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CRITICAL FACTORS OF DONOR ASSISTANCE: VIEWS OF THE RECIPIENT COUNTRIES

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Introduction

1. In recent years, countries of central and eastern Europe have intensified their activities in the field of land cadastre, land register, real estate valuation and land information systems. These countries are trying to catch up with western countries, which have well established systems. One of the main objectives of many countries in transition is to meet the requirements for accession to the European Union. An operational and effective system of land administration and real estate management is one of the priorities in this context. The land cadastre and the land register constitute the core of this system. They govern the operation of the real estate market and provide for more equitable real estate taxation, management of housing and other types of real estate. It is also important for agricultural land use monitoring, environmental and spatial planning policies, as well as other activities within the framework of a rapid and efficient transition to a market economy.

Local conditions and traditions influencing international assistance programmes

2. In some countries it is possible in a short period of time to build political awareness and support for data management and processes in land administration. In others, that could take much more time and effort. In the most advanced economies in transition, support for an effective land administration systems and procedures originates within the country itself. In countries that have made less progress in market reforms and/or where there is significant internal political resistance to land reform or other internal difficulties, the initiative often comes from international donors and aid agencies. Yet even so, an initial inter-agency effort to move land administration forward needs political backing and decisions to distribute the funds from the national budget to the various parties involved and to generate additional funds.

3. In recent years, the economies in transition have received large grants from the European Union to initiate land administration activities. Grants from various donor countries and associations and loans from the European Bank for Reconstruction and Development, the World Bank, and other financial institutions have helped land administration systems to be set up or modernized. The countries in transition currently find themselves in different economic and social situations. Their history, tradition, division of administrative responsibilities, choices and solutions in setting up land administration systems, as well as their professional knowledge, experience and strategies for the implementation of international assistance programmes are also very different. At present, all these countries have already defined their starting points and related standards. This is something that donors, lending institutions and aid agencies should take into account.

4. Thus, in countries of central and eastern Europe, the donors and other international aid organizations face different working environments. Some countries are only now beginning to set up a national land administration strategy; others have already developed a national strategy, but are in need of effective and adequate support to accomplish the ongoing projects. The first group of countries has a more open approach and is more receptive to different proposals and solutions coming from donors. The latter are more demanding, oriented to the goals of national strategies and, thus, in many cases critical of proposals coming from international aid organizations and experts.

Preparatory stage of international projects on land administration

5. The success of a project depends on its sound preparation. If a country is already engaged in developing and implementing land administration programmes, the agreement on a new project proposal with the donor organization takes less effort, is more predictable and easier to manage. For countries in transition, one of the main problems in dealing with donor organizations is the complex system of project administration and verification within donor institutions. The dynamics of the preparation and the acceptance of the project implementation are to some extent dependent on

the project manager, who is usually an official of the donor institution, and his/her team. In most cases, the recipient country and its institutions cannot influence the operational procedures of the donor, which may be highly bureaucratic and time-consuming, and take two to three years. During that time, the original conditions on which the project proposal was based may change.

6. The preparatory phase of the project involves both local and international experts with particular tasks and responsibilities. The position, training and effectiveness of local experts in land administration varies from country to country. International advisers have a difficult task, since they have to become accustomed to the local environment, and become acquainted with the system and the history of the records, legislation, institutions. They have to study much documentation and communicate with co-workers from the recipient country. Knowledge of the national language and traditions is a major advantage for international experts. The professional knowledge and experience of local experts are often underestimated during technical negotiations. Sometimes international experts are less experienced than local staff, but retain a superior position, handling substantive issues of national importance and having final decision-making power.

7. Due to the lack of high-level experts in certain areas, retired experts, as well as those with insufficient or outdated experience are employed. Such expertise, even though it is mainly short-term, might prove inadequate at a later stage and lead to technical mistakes. Bad advice could elicit an unproductive response from the recipient country. Therefore, it is necessary to limit the possibilities for inexperienced individuals to be engaged in international assistance projects, particularly in senior positions. Problems also arise with the provision of funds for such type of work by local and international experts and with motivating the local staff. Unless a comprehensive agreement on the proposal is reached, other financial sources should be found to go ahead with the approach defined by the international advisory service. In some cases local experts recommend not to follow the approach suggested by the international experts. Then the decision to be taken is very complex, not only because of its possible technical consequences but also because of the political implications.

8. Good collaboration and mutual trust play an important role in the preparation of the project proposal as well as in the implementation. All local partners participating in the project come, as a rule, from different organizations, have different backgrounds and have to establish appropriate joint working relations and an environment for effective collaboration. The type of relations and the team spirit formed during the preparatory stage of the project are important also for the period of its implementation. The relationships and the degree of trust in the donor expert team is also essential. The donor expert team should pursue the same objective as the experts of the recipient country, namely to prepare the optimal project proposal, and not promote their own interests or give advice based on its experience in other parts of the world, which may not be suitable for the European conditions.

9. In the preparation of the project proposal, it is important to define the most appropriate ways of developing and implementing it based on the specific conditions prevailing in the recipient country. It would be inappropriate to apply automatically the solutions used in one country to another country. However, it is highly recommended to study and take into account the good practices and experience as well as the problems encountered in similar projects in other countries.

10. All projects financed by foreign institutions include an introductory part on requirements related to the preparation of new laws and amendments to the existing legislation. Preparing this introductory part on legislation is fairly straight forward, since every country has to have a particular legislative framework. Donors and recipients agree on this. However, major problems arise in the implementation.

11. Most project proposals pay special attention to training and the professional education of local staff in particular. However, the reality is that this component is usually designed in a general manner, and the quality aspects and task-oriented training are not a priority. Training is necessary and most welcome, but more attention should be given to technical, managerial and project-driven tasks related to specific aspects of the project. There should be no significant difficulties with the preparation of such training programmes.

12. It is also necessary to establish communication links during the preparation of a new proposal and to ensure a continuous and mutual sharing of information and cooperation between all ongoing projects in the country. The success of such cooperation depends in particular on the working environment, and the distribution of work and responsibilities among local and international experts. The foreign assistance will be most productive if local organizations and experts trust the independence and the professionalism of the foreign experts.

13. In most countries, for the preparation of the project, local professionals know what the key elements are: step-by step approach; the link between accuracy, quality and cost of data gathering and processing; data management; problem solving by purchasing high-quality hardware, software or other information technology; data collection for a small range of users; organizational and information aspects; and the staff. Countries that are not able to define these key issues should seek the high-quality specialized expertise of international experts, who, in cooperation with the local experts, could work out the preparatory phase of the project.

14. In most cases, the hardware and software procurement is done through international investment projects (loans) rather than donor assistance (grants). However, it might be advisable for each assistance grant to contain funds for the procurement of hardware, software and modern technology.

The implementation phase

15. Some of the observations about the preparatory phase of projects also apply to the implementation phase and will not be repeated. However, the implementation phase has its own problems. At the very beginning of the operative implementation of a land administration project, there is a need for a project initiation document (the organization of work of all participants with agreed deadlines, technical aspects and clear distribution of responsibilities), supported by a computer-based system to monitor the substantive, administrative and financial aspects of the project. To carry out the project it is very important that work is well organized and that there is a high degree of trust and tolerance. Major projects require a coordination office during the entire implementation process. The office should offer basic assistance to all agencies working on the project. The participation of local experts is recommended because well-prepared initial documentation is a sound basis for a timely and purposeful implementation.

16. In many cases, the initial work planning starts only after the project funds have been approved. This delays the project implementation. The delay is caused by the inadequately defined financing of the preparatory stage. There are cases when the costs for the preparatory stage of the project are covered by the recipient, but they are almost never covered by the foreign donors. It is important also that these initial works are performed by the staff that later on will carry out the project.

17. Besides good coordination and guidance of project work, the choice and the quality of services of participating organizations and individuals play an important role in all phases of the project. Due to contract terms, it is difficult to replace those who fail to meet the required work standards. This could have an impact on the implementation. Donor institutions should take into account the recommendations of the officials responsible for the project. This would facilitate its timely and more effective implementation. If the designated advisers are not able to perform the given tasks to the required professional standards, it is possible to continue working with them by modifying the planned work in a manner that will produce the intended results.

18. The countries receiving financial assistance from the European Union (Phare) have to comply with its requirement to purchase equipment from EU members. This requirement is understandable from the point of view of the EU economic interests. However, in many instances, this requirement is difficult to meet due to the need for compatibility between new equipment and the country's existing hardware and software. In addition, these investments are not in line with the planned purpose of projects. At the same time it should be mentioned that the number of such cases is negligible in comparison with the effectively completed procurements.

19. Exceptionally donors provide assistance to the wrong institution, which does not have the authority over land cadastre issues, the land register or the related records. This is a result of wrong information at the beginning of the cooperation and the lack of clear distribution of responsibilities

between organizations and agencies in the recipient country. In such cases, work might be duplicated or the project not realized.

Conclusions

20. To start coordinated inter-agency activities and raise the necessary funds for these activities, there is a need for minimum cooperation and readiness among adequate agencies to set up a joint, multi-purpose system of land administration. There are many ways of making compromises and establishing a coordinating mechanism. Experience shows that the best results are achieved if there is a single government coordinator (the inter-agency working body designated by the government with responsibilities for inter-agency and international coordination).

21. It is also recommended that all local organizations and agencies responsible for land administration should link up with one another and develop harmonized programmes of work (preferably a national programme) and have a common fund-raising strategy to approach different sources of funding in their country and abroad so as to rationalize their work and achieve better results. International assistance should be in line with the national programme.

22. Lately, donors have started to demand from recipient countries that they should ensure that different projects are linked regardless of their sources of financing (budget, grant, loan) so as to reduce the risks and reach optimal results. Both sides need to make an effort. This is the only warranty that the joint work will be pursued in the most rational way.

23. It might be appropriate for an independent body to review the experience among the donor and lending organizations in the UN/ECE region and on the basis of this review to make proposal on changes in the existing practice. The UN/ECE might be an appropriate body for such an activity.

24. The volume of funds allocated by the European Union for land administration projects of a general nature is decreasing in favour of specific sectors and subject-oriented projects. The land administration authorities in countries in transition that have stronger economies have a wider choice of financial means and sources, they should therefore be able to ask particularly favourable terms or other benefits from lending institutions.

25. The most crucial conditions from good land administration in a large number of countries will be created in the next five to ten years, as soon as the ongoing projects are accomplished. In the years to come, the economies in transition will need less support for general purposes in land administration. This will be replaced by new needs in specific areas with requests for a more specialized response from aid agencies. It is necessary to be prepared for the changes to come. Both the recipients and the donors have much experience. They should, therefore, continue to collaborate and bring land administration supporting services closer to the end-users and their demands in order to obtain optimal results.