> <p>The final draft laws completed in April 2008.</p>
<p><b>Component 2: Piloting of systematic land titling and registration and modern PLA offices</b></p> <p>1. Titling/registration procedures revised per policy recommendations</p> <p>2. Detailed manuals, guidelines and forms developed</p> <p>3. Settlement and disputes resolution teams set up and trained</p> <p>4. Project implemented according to established timetable</p> <p>5. Revised PLA service standards established</p> <p>6. PLA office reengineering system (automation, training, etc.) designed and implemented according to plan</p>	<p>A</p> <p>A</p>	<p>Systematic surveying and registration in pilot areas was completed and exceeded the initial target by 38% .</p> <p>Simple computerized data management system established (digital forms, maps, scanned proof documents).</p> <p>The final draft for manual for settlement was prepared and revised by international advisers</p> <p>Settlement committee formed, trained in Jordan, in April, 2006, subsequently trained some of PLA staff</p> <p>Computerization of Land Registration: 100% of the system, as designed by the International Consultant, is completed.</p>

		Modifications in accordance of the PLA needs underway. PLA offices reengineering system designed and implemented according to plan
<p><b>Component 3: Piloting of public land inventory and management strategy</b></p> <p>1. Survey and inventorying of State land in pilot areas completed</p> <p>2. Identification of strategic vacant land in pilot areas completed</p> <p>3. Public land management strategy in pilot areas and instruments (including disposal and valuation methods) developed.</p>		Public land management study completed (under Component 1).
<p><b>Component 4: Institutional development</b></p> <p>1. PLA strategic and human resource development plans completed and training delivered according to plan</p> <p>2. Land administration and surveying education program established and operational as indicated in progress of first enrolled class</p> <p>3. Training program in surveying delivered according to plan and simplified certification procedures established</p> <p>4. Awareness/participation/dissemination campaigns for policymaking and titling/registration pilots delivered according to plan</p> <p>5. System for monitoring project implementation and for distilling learning and innovation aspects established</p>		<p>Strategic and HR development study completed. Will require resources to implement recommendations.</p> <p>Twinning program between Munich and Birzeit Univ., Masters progr. Developed, awaiting donor support for implementation.</p> <p>Not undertaken as the scope of the component changed with withdrawal of USAID.</p> <p>Public awareness campaigns for policymaking and titling/registration pilots delivered</p> <p>No system for monitoring and distilling learning and innovation established.</p>

131. This matrix above does not capture the achievements under each component, due to the reasons discussed before. For completeness of documentation, the sections below present the actual outputs by component.

*Component 1. Land Policy Formulation and Development of Regulatory Framework*

1. All policy studies were completed (the public land management, registration, land markets, property valuation, fees and finance, land disputes, education, and the legal and institutional as well as the NLPF).
2. The recommendations were consolidated in 32 policy statements which were endorsement by LPTF on February 2008 and the Cabinet on April 2008.



3. The final draft of the legal report (including draft land law, eminent domain law, registration law, PLA memo, and outline of regulation) was completed in April 2008.

*Component 2: Piloting of Systematic Land Registration and Modern Land Office*

4. Systematic surveying and registration in pilot areas was completed and exceeded the initial target by 38 percent.
5. Simple computerized data management system has been established, this includes digital forms and maps, scanned copy of proof documents.
6. The final draft for manual for settlement was prepared and revised by international advisers
7. Settlement committee was formed and had training in Jordan, in April, 2006.
8. In addition to the in job training. The settlement committee has trained some of PLA staff
9. Computerization of Land Registration: 100% of the system , as designed by the International Consultant, is completed. The team is now working on modifying the system in accordance of the PLA needs.
10. PLA offices reengineering system designed and implemented according to plan.

*Component 3: Piloting of Public Land Inventory and Management Strategy*

Public land management study completed and initial recommendations for public land disposition process “methodology” has been developed in the study. But further examination and development of the proposed methodology needs to be done.

1. GIS software was purchased and training workshops for Ramallah Municipality were conducted.
2. Checking records of the parcels and blocks with PLA records for Ramallah municipality was completed.
3. Aerial Photo and production of orthophoto maps for Ramallah municipality could not be implemented.

*Component 4: Institutional Development*

1. The education study towards strengthening the education program in land administration and management in the Palestinian institutions completed.
2. Birzeit University and Palestine Polytechnic University (PPU) identified as the most qualified institutions to implement the educational programs
3. A twinning program between the Technical University of Munich and Birzeit University (BZU) was initiated, resulting in the development of a Master’s Degree Program in Land Management and Administration.
4. Cadastral Adviser completed assessment of the needs and proposed field training
5. On the job training was conducted during the piloting works.

6. Manual of licensing of private surveyors was finalized.
7. Several meeting with the public in pilot location were conducted by PAW specialist, Settlement committee, in coordination with villages councils
8. Brochure was prepared and distributed to the people describing the importance of the project
9. PAW campaign started by design of the campaign outputs and in process. Brochures, Posters, Banners, Fliers, radio spots have been completed.
10. 19 workshops were conducted to date with an average number of 22 participants from different institutions to discuss the initial and final recommendations of the land policy related studies.
11. ARDUNA Magazine was published & distributed
12. 200 private surveyors were licensed

## Annex 2: Project Costs and Financing

### Project Costs by Component (in US\$ million equivalent)

Components	Appraisal Estimate (USD millions/Euro)	Actual/Latest Estimate (USD/Euro millions)	Percentage of Appraisal
Component 1 : Land Policy Formulation & Development of Regulatory Framework	1.30 1,	082,056	83.2%
Component 2 : Piloting of Systematic Land Registration & Modern Land Office	1.9 1,	232,163	64.8%
Component 3 : Piloting of Public Land Inventory & Management Strategy	0.70 56,	847	8.1%
Component 4: Institutional Development	1.70	1,126,318	66.2%
Unallocated 0.	40		
<b>TOTAL</b>	<b>6.00</b>	<b>3,497,444</b>	

132. While the appraisal estimate was USD\$ 6.0 million, in fact USD\$4.476 million was made available for the project. Of this US\$4.476 million, USD\$ 974,556 or 21.7% remained undisbursed at close of the project as per the Financial Management Report December 2008-January 2009. However, the final disbursements as per the Bank's records stood at US\$3.58, highlighting a discrepancy of US\$82,556 between the last FMR and the Bank's records. At the time of writing this ISRR, the final audit report for the project was not available, and it was therefore not possible to capture expenditures that would have been incurred during the grace period following close of the project on December 31, 2008.

Source of Funds	Type of Co-financing	Funds made available (USD millions)	Cancellation amount (USD millions)	Percentage utilized
Finland: Ministry for Foreign Affairs	Co-financing	1.476	0.226,347	84.6%

World Bank ( IDA)	Special Financing	3.00 0.	668,415	77.7%
<b>Total</b>		<b>4.476</b>	<b>0.894762</b>	<b>80%</b>

133. In addition, the Government of Finland's Ministry of Foreign Affairs made available EURO1.17 million, or US\$1.3 million in parallel finance<sup>27</sup>, including EUR 800,000 to complete systematic surveying of the pilot area planned at Appraisal, which was not administered by the project

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<sup>27</sup> Confirmation received as part of comments on the draft ICRR from the Government of Finland: Email from Anna Savolainen dated June 12, 2009.

**Project Costs by Procurement Arrangements (Appraisal estimate) (US\$ million equivalent)**

Expenditure Category	Procurement Method				Total Cost
	ICB N	CB	QSBC	Others	
<i>Goods</i>	0.00			0.522	0.522
<i>Works</i>	0.	136		0.014	1.15
<i>Services</i>			1.313	0.521	1.834
<i>Miscellaneous</i>	0.965	0.135		0.003	0.968
<b>Total</b>	<b>0.965</b>	<b>0.136</b>	<b>1.313</b>	<b>1.06</b>	<b>3.475</b>

134. The last Financial Management Report for the project December 2008-January 2009 did not report expenditures by category by procurement method. In order to provide the best available information on expenditures by procurement method, this ICRR has extracted the above data from the final procurement plan, for which clearance was given by the Bank on December 20, 2009. There is a difference of US\$22,444 between the total expenditures reported above, and the total expenditures reported by Component in the final FM report.

**Annex 3: Economic Costs and Benefits**

N.A

## **Annex 4: Bank Inputs**

*(a) Missions:*

### ***Pre Appraisal July 15-30, 2004.***

#### *Bank Mission Members*

Ibrahim Dajani (Operations Officer and Task Team Leader); John W. Bruce (Senior Counsel), Paul Prettitore (Consultant-Legal Advisor), Kingsley Robotham (Consultant-Institutional Development Specialist), Ayman Abu-Haija (Financial Management Specialist), Adel Odeh (Financial Management Analyst), Hisham Labadi (Consultant–Procurement), Abdallah Awad (Information Specialist), Tanja Hohe (Consultant-Social Anthropologist), Nithya Nagarajan (Consultant-Field Economist), Khalida Alutob (Program Assistant).

Wael Zakout (Lead Operations Officer) provided support from Washington.

#### *Donor Mission Members*

Anu Saxen (Management Adviser; Finish Ministry for Foreign Affairs); Mr. Abdallah Abbas (Coordinator, Special Human Settlement Programme for the Palestinian People, UN- Habitat); Clarissa Augustinus (Chief, Land and Tenure Section, UN-HABITAT); Mark Marquardt (Consultant-USAID); Bijan Azad, Land Administration Specialist (Consultant-USAID); and Khalil Ansarah (Legal Consultant–USAID).

### ***Appraisal Mission November 20-30, 2004***

#### *Bank Mission Members*

Ibrahim Dajani (Operations Officer and Task Team Leader), Sameh Wahba (Urban Management Specialist), Paul Prettitore (Consultant-Legal Advisor), Adel Odeh (Financial Management Analyst), Hisham Labadi (Consultant–Procurement), Ayed Abu Ramadan, (Consultant–Procurement), Samira Hillis (Program Analyst) and Khalida Al-Qutob (Program Assistant).

#### *Donor Mission Members*

Mr. Ruokoranta, Representative of the Government of Finland to the PA.

### ***Supervision Mission June 20-25, 2005***

#### *Bank Mission Members*

Ibrahim Dajani (Operations Officer and Task Team Leader), Wael Zakout (Lead Operations Officer), Paul Prettitore (Consultant-Legal Advisor), Samira Hillis (Operations Analyst), Akhram El Shorbagi (Financial Management Specialist), Adel Odeh (Financial Analyst), Lina Abdallah (Consultant – Operations) and Khalida Al-Qutob (program Assistant).

#### *Donor Mission Members*

Tuomo Heinonen (Finnish Consultant)

### ***Mid Term Review Mission June 23-30, 2006***

#### *Bank Mission Members*

Ibrahim Dajani (Senior Operations Officer and Mission Leader), Kingsley Robotham (Consultant, lead urban planner); Afaf Abbassi (Procurement Specialist); Siaka Bakayoko (Senior Financial Management Specialist); Adel Odeh (Financial Management Analyst); Paul Prettitore (Consultant-Legal Advisor); Lina Abdallah (Consultant – Operations); Abdallah Awad (Information Officer); Samira Hillis (Operations Analyst); Nithiya Nagarajan (Consultant/ Socio-Economist); and Khalida Al-Qutob (Team Assistant).

#### *Donor Mission Members*

Anu Saxen, Advisor to the Ministry of Foreign Affairs of Finland

***Supervision Mission November 25 – December 4, 2006***

*Bank Mission Members*

Ibrahim Dajani (Operations Officer and Task Team Leader), Abdallah Awad (Information Officer), Adel Odeh (Financial Analyst), Paul Prettitore (Consultant-Legal Advisor), Samira Hillis (Operations Officer), Lina Abdallah (Consultant – Operations) and Khalida Al-Qutob (Program Assistant).

*Donor Mission Members*

None

***Supervision Mission November 11-17, 2007***

*Bank Mission Members*

Ibrahim Dajani (Operations Officer and Task Team Leader), John Bruce (Legal Advisor, Consultant), Meskarem Bhrane (Senior Social Development Specialist), Samira Hillis (Operations Officer), Abdallah Awad (Information Officer), Afaf Abbasi (Procurement Specialist), Adel Odeh (Financial Analyst); and Khalida Al-Qutob (Program Assistant).

*Donor Mission Members*

Tuomo Heinonen, Advisor to the Ministry of Foreign Affairs of Finland

***Supervision Mission April 1-10, 2008***

*Bank Mission Members*

Ibrahim Dajani (Operations Officer and Task Team Leader), Anu Saxen (Senior Land Policy Specialist); Meskarem Bhrane (Senior Social Development Specialist); Samira Hillis (Operations Officer); Abdallah Awad (Information Officer); Lina Abdallah (Operations Analyst); Afaf Abbasi (Procurement Specialist); Suhair Musa (Senior Financial management Specialist); Adel Odeh (Financial Management Analyst); and Khalida Al-Qutob (Program Assistant).

*Donor Mission Members*

*Finland:* Heikki Hannikainen, Head of the Office of the Representative of the Government of Finland to the Palestinian Authority, Anna Savolainen (Ministry of Foreign Affairs, Finland).

*FINNMAP:* Andrea Hernandez (Consultant, Land Administration); and Yohannes Gebremedhim (Consultant, Land Management Specialist).

*Denmark:* Angele Khasho, program Officer, Danish Representative Office to the Palestinian Authority.

***Implementation Completion and Results Report launch Mission: November 30 – December 5, 2008***

*Bank Mission Members*

Ibrahim Dajani (Operations Officer and Task Team Leader), Anna Bjerde (Sector Manager, Urban and Social); Anu Saxen (Senior Land Policy Specialist); Abdallah Awad (Information Officer); Lina Abdallah (Operations Analyst); Afaf Abbasi (Procurement Specialist); Suhair Musa (Senior Financial management Specialist); Khalida Al-Qutob (Program Assistant), and Sati Achath (ICRR Consultant).

*Donor Mission Members*

Anna Savolainen (Ministry for Foreign Affairs of Finland)

## Annex 5: Ratings for Achievement of Objectives/Outputs

(H=High, SU=Substantial, M=Modest, N=Negligible, NA=Not Applicable)

		Rating				
Macro Policies		O H	O SU	O M	O N	● NA
Sector Policies		O H	O SU	● M	O N	O NA
Physical	O	H	O SU	● M	O N	O NA
Financial	O	H	O SU	● M	O N	O NA
Institutional Development		O H	O SU	● M	O N	O NA
Environment		O H	O SU	O M	O N	● NA
Social						
Poverty Reduction		O H	O SU	O M	O N	● NA
Gender	O	H	● SU	O M	O N	O NA
Other (Please specify)		O H	O SU	O M	O N	● NA
Private Sector Development		O H	O SU	● M	O N	O NA
Public Sector Management		O H	O SU	● M	O N	O NA
Other (Please specify)		O H	O SU	O M	O N	● NA



## Annex 6: Ratings of Bank and Borrower Performance

(HS=Satisfactory, MS=Moderately Satisfactory, U=Unsatisfactory, MU=Moderately Unsatisfactory)

### 6.1 Bank Performance

Lending	O	S	O MS	O U	● MU
Supervision	O	S	● MS	O U	O MU
Overall	O	S	● MS	O U	O MU

### 6.2 Borrower Performance

Preparation		O S	O MS	O U	O MU
Government Implementation Performance		O S	● MS	O U	O MU
Implementation Agency Performance		O S	● MS	O U	O MU
Overall	O	S	● MS	O U	O MU

## **Annex 7: List of Supporting Documents**

1. Project Implementation Plan
2. Project Appraisal Document for West Bank and Gaza: Land Administration Project (LAP) dated January 26, 2005 (Report No: 30406-GZ)
3. Aide Memoires, Back-to-Office Reports, and Implementation Status Reports.
4. Project Progress Reports.
5. Borrower's Evaluation Report.

## **Legal Framework**

6. **Land Draft Law**. This law will cover all land classification: public (reserves, estates), private (mulk), and Waqf (Moslem and Christian) and all rights associated with land tenure.
7. **Registration Law**. This law will cover all types of registration and harmonize them in one law including systematic registration.
8. **Eminent Domain Law**. The proposed Eminent Domain Law will cover the power of the government and municipalities and local authorities to acquire land or usufruct or easement rights for public benefits. It will set out the notice procedures and the rules for assessing compensation.
9. **PLA Institutional Framework Law**. This includes establishment of the Palestinian Land Authority pursuant to Presidential Decree No. 10 of 2002.

## **Studies**

10. **National Land Policy Framework, March 2008**. The National Land Policy Framework (NLPF) document sets out the policy context for reform, major land issues to be addressed in a land policy document, and a land policy framework including long term vision, objectives, principles, and a strategic approach.
11. **Legal Study, March 2008**. The Study on legal framework is part of the Study on Legal and Institutional Framework.
12. **Public and Municipal Land Management Study, July 2007**. This report reviews the context within which land policy must operate and identifies the challenges to be faced. A number of principles for effective public land management are developed based on a review of practice elsewhere and with input from extensive consultations.
13. **Land Market Study, July 2007**. This report reviews the context of Palestinian land markets and identifies the challenges to be faced in developing a land policy that supports a formal and open land and property market.
14. **Land Disputes Study: Part I, June 2007**. This study examines the following: i) causes of land disputes; ii) types of land disputes; iii) existing mechanisms and institutions for resolving disputes; and iv) effectiveness of those systems and their capacity to support and strengthen principles of equity and efficiency.

15. ***Education Strengthening Study, June 2007.*** The aim of the study was to identify any potential gaps that may exist in educational programs required to support land administration reform and recommended strategies to bridge these gaps.
16. ***Land Registration Study, May 2007.*** The study examined and made recommendations in the following areas of Land Administration and Registration: i) land registry accuracy and updating the system with reliable information; ii) customer perspectives; iii) limitations in the use of land registers and reform issues in legal, technical, and practical aspects of property registration system; iv) functions of the Notary Publics, v) public education for the use of land registry system.
17. ***Land Valuation Study, April 2007.*** The objective of the study is to submit recommendations towards the improvement of valuation accuracy, and the increased economic value of WBG's land resources.
18. ***Fees and Finance Study, May 2007.*** This study focuses on two interacting finance-related aspects of land administration; fees charged for land administration services, and the financial environment (revenue/expenditure) for the land administration services provided by the PLA.

## **Reports**

19. ***Report of Land Registration System, December, 2008.*** This study summarizes outstanding points and gives more specific recommendations to enter the next phase of development.
20. ***Three Social Assessment Studies in Land Settlement Pilot Sites, September, 2006, May, 2007, and January, 2008.*** Social Assessment Studies of the three pilot sites intend to assist in developing and strengthening the project's design, mechanisms, and related community awareness campaigns for the second phase. In addition, the studies are expected to uncover any unintended negative impact and to provide recommendations.
21. ***Pilot-testing the Gender and Land Module of the Gender in Agricultural Sourcebook, July, 2008.*** This study has two objectives: (i) to provide technical assistance to the project team in integrating gender approaches into the Second Land Administration Project (LAP-2); and (ii) to provide feedback in terms of the usefulness of the Gender and Land Module of the Gender and Agricultural Sourcebook, documenting lessons learned and experience in implementing the module in actual operations.
22. ***Final Report of Cadastral Surveying Advisor, November, 2007.*** The aim of the report was to assist PLA in planning, supervising, and monitoring the work of the private surveyors, review progress on the computerized registration system plus finalizing system design and initiating Land Register data capture and software development.
23. ***Land Registration, Computerization Pilot, March 2006.*** The purpose of this document is to communicate a preliminary understanding of the business need for, and scope of, the introduction of a computerized Land Registration System into the Ramallah and Gaza Registration Departments to support the Modern Land Office Pilot Study being undertaken as part of the Palestinian Land Authority Land Administration Project.
24. ***Report of Institutional/Registration Adviser, November, 2005.*** The report covers the following areas: (i) review the institutional structure of the PLA, both at the headquarters and field offices and provide recommendations for improvement; (ii) review the tasks and responsibilities for each position in the PLA; (iii) review the existing work flow in the two land offices (Ramallah and Gaza); (iv) identify skill levels and human resources capacity in

the office; (v) define the training needs for the staff to operate efficiently in the revised work flow arrangements.

25. *Advisory Note for a Law on Management of State Immovable Property, November, 2005.*

This note is prepared after participation and a presentation at the Workshop on Land Administration and Management, during which the consultant discussed with participants the provisions of the proposed unified Land Bill.

**Manuals**

26. *Dispute Settlement Manual, November, 2008.*

## **Annex 8: Stakeholder Workshop Report and Results**

In keeping with the participatory and consultative processes that have created a platform for discourse on issues that affect land management and administration in WBG, an ICRR Workshop was held on Feb. 15, '09. The participants represented a diverse stakeholder group: Ministries of Finance, Planning, Local Government, Justice, Public Works and Housing, the Palestinian Investment Fund, the PLA, Academic Institutions, Municipalities, and private sector representatives from the surveying and legal professions.

### ***Overview of the ICRR Workshop***

#### ***Land Management and Administration is a priority for the Palestinian Authority and people.***

The vision for the PA is to retrieve Palestinian rights to their scarce land resource, the strategic and political importance of land, and the need for the conservation and proper management of land. In order to achieve this goal, it is of critical importance to overcome institutional problems that prevent effective partnerships which are essential for: (i) optimizing inputs, (ii) developing integrated processes for surveying and registration with many stakeholders, and (iii) facilitating public-private partnership for the transfer of knowledge.

***The rationale for Land Policy Reforms.*** Representatives in the workshop highlighted the catalytic role of LAP 1 in initiating concurrent advances in policy development, surveying and registration, dispute resolution, land administration and management and capacity development. They emphasized the fact that the LIL provided an opportunity for substantial learning, consensus building, inter and intra PA institutional cooperation, and pioneered several activities never undertaken before.

***How it can be achieved? What will the PLA deliver by 2014? How will we measure what we deliver?*** In this workshop session, the participants tried to answer to various challenging questions. The scale of man power inputs needed for surveying and registration of 200,000 dunums over the next four years was spelled out<sup>28</sup>. Under the current Land and Water Dispute Settlement Law<sup>29</sup>, the PLA would need 90 surveying teams, with 5 PLA employees deployed with each team. A total of 968 public sector jobs would thus need to be created, which would include 270 surveyors, in addition to legal and registration professionals. Consequently, to achieve the above goal, it is important to create an efficient and effective legal and regulatory system and carry out institutional and capacity building activities to enable the PLA to deliver on its mandate. In addition, based on the LIL experience, development of both the judicial sector specifically that related to land settlement and adjudication of claims and private surveying sector was considered as critical to carry out large scale settlement process through to its satisfactory results.

### ***Suggested next steps by participants***

- (i) Review the current law for surveying and registration to increase efficiency and performance; but more importantly, to review at a minimum, the regulations procedures that can be changed within the existing laws, so that surveyors and engineers, both from the private sector and in municipalities, could effectively partner with the PLA in undertaking concurrent surveying

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<sup>28</sup> The PLA is planning to complete surveying and registration of 200,000 dunums over the next four years, i.e. to be completed by 2013, as articulated in the Action Plan submitted to IDA on May 10, 2009.

<sup>29</sup> Land and Water Dispute Settlement Law 40/192 article 4.1

work in many parts of the country at the same expediting implementation and enhancing efficiency.

(ii) Introduce transparency in the methodology for surveying and registration, and undertake effective communication campaigns on these procedures to build trust in the land reform process, but also, importantly, to enable and sustain a healthy discourse in civil society on land related issues.

(iii) Include for surveying and registration, areas that are classified as Area C, as fraudulent transfer of lands in these areas is significant;

(iv) Proactively publicize documents with written procedures and criteria for settlement and registration, so that the public is well informed.

#### ***Recommendations for participation, consultation, and communication***

(v) The participatory and consultative processes initiated by LAP 1 have sowed the seeds for networking across agencies, and must be sustained going forward, as the LIL had made clear that sharing knowledge, ideas, and resources leads to innovation. With a first time debate on the PRDP's emphasis on reform, a key lesson from the processes supported by the LIL is that consultative processes on the reform program need to be both deepened and broadened to include more PA, public, educational, and private agencies.

#### ***Recommendations for Performance of the project / agencies***

(vi) The project was not perceived as being a failure by any of the stakeholders. As a LIL, delays in the completion of expected outputs only enhance the learning for the future, and the project cannot be categorized as a failure due to the delays. The project has generated critical and immensely useful studies that are a valuable resource today for the management of WBG's scarce land resources; studies that enable for the first time, a better understanding of understand land markets, land management, and property taxation etc. in WBG.

(vii) The project was also perceived to have been instrumental in generating (i) a real demand for measurable progress indicators from PLA executed activities; (ii) creating a popular demand for greater efficiency of the agency's operations; and (iii) enabling "voice" of an appeal to the PLA to identify the prioritized areas for land settlement as well as the criteria for establishing priorities (the PLA reported that the priority areas are decided at the Cabinet level).

#### ***Recommendations for innovations to enhance efficiency of surveying and registration within the existing Land Law***

(viii) An important suggestion that had the backing of practically all stakeholders was to create a partnership for scaling up surveying activities which would result in concurrent surveying in many locations at no extra cost to the PLA, while at the same time enabling the PLA to exercise quality control. Under the current Law the PLA has the power to make this procedural change, which, if done, would enable the PLA to "partner" with municipality surveyors, thereby creating a larger pool of "PLA surveyors" without losing control over the quality of their work. This would also have the advantage of raising awareness of surveying and registration efforts in many municipalities, as many "teams" would start work concurrently (either in their own or in near by municipalities that may lack surveyors).

(ix) Another suggestion was for the PLA to use its authority within the existing Law, to adopt a procedure which would enable the use of private sector surveying capacity, which resides not only amongst surveyors, but engineers as well. As highlighted by some participants, this would be an option more expensive than partnering with the municipalities.

(x) Another innovative suggestion was to use aerial photography and other appropriate technologies.

## Annex 9: Borrower's Comments on Draft ICR

Palestinian National Authority  
Land Authority  
Office of the Land Authority Chairman

بِسْمِ اللَّهِ الرَّحْمَنِ الرَّحِيمِ



المصلحة الوطنية الفلسطينية  
سلطة الأراضي  
مكتب رئيس سلطة الأراضي

TO:.....  
Date: 2009/02/24

الرقم:.....  
التاريخ:.....

Mrs. Eileen Murray  
Acting Country Director  
World Bank  
West Bank and Gaza department  
Middle East and North Africa Region

### Re- West Bank and Gaza, Requesting Comments on the Implementation and Results Report for the Land Administration Project ( LAPI- TF 054686 and TF 054637)

Dear Mrs. Eileen Murray

We have reviewed the ICRR and we have the following comments:

- Under Section 7.7 Overall Borrower Performance, Page # 19, Point 108 The ICRR mentioned that " commitment to the project was greatly diminished during the last year of implementation, when there was a marked deterioration in the PLA's willingness to implement the Project. " I would like to draw your kind attention that most of the achievement of component 2 had been initiated in the 1<sup>st</sup> quarter of the last year and after revising the Procurement plan in February and receiving the clearness on April 2 2004 as follows:
  - The in house option of the computerization component initiated and finalized in the last year.
  - The Reengineering of the PLA offices in Ramallah also initiated and completed in the last year.
  - Systemic Surveying and registration : a total of 9800 dunums out the completed 13000 was initiated and completed during the Last year , and this is clear in the Key performance Indicators in the ICRR report that the systematic surveying and registration in pilot areas was completed and exceeded the initial target by 38%.
  - The Above mentioned Surveying during the last year have been financed by the additional direct fund from the finish government and the PLA had efficiently utilize this fund and completed 13,000 dunums.
  - Most of the canceled portion of the Fund and under the PLA responsibility is the fund that originally was planned for the Gaza activities , as the project activities in Gaza had been stopped since June 2007, even though the PLA made a lot of efforts to allocate this fund to be used in the West Bank but there was delays in receiving the Bank clearness for the proposed allocation.
- Under Lesson learned point # 122 " , pitfalls encountered under the 1<sup>st</sup> project , When PLA 's attention got diverted to activities it supported with the internal fund. It is worth to mention that the PLA recruited new teams for the activities under the internal fund since the beginning of 2008 and as the key team were very busy in supervising , monitoring and training the PLA teams



NO:.....  
Date:.....

الرقم:.....  
التاريخ:.....

who were allocated to support the private sector contracted for the pilot project ; the launching of these activities was delayed till the beginning of December . And there was no pitfalls at all as the PLA teams who were allocated for the pilot project remains the same ,and this component shows an exceeded target by % 38 as it is very clear in the ICRR.

- Under Annex 8 page 42. the third Paragraph " How it can be achieved ? What will the PLA deliver by 2014 ?  
The scale man power inputs for needed surveying and registration that has spelt out during the workshop was " the scale man power needed to complete the surveying and registration for total of 350, 000 dunams per year based on the experience of the pilot and not to complete 200,000 over the 4 years as it is mentioned in the ICRR.
- Under section 5.4 Costs and financing point number 80 page number 15 . From the JDA Portion the undisbursed balance should be read US\$ 668,415,46 as per the World Bank – Land administration Project ( MULT TF 054686-GZ) Cancellation and Closure letter dated Jun 2 ,2009.

Finally would like to extend our appreciation for the World Bank and the Government of Finland for their continuous assistance and support for the Palestinian Authority.

Sincerely yours,

Nadim Barhme

PLA Chairman