

1. Project Data:		Date Posted : 06/30/2011	
PROJ ID : P095883		Appraisal	Actual
Project Name : Reconstruction Of Aceh Land Administration System Project	Project Costs (US\$M):	28.5	14.8
Country: Indonesia	Loan/Credit (US\$M):	28.5	14.8
Sector Board : ARD	Cofinancing (US\$M):		
Sector(s): Central government administration (100%)			
Theme(s): Land administration and management (100% - P)			
L/C Number:			
	Board Approval Date :		06/24/2005
Partners involved :	Closing Date :	12/31/2008	06/30/2009
Evaluator :	Panel Reviewer :	Group Manager :	Group :
April Connelly	John R. Eriksson	IEG ICR Review 1	IEGPS1

2. Project Objectives and Components:

a. Objectives:

The wording of the PDO differs slightly in the Grant Agreement and the PAD .

"The objective of the Project is to assist the Recipient in : (i) recovering and protecting ownership land rights of the Tsunami Affected People in Aceh; and (ii) rebuilding the land administration system in Aceh ." (Grant Agreement, pg. 13)

"The overall goal of the proposed project is to improve land tenure security in Aceh after the devastation caused by the tsunami and the destruction of evidence of ownership . The specific objectives of the proposed project are : (i) to recover and protect ownership land rights of the people in the affected and surrounding areas; and (ii) to rebuild land administration system ." (PAD, pg. ii)

This assessment uses the PDO set forth in the PAD, which is more monitorable .

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

No

c. Components (or Key Conditions in the case of DPLs, as appropriate):

Component A - Reconstruction of property rights and issuance of land titles (appraisal: US\$22.1 million; actual: US\$11.7 million) The objective of this component was to reconstruct the land administration records system in the tsunami-affected provinces and to reconstruct and protect the property rights of both formal and informal land holders. It was organized into four sub-components:

A1 - Reconstruction of BPN's land records and provision of support to ensure that the recovered documents are usable.

A2- Community-driven adjudication, community awareness and participation, to sort out ownership rights, land boundaries and inheritance issues within the communities, led by community leaders with support from NGOs and facilitators.

A3 - Surveying and mapping, registration of rights and issuance of title certificates for around 300,000 parcels in tsunami affected areas and around 300,000 in other urban and low agriculture land that were not affected by the tsunami.

A4 - Support for policy, legal and regulatory issues that may potentially slow down project implementation .

Component B - Reconstruction of BPN institutions in Aceh (appraisal: US\$3.9 million; actual: US\$1.8 million)

This component was aimed at supporting the reconstruction of BPN facilities and its human resources in Aceh . It was organized into three sub-components:

B1 - Reconstruction of facilities and provision of equipment and furniture .

B2- Training and capacity building of BPN staff to support the implementation of the project and on -going land administration services provided by BPN.

B3- Computerization and development of back-up off site storage system and procedures for land records .

Component C : Project management (appraisal: US\$2.5 million; actual: US\$1.31 million) The objective of this component was to support the National Land Administration Agency 's (BPN)'s Aceh provincial office (BPN-kanwil) to implement the project in an efficient and transparent way, including :

C1 - Project management support.

C2 - Monitoring and evaluation . Specifically the component will finance monitoring of the adjudication and surveying process to ensure that the entire process is transparent and no corruption transpires during the CDA [Community-Driven adjudication], and the surveying and adjudication .

C3 - Short term international and Indonesian technical assistance to the PIU to implement the project .

The projects components remained unchanged throughout the life of the project .

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

Approval: The Reconstruction of Aceh Land Administration System Project (RALAS) was the first of eleven projects totaling US\$463.5 million, as of December 2009, financed under the Multi-Donor Fund for Aceh and Nias (MDF) with the Bank acting as the partner agency . The period for project preparation was 5 months. The ICR notes that the project did not go to the Board for approval, rather it was endorsed by the MDF steering committee and approved by the Bank's regional VP.

Project Cost : Total project cost was estimated at US\$28.50 million to be financed in total by a grant from the MDF . Actual cost was US\$14.82 million. The remaining grant amount was cancelled . Disbursements were lower than anticipated due to implementation weaknesses . The Government financed of about \$1.15 million for salaries but this was not included in the costs and financing as they were considered part of the ongoing institutional and administrative costs rather than incremental costs attributable to the project .

Dates: The project's closing date was extended from December 31, 2008 to June 30, 2009 to allow for the orderly completion and closing of the 2008 Annual Work Plan that was behind schedule . The GOI requested a second extension, for an additional two years but the request was denied . The ICR notes (pg. 26) that Bank management and the MDF made this decision based on the following : "First, the decision was made in May 2008, when project outputs were significantly lower than at the actual closing date . Second, many of the project's implementation weaknesses still remained unaddressed and the constructive engagement needed on the part of central BPN was missing. Third, the emergency and reconstruction phases of the tsunami response effort had been completed and the PDO of securing and reconstructing property rights in affected areas had been largely achieved despite the lower titling outputs. Fourth, no significant ongoing progress was being made toward the PDO of reconstructing Aceh 's land administration system: physical works were substantially delayed due to procurement weaknesses and no serious attempts were being made at developing the computerized records management and back -up systems. Fifth, some of the challenges faced in Aceh are common to all provincial land administration systems in Indonesia, so after the most critical post-tsunami needs had already been addressed, the urgency of continuing to focus specifically on Aceh was not considered as high (nor as effective and efficient as a possible system -wide approach)."

3. Relevance of Objectives & Design:

The project's objectives were highly relevant to the country's emergency response requirements as well as the Bank's Country Assistance Strategy . The project responded to the post disaster need to re establish land ownership records which were critical for rebuilding and reconstruction projects financed by the government and international community. Securing pre-tsunami land property rights was also critical to mitigate the risk of land grabbing and

speculation. Project objectives were in line with the 2004-08 CAS focus on improving the investment climate and making service delivery responsive to the poor, as well as to disaster risk management which was formalized as an additional area of development assistance in the CAS Progress Report of 2006.

Relevance of design was substantial . Project components adequately supported project objectives . The ICR notes that design capitalized on knowledge gained under previous Bank land -management operations in Indonesia but adapted some elements to the post-tsunami rehabilitation effort. This included the Community-Driven Adjudication (CDA) process, which the ICR reports helped to reduce bottlenecks associated with the traditional top -down approach to land adjudication and helped to resolve land disputes at the village level . The project also assisted the GOI with design and implementation of appropriate regulatory measures . There were two main shortcomings of design. (1) Implementation arrangements relied too heavily on the capacity and commitment of "an agency whose capacity was not strong before the disaster and severely compromised after it ." (ICR, pg. 14) The ICR argues that moving forward prior to strengthening institutional capacity of the implementing agency was an appropriate trade off that had to be made given the emergency context of the intervention and the need to move quickly . It rightly makes the distinction that in a longer-term operation greater emphasis should be placed on building institutional strength and information systems prior to, or in parallel with land titling activities . (2) The risk that counterpart commitment could change was also overlooked . At appraisal, the project had the strong support of BPN central management but during implementation its support diminished for decentralized and participatory implementation, civil society engagement and fluid cooperation with other line agencies diminished . In hindsight, the targets for land titling were somewhat ambitious given the post-disaster implementation conditions, and the implementing agency's low capacity and its uneven commitment to the decentralized and participatory implementation methods that were required to meet such targets.

4. Achievement of Objectives (Efficacy):

PDO 1 - To recover and protect ownership land rights of the people in the affected and surrounding areas was modest.

Policy framework for land rights under rehabilitation and reconstruction . The project supported the passage and dissemination of several regulations and decrees underlying the Government's post -tsunami land strategy: The Ministry of Finance Regulation, waiving all fees, charges and taxes for land registration; The Land Registration Manual in Post- Tsunami Areas, which gave legal status to the CDA approach for community land mapping and provided guidelines on inheritance, developed in conjunction with the Syariah courts; and the Government Presidential Decree on the Handling of Land Issues related to Implementation of Rehabilitation and Reconstruction, this included the prohibition on transfer of land parcels before the status is determined . The ICR reports that the passage of legislation prohibiting land transactions, and the project activities that raised public awareness of land rights are reported to have effectively guarded against land grabbing . While the extent of attribution to project activities is not known with certainty because the project did not assess this, it appears likely that project activities have contributed to this outcome .

Reconstruction of damaged or destroyed land records . The project intended to reconstruct all land records in Aceh that had been damaged by the tsunami and enter these records into a computerized land records system to provide for data security . The ICR reports that the majority of damaged land records (42,966 land titles, including land books, parcel maps and survey plans, 284,000 registry land documents, and 210 cadastral maps) were reconstructed and returned as hard copy to Aceh for verification, reconciliation, archiving and computerization to prevent future damages. The recovered land records were scanned but the data was not organized in a secure, backed -up computerized land records management system . At project closure, reconciliation and verification of the recovered records was pending . In addition work remained to be done to organize and store the hard copy records, due in part to lack of space .

Systematic titling . This involved three phases . First, establishing property rights using the CDA approach, which includes community agreement on land parcels and ownership, community land mapping activities, and completion of required forms . Second, confirming property rights by officially surveying land parcels, review of the documents received by field adjudication teams, committee meetings, public notification, receipt and resolution of objections, and confirmation of status of the land parcels . Third, securing property rights by entering title details into the land book, confirmation and signature of records by district land offices, and finally distribution of title certificates to land holders . A target of 600,000 parcels was set for each phase . The project appraisal document envisaged that the target of 600,000 parcels for each phase would be carried out across three priority land categories : (a) Priority 1 - 100,000 parcels designated as settlement and housing; (b) Priority 2 - 200,000 parcels designated as other; and (c) Priority 3 - 300,000 land parcels, in areas adjacent to the tsunami-affected areas .

Property rights were established for 317,170 parcels (about 53% of the target) but it was not possible to ascribe these parcels to specific "priority areas" as anticipated in the PAD . The CDA approach, whereby each landowner

signed a statement of ownership that was subsequently endorsed by the neighbors and the village chief, is reported to have helped resolve land disputes at the local level but no evidence is provided to support this claim .

Property rights were confirmed for 272,912 parcels (45% of the target). The ICR notes that approximately 68% of the parcels mapped and surveyed are in the districts affected by the tsunami . This represents about 63% of the estimated number of land parcels in those areas that were not washed away or permanently inundated .

Land title certificates were distributed to owners of 222,628 parcels (about 37% of the target). Of the 222,628 titles distributed, 151,387 were for land parcels that were directly affected by the tsunami . This represents about 50 percent of the estimated 300,000 directly impacted land parcels . The ICR notes that, despite falling short of the target, the number of land titles issued is equivalent to over 18 times the annual number of titles issued in Aceh before the tsunami.

Respondents to a beneficiary assessment carried out in the final year of the project reported the following advantages to holding land titles : increased land value; easier access to formal credit; reduced conflict with neighbors; and higher compensation in the case that the land is acquired for a public project . Local authorities noted that RALAS's systematic land titling was fair and equitable and that the maps and parcel lists that were produced facilitate local development planning . Negative opinions expressed by title recipients related to missing information on the land titles, higher future taxes, and the high cost of future transfers . However, the perceived advantages reportedly outweighed the perceived disadvantages .

PDO 2 - To rebuild the land administration system was modest .

This objective was to be achieved by building the capacity of BPN staff, physical construction of BPN land offices, and developing a computerized records management and back-up systems. The ICR reports that capacity of BPN staff was built through training and hands-on learning through the implementation experience . 620 BPN staff working at the various levels of government (i.e., field teams, provincial, district, local) received training on systematic land titling techniques, surpassing the project target of training 30 staff. The main focus of the training was on the application of the project manual and CDA techniques, but some training was also provided on quality control and field monitoring, planning, procurement and financial management . The ICR reports that substantial capacity building occurred as a result of these activities . However, an actual assessment of staff capacity was not made . However, as evidence of enhanced capacity, the ICR notes (pg. 18) that "only around 15,000 titles were distributed to owners under the annual work plan of 2005, this number increased to roughly 100,000 under the 2006 and 2008 [work plans]." Less progress was made in the physical reconstruction of BPN's land offices and the development of a computerized records management system . Renovation works for six land offices were completed (67% of target) but only three buildings were operational at project closure (33% of target). Reconstruction of two BPN office buildings were never started due to procurement delays and the Banda Aceh city land office, was only partially completed (i.e., 50 percent progress) at project closure . New construction works were completed in four district land offices, but only one was fully operational at the time of the ICR . No progress was made toward developing a computerized land records system.

5. Efficiency (not applicable to DPLs):

On balance efficiency is rated **modest**, partly due to limited evidence . No ERR was prepared at appraisal due to the emergency nature of the project and no ERR was calculated in the ICR . The ICR refers to various project management inefficiencies . For example, the efficient and effective functioning of field teams was hampered by the lack of coordination that occurred when PIU support to the project stalled (see Section 9-b below). Similarly, duplication of efforts occurred when community land maps were not always utilized as an input by BPN field adjudication teams. The ICR reports that on a component by component basis the unit costs for the activities that were carried out were in line with initial cost estimates, with the exception of titling costs . Actual cost per title was US\$56 vs. US\$36 which had been estimated at appraisal . The project team reported to IEG that the difference between estimated and actual titling cost was due to the emergency conditions under which the project was prepared and implemented . The ICR reports that the actual cost per title compares favorably with the average cost of another World Bank funded land administration project in Indonesia but does not provide the cost figure for the other project or other quantitative evidence to validate the comparison . To expedite preparation, the project did not undergo standard costing procedures, thus the US\$36 was a rough estimate . Actual costs per title were higher due to the lack of available private sector capacity to carry out surveying work and hyper inflation that ensued after the disaster as an unintended consequence of an influx of relief workers . Operational efficiency concerns are raised by the fact that the project was only able to use half of its budget, despite a six month extension of the project closing date, and achievements were far less than planned .

In addition to the efficiency concerns noted above, the ICR notes that higher than normal Bank supervision costs were incurred due to the MDF requirement that the project have a full-time monitoring team in Aceh (as detailed in Annex 3).

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

	Rate Available?	Point Value	Coverage/Scope*
Appraisal	No		
ICR estimate	No		

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

6. Outcome:

Overall outcome was moderately unsatisfactory . While this was a highly relevant project, the achievement of both of its objectives was modest. Systematic titling fell far short of its target, there was little evidence to show that staff capacity had been enhanced and there was no progress toward developing a computerized land records system . In addition, there were a number of shortcomings in project efficiency .

a. Outcome Rating : Moderately Unsatisfactory

7. Rationale for Risk to Development Outcome Rating:

On balance the risk to development outcome is significant . The ICR notes that the risk of large-scale land grabbing and speculation due to post conflict conditions is negligible, since the social, legal and government institutions in Aceh have recovered and are now functioning normally . The risk to development outcome for properties that were issued titles under the project is also negligible . However, the risk is considered to be substantial for properties that have not yet been issued titles . The ICR notes that the BPN had agreed to redo titling work in areas with backlogs at their own cost but there is no mechanism in place to ensure that this will happen . The technical and institutional capacity built under the project is expected to be maintained in the short run but there is a moderate risk that it will erode over time due to the absence of a systematic human resource development strategy . With respect to facilities constructed by the project, sustainability is considered to be high for the three facilities that have been completed and are now operational, as well as for three district offices that are not yet operational but require a small amount of budget resources to become operational, but there is some uncertainty regarding the Banda Aceh City land office because construction was only 50 percent complete at project close . The biggest risk to development outcome concerns the lack of computerized land administration and backup system . No progress was made on this during the project, and the ICR notes (pg. 25) that "unless such systems are implemented, land administration systems for Indonesia as a whole remain highly vulnerable" to future disasters .

a. Risk to Development Outcome Rating : Significant

8. Assessment of Bank Performance:

Quality at Entry is rated moderately satisfactory . The Bank responded in a timely manner to the GOI's request for support. Bank staff and consultants worked closely with government officials to complete project preparation under an expedited time frame, taking around 5 months. The project built on knowledge gained under previous IBRD funded land administration projects in Indonesia but adapted key elements to the pre -tsunami rehabilitation effort. The Bank also took specific measures to ensure that the rights of vulnerable populations were protected (see section 11 on safeguards and gender). The principal shortcomings in quality at entry was that the Bank underestimated impact that the difficult field conditions would have on implementation and did not foresee some administrative and procedural obstacles . Project funding arrangements were subjected to the Gol 's revised national budget procedures and approval processes, this resulted in significant implementation delays . The risk that the implementing agency's commitment to the projects decentralized and participatory implementation strategy could wane was not foreseen . Finally, the project did not prepare for the possibility that BPN might not move forward on computerization of land records even though it had also been a problem under a previous IBRD fund land administration project.

Quality of Supervision is rated moderately satisfactory . The TTL was based in Indonesia for the first 12 months of the project and during that time there was intensive and continuous supervision . Seven formal supervision/review missions with MDF donor representation were undertaken . The ICR notes that through-out the project life the Bank addressed weaknesses in compliance with grant covenants, financial management and procurement as they were identified . The team also acted promptly to address implementation weaknesses identified due to backlogs of the annual work program, requesting an external performance audit to assess the nature and magnitude of the backlog and investigate its affect on project implementation . As noted in section 10, in light of the weaknesses in project M&E, the Bank took several steps to ensure accountability in the use of

project funds and to obtain information on implementation progress, such as monthly systematic titling progress . A full time Bank monitoring team was put in place in Aceh from August 2006. The project team reported to IEG that the monitoring team did more than monitor the project's progress, in essence they provided de facto TA, including providing procurement planning for the implementing agency . The team carried out spot checks to ground truth the mass statistics it received from the government . A flow chart of the systematic titling process was created that was updated on a monthly basis . But the ICR notes that "In retrospect, deploying the field monitoring team at the start of project implementation would probably have helped detect and correct some of the implementation weaknesses at an earlier stage ." (p. 26) In fact, given that there had been previous Bank land-management operations in Indonesia, weaknesses in M&E should have been anticipated and addressed earlier and more proactively . Finally, a Project Implementation and Beneficiary Assessment study (PIBA), which was not part of the original design, was introduced in 2008 to fill M&E gaps. According to the ICR "PIBA findings were to be used to improve the effectiveness and efficiency of the project ...PIBA also provided some basis to assess (the project's) overall impact." While PIBA findings did provide a useful basis for the assessment of the project's outcomes and the opportunity to learn from the project's implementation experience and to expand the knowledge base on land issues in rehabilitation and reconstruction efforts, delays in implementing it meant that it could not influence the project implementation process, as intended . See Section 10.

a. Ensuring Quality -at-Entry: Moderately Satisfactory

b. Quality of Supervision : Moderately Satisfactory

c. Overall Bank Performance : Moderately Satisfactory

9. Assessment of Borrower Performance:

Government performance is rated moderately satisfactory . The GoI took decisive action in the aftermath of the tsunami, adopting a firm stand on protecting and restoring pre -tsunami land rights. The GoI is reported to have given the project full backing particularly during preparation . The ICR highlights that both the head of BRR and the President were instrumental in securing the MoF 's sign-off for the waiver of titling fees and charges, thereby overcoming the last obstacle to grant effectiveness . The GoI also agreed to conduct a performance audit of the project when implementation problems arose . The ICR attributes recommendations of the audit with putting the project back on track in 2008. Shortcomings in government performance include the delay in signing the Government Presidential Decree that covered land adjudication under the circumstances in Aceh, resulting in uncertainties over issues such as the legal liability of BPN personnel for activities carried out by NGOs . This in turn caused delays in project implementation . A second issue was the uneven flow of budget allocations as a result of a new national budget system . Consequently, project cash flow was uneven and unpredictable, and caused delays in the deployment of field teams .

Implementing agency performance is rated unsatisfactory . The implementing agency was the National Land Administration Agency (BPN). Support from BPN's central level was reported to have been uneven at times, particularly with respect to the project's decentralized and participatory implementation strategy . According to the ICR lack of constructive engagement with civil society, weak cooperation with other line agencies, and diminished support for decentralized and participatory implementation on the part of BPN Central Management significantly hampered implementation . The ICR reports that problems, such as poor selection of priority villages, errors in the titling process, weak community education, could have been avoided or reduced through better dialogue with other stakeholders involved in reconstruction . The project received greater support from BPN's provincial level, but limited technical capacity and extremely restricted decision -making authority are reported to have undermined its performance . It is worth noting that capacity of BPN in Aceh Province was affected by the tsunami. BPN lost 41 staff in Aceh Province, including 30 percent of staff in the Banda Aceh land office . As a result, project management was weak throughout the life of the project . BPN managers were not assigned to work full-time on the project and there was a high rotation of project directors . Moreover, the ICR reports that the PIU operated on a sporadic basis until 2006, when program support stalled for over a year, adversely affecting the preparation of work plans, reporting and financial management . In addition, lack of coordination during this time is reported to have hampered the effective and efficient functioning of field teams . Project design allowed for the hiring of implementation experts to assist the PIU, but the government's procurement system and delays in the annual budget process prevented this . In addition, systematic titling activities were not carried out in FY 2007 because an Annual Work Plan was not submitted to the Bank . The ICR also notes that quality control suffered because field teams did not consistently adhere to the Project Manual . Although a revised manual was prepared in 2006, it was not formally issued under an official BPN decree until 2008. Fiduciary management and procurement weaknesses also affected the project : "The Grantee's report acknowledges that there were governance concerns under the project, including cases related to informal unauthorized payments . These are described by BPN as to be "presumed to be corruption" (ICR p. 31). Implementing agency performance is reported to have improved during the last 6-12 months of implementation, but occurred too late to fully achieve

the project's objectives or to justify an extension of closing date .

a. Government Performance :Moderately Satisfactory

b. Implementing Agency Performance :Unsatisfactory

c. Overall Borrower Performance :Moderately Unsatisfactory

10. M&E Design, Implementation, & Utilization:

M&E Design. The project did not have a traditional results framework with a hierarchy of impacts, outcomes, and outputs. Instead the PAD included a project results summary (PRS) with indicators that aimed to measure the main outputs of the project's components. Project design included an M&E subcomponent but it focused exclusively on the adjudication and surveying process with the aim of avoiding corruption in the adjudication process .

Implementation. The ICR notes that a comprehensive M&E system was not developed during implementation . The PRS indicators for titling are reported to have been useful in assessing implementation progress . However, the system used by the project comprised largely ad-hoc efforts to produce monthly reports by compiling data received from the field adjudication teams. According to the ICR, the data were not systematic and were unreliable .

Utilization. The ICR reports that though some PRS indicators were useful as a basic tool to assess progress towards implementation, the M&E system as a whole was used primarily as a mechanism for data compilation, with little or no subsequent analysis of the data and did not contribute to eliminating or minimizing on-site technical errors or improving project management. The lack of a reliable M&E system is also reported to have had a negative impact on the preparation and timely submission of progress reports .

The Bank took several steps to ensure accountability in the use of project funds and obtain information on implementation progress despite weak project M&E . A full time Bank monitoring team was put in place in Aceh . The project team reported to IEG that the monitoring team did more than monitor the project's progress, in essence they provided de facto TA, including providing procurement planning for the implementing agency . The team carried out spot checks to ground truth the mass statistics it received from the government . A flow chart of the systematic titling process was created that was updated on a monthly basis . In 2008, a Project Implementation and Beneficiary Assessment (PIBA) was also commissioned to assess the implementing agency's performance beneficiaries' opinion of the project. It was anticipated that the findings would be used to improve the effectiveness and efficiency of the project. The ICR reports that the PIBA provided an opportunity to learn from the project's implementation experience and to expand the knowledge base on land issues in rehabilitation and reconstruction efforts but was carried out too late to for findings to improve project implementation . Section 8 above provides further detail . A Gender Study aimed to look at gender dimensions of project implementation and results .

a. M&E Quality Rating : Negligible

11. Other Issues (Safeguards, Fiduciary, Unintended Positive and Negative Impacts):

Safeguards. The project triggered two safeguards : (a) Environmental Assessment (OP/BP/GP 4.01); and (b) Involuntary Resettlement (OP/BP 4.12). The ICR points out that the ISR erroneously recorded that additional safeguards were triggered during implementation as a result of a data entry error . Safeguards approval was delegated to the designated social and environmental safeguards specialist in the Bank 's Jakarta Office, but followed Bank policies and procedures . According to the ICR, the project complied with both of the triggered safeguards and there was no involuntary resettlement or land acquisition undertaken by the project . Though not required, the project also implemented as a good practice, a social safeguards framework to minimize adverse impacts on poor and vulnerable groups in disputes between private parties in land titling . The project also addressed issues of inheritance and guardianship by working in close collaboration with the Syariah courts .

Gender. During project preparation particular attention was paid to the land rights of women . Through the project the option of registering land under 'joint titles' was introduced for the first time in Aceh . A Joint Land Titling Policy was adopted for implementation. Field teams were instructed to explain the value of joint titling to communities at socialization events and to offer this as an option . However, the strategy was not implemented . Consequently, the ICR concludes that the project did not fully capitalize on the opportunity opened under joint titling . The following obstacles to women's participation in the tilting process were noted : (a) insufficient representation of women in field teams; (b) meeting places and times that were often inconvenient to women who had to care for family members; (c) presentations in Bahasa rather than in the local Acehnese language; and (d) no meetings were held exclusively for women. Despite these limitations the ICR notes that women did benefit from the land titling process . 63,000 (or 28%)

of the titles distributed by the project were in the name of women or jointly titled . However it should be noted that gender targets were not fully achieved and the ICR reports that sustainability is at risk unless sole / joint ownership is incorporated into local law . At the time that the ICR was issued, a comprehensive Gender Study was underway as to look at gender dimensions of project implementation and results .

Fiduciary . The ICR reports a number of financial management weaknesses that persisted throughout the project time frame, though they were reported to have been partially addressed in the final years of the project . These included delayed and incomplete financial monitoring and audit reports, weak internal controls exacerbated by activities that were geographically disperse, and weak accounting capacity in the implementing agency . Procurement weaknesses were another recurring problem and, given challenging procurement needs of post conflict reconstruction intervention, are reported to have negatively affected implementation . Potentially collusive practices were detected in ex-post reviews and were submitted to the Bank’s anti-corruption team for review. The outcome was still pending at the time of ICR preparation. According to the ICR, "The Grantee's report acknowledges that there were governance concerns under the project, including cases related to informal unauthorized payments . These are described by BPN as to be "presumed to be corruption" (ICR p. 31).

Unintended Effects :

Poverty . Poverty based targeting was not part of project design, none -the-less data gathered by the PIBA suggests that the project strengthened property rights among the poor . 78 percent of all titled recipients interviewed for the assessment qualified for subsidized rice rations, the poverty indicator used by PIBA .

Safeguarding against land grabbing . The passage of legislation prohibiting land transactions and the projects activities that raised public awareness of land rights are reported to have effectively guarded against land grabbing and speculation that occurred in other tsunami affected countries . The project was the first to be prepared for the MDF and the ICR notes that it provided experience for subsequent MDF -funded projects.

12. Ratings:	ICR	IEG Review	Reason for Disagreement / Comments
Outcome:	Moderately Unsatisfactory	Moderately Unsatisfactory	
Risk to Development Outcome:	Moderate	Significant	In the absence of computerized land administration and backup systems, land administration systems for Aceh and Indonesia as a whole are considered to be "highly vulnerable" to future disasters.
Bank Performance :	Satisfactory	Moderately Satisfactory	Quality at entry and supervision had moderate shortcomings. See Section 8.
Borrower Performance :	Moderately Unsatisfactory	Moderately Unsatisfactory	
Quality of ICR :		Satisfactory	

NOTES:

- 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 ICR presents an extensive list of lessons for land administration projects implemented under post -disaster circumstances. Some of the most pertinent are adapted and presented below :

A clear commitment on the part of national authorities to protect property rights is critical in avoiding large -scale land grabbing and speculation in the aftermath of a natural disaster such as a tsunami . It is also important to explicitly recognize and build upon the multiple legal systems (i.e., secular, religious, and customary) that determine land rights in the country . Customary land practices are often designed as safety nets to protect the most vulnerable groups, including women . It is critically important not to undermine these safety nets in the

transition from customary rights to state-provided land tenure and administration systems .

Community-based approaches for land adjudication may be an effective way to accelerate the land adjudication process and facilitate the resolution of land disputes at the village level, especially when other records and evidence of ownership are lacking but where community ties are strong . The use of existing mechanisms can help ensure that benefits flow quickly to communities following a disaster .

Partnerships between land agencies and the wide range of actors involved in reconstruction efforts is important, including nongovernmental organizations, civil society organizations, and donors . A key factor contributing to the project's design and its broad acceptance was that strong partnership with multiple stakeholders was achieved at the time of project preparation . The project's effectiveness was weakened during implementation when emphasis on collaboration declined .

An overly centralized project management is not conducive to the effective implementation of projects in which logistically complex field activities and necessary civil society engagement are at the core of the project . Similarly, implementing emergency response projects through centralized budgetary systems can cause significant challenges to implementation .

A Beneficiary Impact Assessment can be an excellent complement to the Results Framework of emergency projects, which, given the inherent time constraints at preparation, might not have robust impact and results indicators . However, the experience from this and other projects shows that such assessments may need to be externally financed and supervised to ensure that they are carried out and to avoid overtaxing the capacity of the implementing agency .

14. Assessment Recommended? Yes No

15. Comments on Quality of ICR:

ICR quality is satisfactory . The ICR provides a candid account of what worked and what did not and why . However, there is a discrepancy between the ratings reported in the ICR data sheet and within the ICR that should be corrected . Pg. (i) of the ICR data sheet reports the ICR rating for outcome as moderately satisfactory, while the data sheet incorporated into the actual ICR document, as well as the text on page 20, reflect a moderately unsatisfactory outcome rating .

a. Quality of ICR Rating : Satisfactory