



1. Project Data

Project ID P096418	Project Name VN-Land Administration Project	
Country Vietnam	Practice Area(Lead) Social, Urban, Rural and Resilience Global Practice	
L/C/TF Number(s) IDA-44070,TF-10988	Closing Date (Original) 31-Dec-2013	Total Project Cost (USD) 100,000,000.00
Bank Approval Date 27-Mar-2008	Closing Date (Actual) 30-Jun-2015	
	IBRD/IDA (USD)	Grants (USD)
Original Commitment	75,000,000.00	4,715,000.00
Revised Commitment	62,860,608.69	4,282,555.45
Actual	57,600,400.54	4,282,555.45

Sector(s)
Sub-national government administration(70%):Central government administration(30%)

Theme(s)
Land administration and management(100%)

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2. Project Objectives and Components

a. Objectives

According to the June 2008 Financial Agreement (FA, p. 5), the development objective is to increase access to land information services by all stakeholders through the development of an improved land administration in the Project Provinces. This objective will be achieved by ensuring that land users, including businesses and households, have access to more efficient, reliable, and transparent land administration services. The nine target provinces are Tien Gian, Ben Tre, Vinh Long, Binh Dinh, Khanh Hoa, Quang Ngai, Hung Yen, Thai Binh and Ha Tay (later merged with Ha Noi).

The above objective will be assessed in three parts:



- (i) increase access to land information services through more efficient land administration services,
- (ii) increase access to land information services through more reliable land administration services, and
- (iii) increase access to land administration services through more transparent land administration services.

b. Were the project objectives/key associated outcome targets revised during implementation?

No

c. Components

1: Modernization of the Land Registration System (US\$ 85.3 million at appraisal, revised in January 2013 restructuring to US\$ 82.1 million, and US\$ 70.6 million at completion) financed the development of an accurate, current, and complete information system to support land registration. This included (a) cadastral mapping of all land parcels(except forests); (b) records of land use and land use rights; (c) computerized land record system; and (d) policy studies supporting a modern land administration system.

2: Improvement of Land Registration Service Delivery (US\$ 7.4 million at appraisal, revised in January 2013 restructuring to US\$ 3.9 million, revised to US\$ 8.6 million, with the addition of activities to be financed by a US\$ 4.7 million grant from the New Zealand Aid Programme and US\$ 5.9 million at completion) financed the capacity of modern, "one-stop" Land Registration Offices at provincial and district levels; developed an information data warehouse, data sharing mechanisms within government and stakeholders (general public and private businesses) by making land registration data available online; and a public awareness and outreach program in support of land registration, surveying and mapping.

3: Support Project Management and Monitoring and Evaluation (US\$ 7.3 million at appraisal, revised in January 2013 restructuring to US\$ 5.9 million, and US\$ 9 million at completion) financed training, technical assistance, software, and equipment in support of project management, and project monitoring and evaluation systems to be used national, provincial and district levels. This component also financed project impact assessments and client satisfaction surveys.

There were two Level 2 restructurings which did not change the project development objective. The first, in January 2013, introduced two modifications to speed up project implementation because of lower than expected implementation capacity, escalating costs, and ineffective implementation arrangements. The first modification changed key indicators such as removing the client satisfaction indicator for lack of data and added a new indicator to measure access to land information (number of Land Registry Offices to be modernized). The second modification added the grant from New Zealand Aid Program to supplement activities under the second component and reallocated funds to better performing provinces as incentives to speed up implementation. Ineffective implementation arrangements were revised (see Section 9 below) with the removal of Community Stakeholder and District Participatory Groups in each province and district, and strengthening of the government's own supervisory and quality assurance mechanisms following the failed procurement of an independent technical auditor.

The second Level 2 restructuring, in October 2013, extended the closing by 18 months to complete technical service contracts, develop and establish land information system, National Spatial Data Infrastructure (NSDI) and provide for improved land services, pilot new land information services, improve land policies and governance, and disseminate the lessons learned.

d. Comments on Project Cost, Financing, Borrower Contribution, and Dates

Project Cost: Total project cost was US\$ 85.5 million, 15% less than the appraisal estimate reflecting the fact that planned activities could not be completed because of persistent low capacity and escalating project costs which slowed the pace of implementation.

Financing: The project was supported by an IDA credit of US\$ 75 million of which the ICR reports that US\$ 57.6 million was disbursed and US\$ 8.38 million cancelled. A grant of US\$ 4.7 million (disbursed US\$ 4.28 million) from New Zealand Aid Program was approved in January 2012 to be used for public awareness campaign, community participation, training, and capacity development under component 2. There was no further external financing.

Borrower Contribution: The Borrower pledged US \$25 million at appraisal. This was revised downward to US \$24 million in the 2013 restructuring. Actual contributions reached US \$20 million at completion



Dates: The only extension of the closing date was that of 18 months at the time of the second restructuring (October 2013). The project closed on June 30, 2015.

3. Relevance of Objectives & Design

a. Relevance of Objectives

The project objective is relevant to Vietnam's Socio Economic Development Plan (2011-2020) particularly in its policies and measures to spur economic development as part of its sustainable development priorities. The project outcomes directly contribute to developing transparent, effective system of land price policies (SEDP online).

The objective is also relevant to the World Bank Group's Country Partnership Strategy (CPS) for the Fiscal Years 2012-2016. Two key expected outcomes of the CPS seek to improve economic management and the business environment and improve natural resource management. Access to land information, transparency in land administration services, and support for land use planning contribute to the cross cutting themes of strengthened governance, gender equity, and enhancing community participation under Pillar 2 - Sustainability. Bank support to improved governance will develop more efficient land markets in urban and rural areas (CPS, p. 24).

Rating

Substantial

b. Relevance of Design

Design was intended to lead to the development of a modern land management system and enhanced provision of land information in participating provinces. The causal chain - increased access to land administration services brought about by system improvements - is adequately reflected in the use of investments and technical assistance activities financed by the project. The expected outputs, outcomes and development objective are simple and straightforward. Design emphasized integrating activities to develop a robust land administration system (mapping, surveying, profiling, registration, issuing certificates, other services) across land agencies at the national, provincial, district and commune levels. Based on lessons learned from other land administration operations elsewhere, scope was limited to increasing access to land information rather than land tenure. The system developed under the project was to be replicated nationwide informed by the experience of the first 9 (of 63) provinces. Design was consistent with the government's strategy to improve land management under the 2011–2020 period which focused on enhancing effectiveness, efficiency, transparency, participation, and accountability in managing land. Due consideration was made to raising awareness about the project and in engaging ethnic minorities.

The team provided additional information which clarified a few things: first, that unmet demand for land information services by specific groups of users (e.g., farmers, urban households, businesses) were identified in a Swedish International Development Agency (SIDA)-financed Social Assessment and thus informed the demand-driven approach of project design. Second, project components considered policy issues involving security in land tenure and an improved legal and regulatory framework in land management. Third, activities took advantage generating knowledge and disseminating lessons from good practices of the better performing provinces. Fourth, the team and IEG acknowledge the difficulty in identifying and prioritizing specific changes in land policy and land holdings at the appraisal stage in light of the team's observation of the voracity and fast pace of policy reforms in Vietnam. As a consequence, the estimated inventory of the land areas to be surveyed and mapped, their levels of difficulty, the number of land profiles to be prepared, and LURCs to be prepared and issued by the provinces early in the preparation process was outdated by the time implementation started.

However, there remained a couple of shortcomings. First, insufficient account was taken of limited institutional capacity of land agencies at the various levels of government in setting project targets. Second, the availability and capacity of private sector companies to render the bulk of the services were overly optimistic.

Rating



Substantial

4. Achievement of Objectives (Efficacy)

Objective 1

Objective

To increase access to land information services by all stakeholders through more efficient land administration services.

Rationale

OUTPUTS

The project completed and updated cadastral maps, records on which to base land use and Land Use Rights Certificates (LURCs), computerized land record systems, and completed a number of studies at the national level and in 5 provinces. Outputs include the completion of cadastral maps for 89% of the revised target, or 878,000 hectares; 3.4 million land records were updated meeting the revised target; and 3 million LURCs were distributed meeting 59% of the original target.

In addition, the project supported monitoring and evaluation activities at the central and provincial levels. Training in project planning and management, reporting, financial management, and procurement were conducted. A study on financial sustainability and a series of policy studies were also completed.

The number of households or individuals granted LURCs (1.3 million exceeded the revised target of 0.4 million), 1.5 million LURCs were issued to women against a target of 2.8 million, and 57 Land Registry Offices (LROs) complied with approved standards compared to the revised target of 61. Land Management System Land Data Standards, and regulations on land mapping, and land documents were completed.

LURCs issued covered 509,000 hectares, achieving 89% of the 569,000 hectares target added at restructuring. Cadastral databases were centralized at the provincial level in the 9 participating provinces meeting target; and cadastral records management system was operational in 52 district level LROs, achieving 85% of the revised target of 61 LROs.

The project improved land registration service delivery by modernizing 57 LROs meeting 91% of its revised target (original target was 86, revised to 61).

There are now 870 commune level access points exceeding revised targets (original target was 1,279, revised to 718) with available land registration data online. There were 860 public awareness plans implemented at the commune level, including ethnic minority action programs meeting revised targets (original target was 1,279, revised to 861).

OUTCOMES

Coverage of the activities supported by the project was reduced below the original targets at the time of the January 2013 restructuring. Not all revised targets were met, for example, there remained a shortfall in cadastral maps available in digital format.

The land administration information system in all nine participating provinces decreased the processing times for land transfer transactions (from 44 to 12.2 days), for mortgage transactions (from 11 to 1.2 days), and for issuing LURCs on demand (from 55 to 19.2 days). Beneficiary surveys were conducted as part of the Government-sponsored 2015 Independent Evaluation where high levels of satisfaction with various services provided at LROs were cited by both land users (70%-89%) and businesses (80%-97%). The team provided additional details (including methodology used) of this evaluation and the beneficiary surveys conducted as part of it.

According to the same Independent Evaluation, transactions increased among households and businesses from a 2008 baseline as shown by registered mortgages (up from 38,000 to 88,000 for individual land users and from 239 to 5,800 among businesses), transfers (from 19,000 to 45,000 among individual land users), donations (from 5,700 to 25,000 among individual land users and from 31 to 120 among businesses), and inheritance records (from 2,500 to 9,500 from individual users). The increase in demand for land information reflected in these transactions is used as a proxy for "increased access" and "accessibility" although not all increases may be attributable to the project (ICR, p. 19). However, the team provided additional evidence derived from an independent financial economic analysis of the project, conducted after project closure, that substantiates the claim attributing increased demand for land information because of the project.

Rating

Substantial



Objective 2

Objective

To increase access to land information services by all stakeholders through more reliable land administration services.

Rationale

OUTPUTS

The outputs discussed under Objective 1 are also related to this Objective.

OUTCOMES

Cadastral surveys, maps, land profile preparation, LURC adjudication, land database integration led to enhanced internal consistency of land information, according to the ICR (p.19). Using information provided under the Government-sponsored 2015 Independent Evaluation, land information was integrated across provincial, district, and commune levels in seven of the nine participating provinces and with national data in four of the nine establishing consistency in data accessed anywhere. The increase in land area covered by digital cadastral maps, the number of updated and approved land profiles, is reported to have improved the internal consistency of the Land Information System (LIS). Because of this integration, the LIS is better able to provide up-to-date, complete, and accurate information on ownership. This, in turn, helps to resolve disputes, as reflected in the number of reduced filing per year from 12% in 2008 to 36% by project closure (no target provided). However, it is unclear whether or not this improvement only refers to those four or seven provinces or whether integration also occurred in the remaining two provinces.

Rating

Modest

Objective 3

Objective

To increase access to land information services by all stakeholders through more transparent land administration services.

Rationale

OUTPUTS

The outputs discussed under Objective 1 are also related to this Objective.

OUTCOMES

The 57 LROs make available land information services according to the General Department for Land Administration (GDLA) service standards (ICR, p.18). GDLA service standards are incorporated in GDLA regulations. There is no information to assess whether or not these standards were adequate.

A 2014 World Bank Land Transparency Report noted that the nine participating provinces performed better than non-participant provinces in disclosing mandatory land information in their respective portals and on site at LROs. This included making available land information data through non traditional methods like SMS (text messaging). Of the nine provinces, five displayed land information onsite, six made data available in their portals, while four provided data onsite and in their portals.

Using data from the 2015 Government-sponsored Independent Assessment, the ICR reports a relative increase in trust in land administration in the participating provinces, based on perceptions of service quality and the presence of irregularities in service. The level of trust reportedly increased from 36% to 75% in the participating provinces, while it remained largely unchanged at around 40% in non-participating provinces. The team confirmed the soundness of the methodology used in the Government-sponsored assessment.

There was, at project closure, no institutional agreement regarding Land Information System data sharing between land administration and other agencies, including what would be in the public domain.

Rating

Substantial



5. Efficiency

Economic and Financial Efficiency

There was no quantitative economic analysis of the project at appraisal (PAD, p. 13) or at closure (ICR, p. 19). The ICR states that there were substantial economic benefits since the project was implemented as Vietnam was transitioning from a planned economy to a market driven one, but these benefits were not quantified. A financial rate of return was estimated at appraisal (38%) adjusted at restructuring (25%) and finally at 20% by project closure (ICR, pp. 20 and 36). This rate was based on deriving benefits from increasing land-related tax revenues including increasing transaction costs due to increased activity in land markets, increasing land prices, and enhanced tax administration. The team clarified that the methodology used for the Government-sponsored independent financial and economic analyses, undertaken after closure, were sound.

Administrative Efficiency

There were several administrative and operational inefficiencies. The project experienced implementation delays early on because of limited project management capacities at the central, provincial, district, and commune levels. As this was the first large-scale Bank supported land administration project, the agencies involved had limited experience in Bank requirements, particularly in financial management and procurement. Provincial and Central Project Management Units had insufficient human resources, few full time staff and experienced high staff turnover. Implementation management arrangements had to be modified to make them more effective (see Section 9b for details). A failed procurement of an independent technical auditor was replaced by a strategy to strengthen the government's own supervision and quality assurance mechanisms.

Inflationary pressures on wages increased labor costs over time and affected overall project resource allocation (labor figured at 75% of project costs under component 1 which received the bulk of the allocation) leading to reductions in targets. Government remuneration policy also affected their ability to hire procurement staff which proved to be a major implementation bottleneck throughout the project (ICR, p.9, also see Section 11b below). The 18 month extension was not sufficient to complete the project. The capacity and availability of private contractors to participate in providing services under the project was overestimated.

Efficiency Rating
Modest

a. If available, enter the Economic Rate of Return (ERR) and/or Financial Rate of Return (FRR) at appraisal and the re-estimated value at evaluation:

	Rate Available?	Point value (%)	*Coverage/Scope (%)
Appraisal	✓	38.00	82.00 <input type="checkbox"/> Not Applicable
ICR Estimate	✓	20.00	90.00 <input type="checkbox"/> Not Applicable

* Refers to percent of total project cost for which ERR/FRR was calculated.

6. Outcome

The relevance of the objective was substantial as well as that of design following the additional evidence provided by the team. According to new and additional evidence provided, two of the three sub-objectives were achieved to a substantial degree while one remained achieved to a modest degree. The ICR's assessment of project outcomes relies heavily on a 2015 Government-sponsored Independent Evaluation which the team has clarified was of a sound methodology. Additional quantifiable economic analysis was undertaken after project closure but efficiency is rated modest because of important administrative and operational inefficiencies.

a. Outcome Rating
Moderately Satisfactory



7. Rationale for Risk to Development Outcome Rating

The ICR identifies the following risks:

Technical - The software may not be updated as needed, The Land Information System may not adequately capture modifications in land information particularly those that occur informally but need to be captured for a robust, reliable, and effective data set. Vietnam developed this software within its existing IT capacities. This will likely need modification when new and better technologies or software become available.

Financial - Land offices may not have access to adequate financial resources to support maintenance needs of information systems and improved services.. Provinces are limited in taxation capabilities since taxes are determined nationally. Provincial authorities have little leeway in charging fees that could respond to policy incentives. Because of lack of resources, there is a risk that trained talent may not remain with the agencies or there may be inadequate resources to train new hires.

Institutional - There was, at project closure, no institutional agreement regarding Land Information System data sharing between land administration and other agencies, including what would be in the public domain. It is also important to recognize the risk associated with the continuing practice of informal transfer of land use rights that may not be captured by the system.

- a. Risk to Development Outcome Rating
Substantial

8. Assessment of Bank Performance

- a. Quality-at-Entry

The project was technically well prepared. Covenants and other mitigating arrangements were put in place to address the substantial risks assessed. Project preparation followed a land policy stocktaking exercise to identify gaps and benefited from joint efforts by government and other external partners in improving land administration.

However, there were significant shortcomings in Quality at Entry. The project design did not adequately consider the significance of the country's transition to a market based economy and the behavioral changes that would accompany it. For example, land officials now have to manage the generation and distribution of accurate land data in a transparent manner. Land users, on the other end, have to be active economic actors who look to optimize returns on assets such as land. Demands of ownership and the accompanying tax responsibilities are relatively new.

Substantial risks were identified at appraisal since this was the first Bank supported land related operation in the country. There was, nevertheless, an insufficient assessment of institutional capacities at all levels of government that would negatively affect implementation including the design of stakeholder participatory arrangements at the district and provincial levels. Not all of the nine participating provinces identified were ready or had adequate capacity to carry out project implementation.

Procurement was identified as a substantial risk to implementation but the corresponding action plan underestimated the complexity of the various procurement packages that were eventually organized. This was to be the first time the government would be implementing complex contracts using international competitive bidding. Mitigating factors appear to have been inadequate since procurement delays persisted throughout implementation. Assumptions about the availability and capacity of the private sector to implement the project were overly optimistic. There were also weaknesses in M&E design (see Section 10a below).

Quality-at-Entry Rating
Moderately Unsatisfactory

- b. Quality of supervision

Joint implementation support missions with other external partners were undertaken. In the context of the 2012 Mid-Term Review (MTR), the Bank identified and prepared action plans to resolve implementation challenges. These, in turn, formed the basis for the January 2013 Level 2



restructuring. Prior to the MTR, disbursement had been very slow, but accelerated after the restructuring. Changes were made in implementation arrangements to address weaker than anticipated capacity at both the national and provincial levels. For example, the requirement that each Project Province and District maintain a provincial Community Stakeholder Group and District Community Participatory Group, respectively, was dropped, as this mechanism has proved to be ineffective and infeasible. A district-level Land Information System was replaced by one at provincial level to enable a more unified land information management system and effective data sharing. The requirement to engage an Independent Technical Auditor (ITA) was dropped as the procurement had been unsuccessful. Instead, the Government strengthened its supervision and quality assurance system, which - according to the ICR - made the ITA no longer necessary. Targets were reduced to reflect the impact of increased project costs because of inflationary pressures on labor costs and inefficient implementation arrangements. The overly optimistic assumption regarding the availability and capacity of private sector contractors to render services under the project was addressed by allowing state owned companies to participate as providers but low capacity within these enterprises proved to be intractable. Budget reallocation was used to give participant provinces incentive to speed up implementation. Intensive procurement training was carried out but proved insufficient to overcome the low capacity level of the participant provinces (ICR, p. 24). Financial management was rated satisfactory in supervision reports. The team clarified that full and on-going assessments of the better performing provinces were used to assist progress in the weaker ones. The Bank team's strong supervision performance led to successfully restructure the project.

There were only minor shortcomings in the quality of supervision. The complexity of the procurement packages was daunting for a first time participant to international competitive bidding, and could have been simplified in the light of experience and considering the acknowledged capacity obstacles.

Quality of Supervision Rating
Satisfactory

Overall Bank Performance Rating
Moderately Satisfactory

9. Assessment of Borrower Performance

a. Government Performance

The government showed its commitment to achieving the development objective by facilitating an enabling environment embodied in its 2013 Land Law, which provided a legal framework for developing a modern land administration and management system (ICR, p. 41). However, the government did not provide adequate resources to meet staffing needs. Project agencies suffered high staff turnover (see Section 9b below). Government-imposed remuneration ceilings led to difficulties in hiring and retaining staff such as procurement experts which contributed to procurement bottlenecks. All these contributed to significantly slow implementation during the first half of the implementation period. In addition, the government experienced some difficulty in making counterpart payments. Performance improved after the 2012 Mid Term Review and 2013 restructuring. Compliance with covenants was cited as having taken some time but had been achieved by closure (ICR, p. 13).

There was adequate stakeholder consultation, particularly among ethnic minorities as embodied in the Ethnic Minority Planning Framework and specific Ethnic Minority Action Plans for four provinces where ethnic minorities are present.

Government Performance Rating
Moderately Unsatisfactory

b. Implementing Agency Performance

The implementing agency at the central level was the Ministry of Natural Resources and Environment. In 2009, when the General Department for Land Administration (GDLA) was reestablished in the Ministry, the GDLA was designated to implement the project on behalf of the Ministry. This introduced a new layer of oversight not foreseen in the original institutional arrangement with a new team unfamiliar with the project and caused implementation delays. This structure took two-and-a-half years to become established (ICR, p. 42). The GDLA worked with the nine participant Provincial People's Committees and provincial Departments of Natural Resources and Environment. These provincial bodies were assisted in daily project management by the Central Project Management Unit and the nine Provincial Project Management Units.

Implementation performance was uneven among the participant provinces. Some provinces and districts were not ready to start



implementation. Capacity problems were exacerbated by lack of familiarity with Bank procurement rules, and by the complexity of procurement packages. Salary ceilings imposed by the government could not attract qualified staff. For example, at the central units, only 5 of 26 full time positions were filled at the peak of project implementation (ICR, p. 9). There was insufficient allocation of human resources and high staff turnover throughout the project period (ICR, p. 25). Although some provinces allocated adequate staffing and equipment and even financed additional complementary activities, others did not. The team clarified that the project achieved significant outcomes, both at the Project Development Objective level and the Intermediate Outcome levels, largely due to the work of provinces. In addition, the implementing agency's commitment to reform contributed to the passage of the Land Law.

Some communes and districts were given new, more complex responsibilities for which they lacked capacity. By the time of the 2012 Mid Term Review, only 14% of the targeted Land Use Registration Certificates had been distributed and only four of the original 95 land registration offices targeted offered improved services.

M&E as designed was not implemented. It was modified but not strengthened (see Section 10 below). Comprehensive data sets supporting project implementation were only prepared post completion. Frequent staff turnovers also contributed to poorly maintained data and reports. A significant number of district and commune level reports were submitted in the last quarter of the implementation period and were not reviewed nor included in completing the ICR (ICR, p. 11).

Implementing Agency Performance Rating
Moderately Satisfactory

Overall Borrower Performance Rating
Moderately Satisfactory

10. M&E Design, Implementation, & Utilization

a. M&E Design

The M&E Framework was limited and focused more on output indicators rather than outcomes (ICR, p. 11). Design included satisfaction surveys to be carried out at regular intervals for a systematic, multi-dimensional tracking of beneficiary satisfaction. This design was meant to generate knowledge that could be used in scaling up the project. A baseline survey was undertaken during preparation.

Implementation arrangements for M&E were to be centrally managed by the Ministry of Natural Resources and Environment with inputs from the provincial management units.

b. M&E Implementation

The M&E plan was not followed nor fully implemented. Data were not collected in a timely manner. Key indicators were not systematically updated and required time consuming verification. Each province only periodically reported on implementation progress. Frequent staff turnover at the central level affected consistent data gathering and reporting. The satisfaction surveys were not carried out as planned. A social impact assessment was funded by the project in 2012 to capture social outcomes of the project; its usefulness was limited by the fact that only 12% of the funds were disbursed when it was carried out. A planned ex post regression analysis comparing communes within participant provinces to communes in non-participant provinces was not completed. A significant number of communes and district level reports were submitted only by the second quarter of 2015 or at project closure. Provinces and districts conducted reviews of project completion between July and October 2015 (i.e., after closure on June 2015) which updated the M&E framework at project end. The Government funded a post completion impact assessment which the ICR reports as having produced comprehensive data and on which the ICR heavily relied (ICR, footnote, p.21). The team clarified that the assessment's methodology was sound. Post closure data was collected to derive lessons learned.

Key outcome target indicators were revised during the 2013 restructuring. New key outcome target indicators included (i) the share of parcels with approved LURCs against the universe of eligible parcels (new target is 80% of parcels in the project area), (ii) number of households or individuals granted LURCs (new target is 2.8 million users), (iii) the number of LURCs issued to women (new target is 2.0 million or 71% of the number of individuals or households), and (iv) LROs complying with approved standards (new target is 50). The number of districts covered by the projects was reduced (from 86 to 57) as was the target value in the number of LURCs issued (from an original target of 5.1 million to 2.8 million), and number of LROs to be modernized (from 86 to 61). The indicator monitoring client satisfaction with land



administration services was dropped because of lack of data (the relevant surveys were not carried out). The indicators showing time required to issue LURCs on demand and the number of LROs complying with approved service standards were added. Planned impact studies to show inclusiveness of the system to target populations or on the business environment, transparency and anti-corruption measures were not implemented.

c. M&E Utilization

Data may not have been collected in a timely manner, but the team clarified that the M&E system and Project Results and Monitoring Framework were used to track progress and detect implementation bottlenecks. Restructuring was informed by both the Mid Term Review and this M&E system.

M&E Quality Rating
Modest

11. Other Issues

a. Safeguards

Environmental and Social Safeguards

This was a Category C project (PAD, ICR, p. 12) posing minimal or no adverse environmental risk. However, the Indigenous Peoples Safeguard (OP 4.10) was triggered. The PAD reports that a 2007 Ethnic Minority Planning Framework was prepared at appraisal following consultations at national, district and commune levels. There are 250,000 ethnic minority or 10 ethnic groups residing in the 9 participating provinces. Formal consultations at national, district and commune levels were carried out (ICR, p.12) in accordance with the framework. Ethnic Minority Action Plans were prepared for 4 of the 9 provinces to ensure that land administration staff adequately address specific needs of ethnic minorities in land registration. Measures (e.g., advisory groups at the provincial and district levels, staff training on the needs of ethnic minorities, and requiring contractors to interact with ethnic minorities) were unevenly implemented at first but, according to the ICR, improved after the 2012 Mid Term Review. As a result, the ICR (p. 12) reports that 90-100% ethnic minorities participated in land use right registration throughout the 9 provinces and 90-100% ethnic minorities in some districts were issued new land use rights certificates. Ethnic minorities are reported as having registered heightened awareness of their land use rights, including rights of both men and women, in the 2015 independent project evaluation.

Gender related aspects of the project were specified as a key target indicator in the January 2013 restructuring.

b. Fiduciary Compliance

Financial Management

The ICR (p. 12) states that financial management was generally rated satisfactory in supervision reports. There were appropriately qualified staff in implementing agencies, timely and acceptable quarterly and annual financial reports, and externally audited annual financial reports with unqualified audit opinions. Issues identified focused mostly on procurement and contract management system (see below), internal control, accounting treatment, and payment procedures. The ICR points to lessons in strengthening financial management capacity, improving contract management systems, and maintaining effective internal controls. The ICR reports that audit recommendations had been implemented by project closure.

The ICR (p. 13) notes that there were delays in compliance with legal covenants (no details are provided) but that there was compliance by closure.

Procurement

Procurement was a serious implementation bottleneck both at the national level and in six of the nine participating provinces. Problems reflected



mainly a lack of experience with Bank procedures and high turn over of staff who were assigned procurement responsibilities. The latter affected consistency in data and reports. In addition, as noted in Section 9 above, the government set ceilings on salaries and was unable to hire qualified staff. Procurement was further complicated by the number of packages (151 technical packages at the national level, with over 70 packages for equipment at the national and provincial levels, involving twelve rounds of international competitive bidding. There were no reported cases of misprocurement.

c. Unintended impacts (Positive or Negative)

d. Other

12. Ratings

Ratings	ICR	IEG	Reason for Disagreements/Comment
Outcome	Moderately Satisfactory	Moderately Satisfactory	---
Risk to Development Outcome	Substantial	Substantial	---
Bank Performance	Moderately Satisfactory	Moderately Satisfactory	---
Borrower Performance	Moderately Satisfactory	Moderately Satisfactory	---
Quality of ICR		Substantial	---

Note

When insufficient information is provided by the Bank for IEG to arrive at a clear rating, IEG will downgrade the relevant ratings as warranted beginning July 1, 2006.

The "Reason for Disagreement/Comments" column could cross-reference other sections of the ICR Review, as appropriate.

13. Lessons

The following lessons are summarized from the ICR (p. 26-27):

- By nature, land administration projects need a long time to gain a foothold. They require political will and adequate management capacity from all levels of government. Challenges are acute when new efforts introduce changes, not only in market structures but in service orientation as well, as was the case in this project. A successful endeavor would probably require multiple, successive, and incremental operations that would build upon modest, well formed designs that consider capacities of the entities providing the service at all levels of government and a strong awareness-raising communications strategy that would engage users of the service from both the general public and private sectors. When selecting which subnational entities could showcase appropriate approaches, it is important to assess carefully readiness to implement.
- There is value in utilizing "soft" investments in training, and awareness raising, particularly when behavioral changes are necessary to accompany the transition from a centrally planned to a market based economy. In addition, independent assessments of implementation and impact could foster innovations and creative approaches to optimal service delivery at the local level. Learning opportunities based on these innovative practices could then be systematically shared and disseminated.

14. Assessment Recommended?



Yes

Please explain

A Project Performance Assessment Report (PPAR) is recommended to capture the lessons learned about land administration reform in transition economies.

15. Comments on Quality of ICR

The ICR is clear, analytical and reasonably thorough. Lessons are derived from project operations evidence. Shortcomings from both the Bank and Borrower are frankly discussed. The reasons for implementation delay that led to restructuring were candidly pointed out.

There are two shortcomings. First, a split evaluation of outcomes was not necessary or appropriate in this case. Second, it would have been useful to have attempted an ex-post analysis of economic efficiency, cost effectiveness, or more clarity on impact assessments and their results to inform scaling up operations.

- a. Quality of ICR Rating
Substantial