

## DATA SHEET FOR PROJECT PAPER

Date: October 10, 2008		Task Team Leader: Charles Annor-Frempong	
Country: Ghana		Sector Manager/Director: Karen Brooks/Inger Anderson	
Project Name: Land Administration Project		Country Director: Ishac Diwan	
Project ID: P071157		Environmental category: B	
Borrower: Republic of Ghana			
Responsible agency: Ministry of Lands, Forestry and Mines			
Address: P. O. Box M. 212 Accra, Ghana			
Revised estimated disbursements (Bank FY/US\$m)			
FY	2008	2009	2010
Annual	7,943,500	1,985,000	807,400
Cumulative	7,943,500	9,928,500	10,735,900
Current closing date: December 31, 2008			
Revised closing date: December 31, 2010			
Indicate if the restructuring is:			
Board approved	<u>  X  </u>		
RVP approved	<u>      </u>		
Does the restructured project require any exceptions to Bank policies?		<u>  </u> Yes <u>  X  </u> No	
Have these been approved by Bank management?		<u>  </u> Yes <u>  </u> No	
Is approval for any policy exception sought from the Board?		<u>  </u> Yes <u>  X  </u> No	
Revised project development objective: <i>To undertake land policy and institutional reforms and key land administration pilots for laying the foundation for a sustainable decentralized land administration system that is fair, efficient, cost effective and ensures land tenure security.</i>			
Does the restructured project trigger any new safeguard policies? <i>No</i>			
Revised Financing Plan (US\$m.)			
Source	Local	Foreign	Total
Borrower	7.56	0.00	7.56
IDA	8.52	11.99	20.51
Canada: Canadian International Development Agency (CIDA)	0.33	1.13	1.46
UK: British Department for International Development (DfID)	3.55	5.48	9.02
Germany: German Technical Assistance Corporation (GTZ)	1.30	2.67	3.98
Germany: Kreditanstalt fuer Wiederaufbau (KfW)	-	-	8.14
Nordic Development Fund (NDF)	-	-	9.10
<b>Total</b>			<b>59.77</b>



# **Restructuring of the Ghana – Land Administration Project**

## **Project Paper**

### **A. INTRODUCTION:**

1. This Project Paper seeks the approval of the Executive Directors to (a) restructure the SDR 15.1 million (US\$20.5 million equivalent)<sup>1</sup> *Ghana Land Administration Project Cr. 3817-GH (Project ID P071157)*; (b) reallocate IDA credit proceeds; and (c) extend the original closing date of the project by 24 months from December 31, 2008, to December 31, 2010.

2. The proposed restructuring would involve significant changes to the project development objective, and revisions and modifications to the expected outcome targets/indicators and output targets/indicators. The revisions would include the dropping of indicators that are irrelevant to the revised project development objective, revisions to other indicators to make them specific, measurable and relevant to project activities, and the introduction of a new project activity to provide small grants support to civil society organizations to actively participate in the implementation of project activities. This request also includes an extension of the original closing date by 24 months, i.e., from December 31, 2008, to December 31, 2010, and a re-allocation of IDA credit funds so as to enable the Borrower to complete critical outstanding activities.

3. The Land Administration Project (LAP) was designed with a long term perspective, with a common set of agreed upon deliverables and a logical framework, including a set of outcome Key Performance Indicators (KPIs) and output targets/indicators that was accepted by all donors supporting the LAP. In this regard, the proposed changes and revisions of the project's indicators would become omnibus, covering all the indicators spelt out in the Project Appraisal Document and the Project Implementation Manual, and will be adopted by all participating development partners.

### **B. BACKGROUND AND RATIONALE**

#### ***Sector Context***

4. Ghana is heavily dependent on primary land-based products notably agriculture, mining and timber for its growth and socio-economic development. However, Ghana's economic growth and development has faced severe challenges that include problems associated with ease of access to land, security of land tenure and prudent use of the nation's land resources. The GoG's Growth and Poverty Reduction Strategies (GPRS-I and II) recognize the considerable role the land sector plays in the attainment of the objectives of the GPRS whose successful implementation will depend on how best land issues are tackled.

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<sup>1</sup> Exchange Rate used (January 2008): US\$1.1325 = SDR 1

5. The main land sector issues at the time of project approval could be characterized as: (i) inadequate policy and legal framework; (ii) fragmented institutional arrangements and weak institutional capacity; (iii) underdeveloped land registration system and inefficient land market; (iv) weak land administration system that excludes land owners and chiefs from major decisions on land administration; and (v) compulsory acquisitions by Government of large tracts of land without payment of compensation. These have given rise to: (i) indeterminate boundaries of customarily held lands, massive land disputes and litigation; (ii) inadequate security of land tenure, undervaluing urban property, making it difficult to use land values as collateral for loans; (iii) depressing national and local government revenues; (iv) difficult access to land, thwarting both urban and rural development; and (v) general indiscipline in the land market.

6. It was the realization of the need for more coherent long-term policy and its effective administration that after considerable discussion with various stakeholders GoG inaugurated in June 1999 a national land policy (NLP). The goals of the NLP are to: (i) harmonize statutory laws and customary practices to facilitate equitable access to land and enhance security of tenure of land through registering systematically all interest in land; (ii) minimize and eliminate where possible the sources of protracted land boundary disputes, conflicts and litigation in order to bring their associated economic costs and sociopolitical upheavals under control; (iii) ensure payment within reasonable time of fair compensation for land acquired by the state from customary or private landowners; (iv) instill order and discipline in the land market to curb the incidence of land encroachment, unapproved development schemes, multiple or illegal land sales, land speculation and other forms of land racketeering; (v) create and maintain effective institutional capacity and capability at the national, regional, district, and, where appropriate, community levels for land service delivery; (vi) promote community and participatory land management and land use planning within a decentralized planning system; and (vii) formalize land markets where appropriate, and promote business-like and professional property management principles with the aim of securing the best optimum economic, financial and social returns towards a self-financing land administration system.

### ***Project Background***

7. The objectives of the NLP were to be achieved through policy, legislative and institutional reforms including building and strengthening capacities of public, private, research and academia, customary and civil society institutions to manage lands effectively.

8. The Land Administration Project (LAP) was approved by the Executive Directors on July 31, 2003. The project was signed on August 18, 2003, and became effective on October 13, 2003, to address the issues raised in the NLP, and the 2003 Statement of the Government of Ghana on Land Policy. The original development objective of the Project as defined in the PAD and the Development Credit Agreement is ***“to develop a sustainable and well functioning land administration system that is fair, efficient, cost effective, decentralized and that enhances land tenure security.”*** This objective was to be achieved through:

- (a) Harmonizing land policies and legislative framework with customary law for sustainable land administration;
- (b) Undertaking institutional reforms and capacity building for comprehensive improvement in the land administration system;
- (c) Establishing an efficient, fair and transparent system of land titling, registration, land use planning and valuation; and
- (d) Issuing and registering land titles in selected urban and rural areas as a pilot to test (b) and (c) above and innovative methodologies, including community level land dispute resolution mechanisms.

9. The project components as stated in the DCA are as follows :

Part A: Land Policies and Regulatory Framework

Developing and carrying out a land law reform program, including:

- 1. Review of land related policies, laws, customs, regulations, and case law in order to prepare proposals for reform that eliminate inconsistencies, repeal obsolete provisions, and harmonize customary and statutory laws, through the provision of technical advisory services.
- 2. Carrying out a program in the courts to reduce the backlog of land cases, including a program of alternative dispute resolution.
- 3. Carrying out a review to identify lands acquired by eminent domain, and determining compensation levels for lands which have not been compensated.
- 4. Carrying out studies concerning: (a) the rights and interests in land and the registration of land titles and deeds; (b) finance and fee structures in land administration; and (c) equality of opportunity for land rights and administration irrespective of gender.

Part B: Institutional Reform and Development

Developing and carrying out an institutional reform and decentralization program, including:

- 1 Carrying out a review of the organization, management and operations of land institutions in order to prepare proposals for reform.
- 2 Carrying out a study of human resources management in the land administration sector, development of a system for management of land sector agencies, and strengthening of land service delivery, including establishment of one-stop-shop centers for land agencies.
- 3 Conducting an assessment of customary land secretariats, and carrying out an information campaign and program to strengthen selected pilot customary land secretariats.

- 4 Provision of training to land administration professionals; strengthening the capacities and capabilities of land administrations professionals; and reviewing the licensing procedures for private land surveyors.
- 5 Strengthening the capacities of land administration training and research institutions to improve training to land professionals and to conduct research on land administration policies and practice.

#### Part C: Land Titling, Registration, Valuation and Information Systems

- 1 Design and implementation of a computerized land information system.
- 2 Strengthening of public land sector agencies, and production of cadastral mapping at appropriate scales for customary land boundary demarcation, systematic land titling in urban areas, and land use planning, and construction of offices for the Survey Department.
- 3 Establishment of model land titling and registration offices in selected pilot areas.
- 4 Strengthening of deeds and title registries, and construction of offices for public land sector agencies.
- 5 Carrying out an information campaign on land administration, land titling and registration, boundary demarcation, and land adjudication.
- 6 Demarcation and registration of allodial land boundaries in selected pilot areas in a transparent and participatory manner.
- 7 Registration of land titles in selected pilot jurisdictions in a transparent and participatory manner.
- 8 Establishment of a national land valuation database

#### Part D: Project Coordination

- 1 Strengthening the financial management, procurement, project management, monitoring and evaluation, human resource development, and change management capacities of the Land Administration Program.
- 2 Strengthening the financial management and procurement capacities of the Financial and Administration Department of MLF with respect to the Project.
- 3 Strengthening the monitoring and evaluation capacities of PPMED with respect to the Project.
- 4 Carrying out a communication strategy on land policy issues, including policy, legal and institutional reforms, allodial land boundary demarcation, land titling, registration, and dispute resolution.

10. The consolidated financing plan for what was originally conceived as a first phase in the LAP is presented below:

**Table 1: Donor contributions to the LAP**

Donors	Budget (US\$m)	Main Components currently supported <sup>2</sup>	Closing Date
1. IDA	20.51	1. Harmonization of land policy and regulatory framework 2. Institutional reform and development 3. Improving land titling registration, valuation and information systems 4. Project coordination, monitoring and evaluation	12/31/08
2. DFID	9.02	2.3 Strengthening customary land administration	03/30/09
3. CIDA	1.45	1.4 Policy studies on gender and analysis 3.4. Improving deed and title registration 3. 7 Piloting demarcation and registration of allodial boundaries	12/30/08
4. KfW	8.14	2.1 Construction of new head office for the unified new land agency 3. 2 Cadastral mapping 3.7 Piloting demarcation and registration of allodial 3.8 Piloting systematic land titling and registration	12/31/09
5. GTZ	3.98	1. 1 Revision of policies laws and regulations for an effective and efficient land administration	04/30/08
6. NDF	9.10	3.5 Land use planning and management	03/20/10

11. The LAP was designed originally with the following features in mind: (i) as a multi-phase (15-20 years) program financed through an Adaptable Program Lending (APL) instrument; (ii) as a framework for multi-donor support with a common annual program of work, (iii) a common monitoring and evaluation system as well as a common reporting system; while (iv) allowing individual donors adequate flexibility to apply separate procurement, financial management and disbursement guidelines and procedures. However, it was decided during the Decision Meeting to use the SIL instrument to enable the GoG laying the foundation for a successive APL operation.

### ***Project Performance***

12. Project performance during the first two years of implementation was poor and this was due mostly to weak implementation capacities with the project implementing agencies to coordinate, facilitate and execute project activities, develop terms of reference and bid documents, and supervise and monitor procurements. These resulted in procurement delays and slow disbursements, affecting overall progress in the implementation of activities under the project. The mid-term review in June 2006 provided further evidence and seriousness of these gaps and proposed measures for addressing these constraints. In view of this, the project has been providing targeted institutional strengthening and capacity building support to the various implementing agencies and key stakeholders in key areas such as project management, communication skills, participatory monitoring and evaluation, procurement and financial management with the aim of improving and accelerating project implementation. The supervision dialogue with GoG has also been intensified, resulting in a more focused approach by the

<sup>2</sup> Numbered as in Annex 3 of the PAD, dated July 14, 2003 (IDA/R2003-0164).

Borrower to implementation and resolution of risks and constraints. For a significant time now GoG has been providing policy direction and oversight as well as sufficient counterpart financing on timely basis. All these factors have helped to improve significantly the execution of several parts of the project and the realization of some key tangible outputs and intermediate outcomes. The project performance is currently rated satisfactory, and the project has complied with all legal covenants as well as with all fiduciary and safeguard requirements.

### **Areas where progress has been made**

13. The visibility of the project continues to grow as public discussions in the electronic media and the press has increased. The result is an improved participation and involvement in decision making and project implementation by major key stakeholders such as the traditional authorities, clan and family heads, landowners, private sector firms (e.g., estate developers, financial and banking institutions, etc.), professional associations, and academia.

14. Pursuant to the Government's declared policy to rationalize and introduce efficiency in land administration services delivery, the project has carried out comprehensive analytical studies in two key areas namely: (a) institutional review of the sector, leading to the preparation of a Lands Commission Bill, which is merging four (4) public land sector agencies (i.e., Lands Commission, Survey Department Land Title Registry and Land Valuation Board) into one agency, the new Lands Commission. After many iterations and regional and national consultations the Bill has been approved by the Cabinet and laid before Parliament on August 14, 2008 for enactment into law. Parliament soon after, went on recess and it is expected that the Bill will be tabled upon resumption in October 2008.

15. Good progress has been made in land administration and registration reforms including decentralization of lands (deeds) registry to all the ten regional capitals, as well as start-up of processes and systems re-engineering, and automation through computerization. There is improved service delivery in terms of reduction of the number of days taken to register a deed from 36 months to 2 months. A ministerial directive issued in 2006 has resulted in cutting the time it took to register deeds of sale with the Lands Commission from 135 days to 34 days. The efficiency gains are expected to be increased further by re-engineering processes and systems.

16. The re-engineering of processes and systems and the decentralization of land registries have resulted in significant increase in the number of people registering their land. Land transaction revenues accruing to central government and public land sector agencies have increased significantly since 2003 from GH¢11.3 million to GH¢26.6 million, more than doubling the revenue from charging land transactions. These positive changes have occurred because the decentralization process has resulted in shorter distances to registration centers, easy access to land information and systems for quicker claim and dispute resolution.



17. Around half of the initial set of 10 customary land secretariats (CLS) established, have been performing well. For example, by December 2007, around 5,000 new land transactions had been recorded by CLS. In addition 7,236 landholders registered their documentation at the Lands Commission by Gbawe CLS in Greater Accra. Apart from the documentation of land transactions by CLS and the facilitation by CLS of the registration of land transactions by the Lands Commission and the land registries, there has been a systematic enumeration of land holdings for over 13,000 plots by CLS, generating very useful land information. There has also been a development of alternative dispute resolution programs using customary channels by a number of CLS, reducing resort to litigation and lodgment of land disputes in the formal courts. This is an area where, during the proposed extension period, greater gains in service delivery could be obtained by focusing on fewer CLS but strengthening them by: (i) integrating them better with land use planning (since registration of leases for stool land requires approval of a site plan) and surveying at a time when a site plan is being prepared in order to enjoy economies of scale; and (ii) sharing with them base maps (orthophoto maps) generated from land use planning.

18. These achievements notwithstanding, it is unlikely that the project will fully realize its development objective within its original completion period, given its suitability for the 15-20 year time frame of the entire Land Administration Program.

#### **Areas that need further improvement**

19. The project performance has been slow in at least six areas: (i) piloting of systematic registration; (ii) reducing a backlog of court cases; (iii) land use planning; (iv) geodetic referencing, survey and mapping; (v) procurement; and (vi) disbursements.

- *Piloting of systematic titling and registration.* The pilot was poorly designed and over ambitious to cover the issuance of 300,000 land titles over the five year period. Experience gained during project implementation indicates that a more realistic number of titles over the remainder of the project life will be 50,000 by collaborating with the private sector in the collection of field data.
- *Reducing the backlog of land cases in courts.* The initial approach adopted to reduce the backlog of land cases was to provide monetary incentives to judges to adjudicate on cases outside the normal working hours. This approach has been found not to be effective. It has therefore been agreed with the Judicial service and five courts with five judges have been set aside to deal specifically with land cases.
- *Improvement in land use planning and management system.* Progress on improving the system has been slow due to: (i) bad weather and difficulty in securing security clearances to fly have led to delays in the production of orthophoto maps; and (ii) weak capacity of the Town and Country Planning Department at the district level to provide the requisite professional backbone for a community based land use planning model. To overcome these challenges, it has been decided to use satellite

imagery and the GoG has given approval for the recruitment of additional personnel for the Town and Country Planning Department.

- *Procurement constraints.* Procurement delays had been a drag on project implementation as a whole, and were discussed with GoG on a number of occasions. The project subsequently financed the training of implementing agency staff in procurement at Ghana Institute of Management and Public Administration (GIMPA). Unfortunately, these staff were often placed on non procurement related schedules thereby perpetuating the weak procurement capacity. To address this issue, it has been agreed with management that trained procurement focal persons will devote their time to managing procurement. The procurement officer at the main ministry will coordinate and mentor the agencies to carry out their procurement activities. In this regard, the procurement structures at the agencies – procurement units, tender review boards and evaluation panels – would be strengthened.
- *Slow Disbursement.* Disbursement of IDA funds has been slow. As of August 31, 2008 the project had disbursed about SDR 7,844,119, representing about 52 percent of the total IDA funds and leaving an undisbursed amount of SDR 7,255,881. The slow pace of activity implementation and procurement delays have resulted in a disbursement lag of about 28 months. Available disbursement figures for other contributing development partners is represented in Table 2 below and indicate an overall fund disbursement rate of 27.15 percent for the other donors at the end of June, 2008.

**Table 2: Summary of Disbursement by other Development Partners**

CAT	CATE- GORIES	CUR- RENCY	BUDGET FOR PROJECT LIFE	PROJ. EXPEND- ITURE CUM. TO 31/08/08	UN- UTILISED BALANCE 31/08/08	Amounts (\$) % UTILI- SATION OF TOTAL BUDGET
1	IDA	SDR	15,100,000	7,844,119	7,255,881	49.67
2	NDF	US\$	6,924,453	2,217,411	4,707,042	32.02
3	KFW	US\$	6,028,658	784,705	5,243,953	13.02
4	GTZ	US\$	3,975,927	712,236	3,263,691	17.91
5	DFID	US\$	9,024,535	3,612,687	5,411,849	40.03
6	CIDA	US\$	1,456,310	0	1,456,310	-
	<b>TOTAL</b>	SDR	<b>15,100,000</b>	7,844,119	7,255,881	52
	<b>TOTAL</b>	US\$	<b>42,509,883</b>	<b>14,827,843</b>	<b>27,682,040</b>	<b>35.23</b>

## **Financial Management and Reports**

20. Annual budgets are prepared by each of the participating implementing agencies/institutions and consolidated into a project wide work plan and budget for execution in the ensuing year. Accounting and control are exercised centrally at the finance unit of LAPU. The finance unit operates a computerized accounting system, using the Sun Accounting software package. LAPU has updated its chart of accounts to include project activities within components of the project. LAPU's systems of transaction recording, support documentation, records management, internal controls and accounting indicate that LAPU has adequate financial management capacity to succeed in its assigned tasks. The project has submitted quarterly Financial Monitoring Reports.

## **Audit**

21. The audited project financial statements for the fiscal year 2007 were submitted to the World Bank on June 30, 2008 in compliance with the financial covenant of the Development Credit Agreement for the project. The auditors issued an unqualified audit opinion on the project financial statements. A review of the management letter, which was submitted with the audit report, did not reveal any accountability issues.

## **Rationale for Restructuring**

22. Based on recommendations made during the Mid-Term Review in 2006, the GoG made a formal request to the Bank requesting that the LAP be restructured, IDA funds reallocated and the project's closing date extended by 24 months. All six development partners financing the LAP have agreed to the Government's request for the project restructuring. The GoG has set in motion, a parallel process of negotiating with each development partner the agreed changes to the PDO and results framework targets.

### ***(i) Unattainable Project Development Objective***

23. The original objective of the Project, as stated in both the Development Credit Agreement and Project Appraisal Document, was *"to develop a sustainable and well functioning land administration system that is fair, efficient, cost effective, decentralized, and that enhances land tenure security, through: (a) harmonizing land policies and the legislative framework with customary law for sustainable land administration; (b) undertaking institutional reform and capacity building for comprehensive improvement in the land administration system; (c) establishing an efficient, fair and transparent system of land titling, registration, and valuation; (d) developing community level land dispute resolution mechanisms; and (e) issuing and registering land titles in selected pilot urban and rural areas."*

24. The original PDO is consistent with the long-term policy objectives of the GoG in the land sector and corresponds to a 15-20-year program of implementation. However, the PDO is over-ambitious and cannot be achieved within the five year project. The attainment of the original PDO requires a phased approach by initially laying the

foundation for an accelerated overhaul of the land administration system. The restructuring therefore proposes a modified project objective, commensurate with the first phase time frame and Government goals. A follow-on project paralleling Government's second phase is included in the current CAS, and aims at consolidating and deepening LAP I achievements.

**(ii) *Revision of Original Project Outcome Indicators and Targets***

25. Some of the original indicators as stated in the PAD (see Appendix A) are not clearly formulated and/or measurable, and targets are not realistic. This restructuring will include modifications to the original outcome indicators in order to realign them in line with the revised PDO and project activities.

**(iii) *Revision of Original Project Output Indicators***

26. The original results framework included too many output indicators (see Appendix A), that were not measurable, and whose targets were unrealistic within the project's time frame; in addition, they would also not be in line with the revised PDO. The restructuring will include modifications to the output indicators to enhance measurability and linkages to the revised PDO.

**(iv) *Changes to Components and Revision of Project Description***

27. During the mid-term review, the GoG and donor partners realized that selected activities that were included in this first phase of the LAP, actually depended on completion of other first phase activities and should be deferred until the second phase. These activities include (a) the establishment of land courts in each regional capital; (b) the construction of classrooms, laboratories and office buildings for academic and research institutions; (c) the establishment of one-stop-shop centers for land agencies in three regions; and (d) the development of alternative land valuation and land fees. The proposed restructuring would therefore remove these activities from the Project Description in the DCA.

28. It was also realised that some of the activities needed to be realigned or merged as, for instance, some of the activities under component 3 were described under various sub-components. For example Sub-Component 3.2 deals with cadastral issues land use planning and systematic titling which are also described under Components 3.5 and 3.8, respectively. The proposed restructuring would therefore streamline activities under component three. All other changes to the project description are described in paragraph 37, notably adding of the Small Grants Program (SGP) Sub-Component.

**(v) *Inclusion of Small Grants Program***

29. The poor level of civil society organisation (CSO) involvement in the implementation of project activities was identified during the mid-term review in 2006. The GoG and development partners agreed to enhance CSO participation by supporting

the establishment of a Small Grants Program (SGP) to fund CSO managed activities in areas where they have comparative advantages (such as promoting national updates on land issues, gender and land, advocacy, protecting land rights, etc. A document describing the main features of the SGP and the flow of funds, which is part of the restructuring, has been attached as Appendix C.

### **Rationale for the Reallocation of IDA Funds**

30. The budgets and costs for specific sets of interventions under the project were found to be underestimated, due to the lack of reliable data and sector information during the design phase. Thus, allocation of funds to expenditure categories and individual components and sub-components has been at variance with the realities on the ground, resulting in serious under-financing for some key activities. The proposed restructuring will therefore reallocate IDA Credit proceeds to ensure adequate financing for project activities, as modified by the restructuring.

### **Rationale for the Extension of the Closing Date**

31. The initial two-year project implementation delay has affected the timely completion of project activities. Even when the project became fully operational, it still took considerable time to develop and test appropriate methodologies that could be deployed in piloting systematic land titling, allodial boundary demarcation, customary administration of land under the newly created customary land secretariat structures, and participatory community-based land use planning. Consequently, the GoG has requested an extension of the original closing date by 24 months from December 31, 2008, to December 31, 2010, in order to complete the ongoing reforms and pilots supported by the project, and to enable the GoG to use the lessons learnt to develop subsequent phases of the LAP in the country.

## **C. PROPOSED CHANGES**

### ***(i) Revised Project Development Objective:***

32. For the reasons outlined earlier, the PDO is being revised to correspond to the first phase of the program. The revised PDO will be: ***“to undertake land policy and institutional reforms and key land administration pilots for laying the foundation for a sustainable decentralized land administration system that is fair, efficient, cost effective and ensures land tenure security.”***

33. This phase of the program will focus on the effective implementation of the policy and institutional reform agenda in the sector, whilst carrying out some pilots in connection with, inter alia, decentralization of deeds registration, systematic titling, demarcating allodial boundaries, reducing backlog of land disputes, alternative dispute resolution, community based land use planning and management, development of a computerized land information system, establishment/strengthening of customary land

secretariats, inventory of state acquired and occupied lands, revaluation of district assemblies' properties, and establishing geodetic reference points.

**(ii) Revised Project Outcome Indicators and Targets:**

34. The project's outcome indicators have been revised taking cognizance of the revised PDO and also to enhance measurability. The following changes are proposed (see Appendix A for details):

- The original outcome indicator (1) has been re-formulated with greater specificity to ensure measurability of the PDO;
- The original indicator 2 was vague and baseline data could not be easily measured. This indicator has been modified to be more realistic, the baseline has been corrected, and targets have been adjusted;
- The original indicators 4 and 5 have been dropped because attribution to project activities is weak and phase I (LAP-funded) pilots must be completed to lay the foundation for results indicated. They may be appropriate for phase II of the program;
- Three new outcome indicators (5, 6 and 7) have been added to measure progress in ongoing legislative reforms and to measure efficiency of the judiciary system in supporting land administration system.

**(iii) Revised Project Output Indicators and Targets:**

35. In order to enhance measurability and linkage to project activities, as proposed to be revised, the following changes to component output indicators and end-project targets are proposed (Appendix B):

- The original output indicator 1.1 has been split into simpler parts and greater precision has been introduced to facilitate measurement;
- The original output indicators 1.4, 1.6, 2.3, 2.4, and 4.3 have been modified to make them simpler, smarter, better linked to project activities and more measurable;
- The original output indicators 3.2 and 3.4 have been merged with the original output indicator 3.1, while the original output indicator 3.3 has been merged with original output indicator 3.7 to better capture linkages to project activities;
- End-of-project targets for output indicators 2.3, 3.6, and 3.7 have been scaled down to increase realism of the results framework;
- Output indicators 1.2, 2.2, 2.5, 2.6, 2.7, 3.5, and 4.1 have been dropped because they are either not specific nor measurable or they are unachievable within the current project period.
- New output indicators 2.3. and 3.4 have been introduced to measure implementation of the Small Grants Program, and progress in property revaluation in selected pilot areas, respectively.

36. The original outcome and output indicators, proposed revisions, and the rationale for the changes are presented in Appendix A. The revised results framework, with the

updated indicators and updated targets (corresponding to the proposed extended closing date), is presented in Appendix B and will be reflected in a revised version of the Project Implementation Manual.

(iv) **Revised project description:**

37. The project description in Schedule 2 the DCA would be revised as follows (refer to Appendix C):

*Part A: Land Policies and Regulatory Framework*

Sub-Component (4) to be revised as follows: Carrying out studies concerning (a) divestiture of vested lands; (b) finance and fee structures in land administration; (c) gender strategy for land rights and land administration; and (d) land rights and vulnerability in pilot customary lands secretariat areas.

*Part B: Institutional Reform and Development*

Include additional sub-component (6): Establishment and operation of a small grants program, including the provision of grants for promoting civil society participation in local level land administration, advocacy and national debate on land issues.

*Part C: Land Titling, Registration, Valuation and Information Systems*

Move sub-component (5) to Part (D).

Reword sub-component (3) as “Establishment of land registration offices in all regional capitals.”

Include additional sub-component (8): Strengthening the geodetic reference network throughout the country, through the establishment of continuous operating receiving stations.

*Part D: Project Coordination, Monitoring and Evaluation*

Include additional sub-component (5) as “Carry out an information campaign on Land Administration, Land Titling and Registration, Boundary Demarcation and Land Adjudication.”

(v) ***Small Grants Program***

38. Schedule 4 of the DCA (Implementation Program) will be amended to include a provision requiring that the implementation of the above-referenced Small Grants Program (Appendix C) be in accordance with the Project Implementation Manual (PIM). The PIM will provide further details on the operation of the SGP (e.g., eligibility criteria,

content of the grant agreements concluded under the program, grant approval and administration arrangements, etc.). The revision of the PIM, together with the appointment of a grant administrator to administer the program, will be included as conditions for disbursement for grants under the DCA

**Reallocation of Credit Proceeds:**

39. For the reasons set forth in paragraph 31 and due to the introduction of the Small Grants Program, the IDA credit allocations categories of expenditure as stated in the PAD and the Development Credit Agreement are to be revised as follows.

- Funds allocated under Category 1 (Goods, including vehicles) have been increased from SDR 4,200,000 to SDR 4,316,711 Category 2(a) (Consultants Services for Part C.6 of the Project) has been reduced from the original allocation of SDR 650,000 to SDR 157,660 to free up funds to finance expenditures under Categories 1 (Goods, including vehicles) and 4 (Operating Costs).
- SDR 283,770 under Category 2(b) (Consultants Services for Part C.7 of the Project) has been moved to finance expenditures under the newly created Category 7, Small Grants Program: SDR 546,521 and SDR 127,871.
- Funds under Category 6 (Unallocated) are moved to finance expenditures under Category 2(c) (All other consultants services, including audit fees), and Category 3 (Training, workshops, study tours), respectively.
- The undisbursed amount of the PPF Advance (SDR 470,285) has been reallocated to finance expenditures under Category 4, Category 3, and Category 7.

A detailed review of the changes is included in the Tables 3 and 4 below, and Appendices D and E.



**Table 3: Proposed Re-allocation of IDA Funds by Categories (SDR)**

<b>Cat.</b>	<b>Cat. of Expenditure</b>	<b>Original Allocation</b>	<b>Actual Disbursements</b>	<b>Movement of Funds</b>	<b>Final Reallocations</b>
1	Goods and vehicles	4,200,000	3,194,633	2(a) to 1	<b>4,316,711</b>
2(a)	Consultants services for Part C.6 of the Project	650,000		2(a) to 1 2(a) to 4	<b>157,660</b>
2(b)	Consultants services for Part C.7 of the Project	700,000		2(b) to 7	<b>416,230</b>
2(c)	All other consultants services, including audit fees	3,550,000	932,308	6 to 2(c) 5 to 2(c)	<b>4,096,521</b>
3	Training, workshops and study tours	1,450,000	1,260,973	2(a) to 3	<b>1,719,827</b>
4	Incremental operating costs	2,500,000	2,207,566	2(a) to 4 5 to 4	<b>3,183,728</b>
5	Refunding of PPF Advance	650,000	179,715	5 to 2(c)	<b>179,715</b>
6	Unallocated	1,400,000		6 to 2(c)	<b>725,608</b>
7	Grants	Nil		2(b) to 7	<b>304,000</b>
		<b>15,100,000</b>	<b>7,844,119</b>		<b>15,100,000</b>

**Table 4: Proposed Re-allocation of IDA Funds by Components (SDR)**

<b>Cat.</b>	<b>Components</b>	<b>Original Allocation</b>	<b>Actual Disbursements</b>	<b>Movement of Funds</b>	<b>Final Reallocations</b>
1	Component A	138,142	1,239,367	2 to 1	2,597,733
2	Component B	6,787,257	281,268	2 to 1 2 to 4	1,008,965
3	Component C	5,093,514	663,479	3 to 4 3 to 6	3,832,583
4	Component D	2,431,087	5,260,894	2 to 4 3 to 4	6,604,924
5	PPF	650,000	399,110	5 to 6	399,110
6	Unallocated Funds			3 to 6 5 to 6	656,685
		15,100,000	7,844,118		15,100,000

### **Extension of Closing Date:**

40. In order to complete the ongoing reforms and pilots supported by the project and to enable the GoG to use the lessons learnt to develop subsequent phases of the land administration program in the country, the project closing date will be extended from December 31, 2008, to December 31, 2010.

### **D. ANALYSIS**

41. The project remains consistent with the strategic priorities set out in the current Country Assistance Strategy (CAS, Report No. 39822-GH of May 31, 2007) and the Growth and Poverty Reduction Strategy II (GPRS-II). It supports the long-term country development outcome set out in the first pillar of the CAS *“to enhance private sector competitiveness,”* and directly feeds into the specific CAS outcome *“to reducing time for registering agricultural land from 3 years to 3 months and doubling of women applicants using land deeds to obtain access to credit.”* The requested revisions of the PDO, extension of closing date and re-allocation of IDA funds would help set the stage for implementing the reforms to attain tenure security.

42. The proposed changes would have no major effect on the original economic, financial, technical, institutional, or social impacts of the project. Also, the proposed changes would not change the environmental category from “B” or trigger new safeguard policies. The restructuring would not involve any exceptions to Bank policies.

### **E. EXPECTED OUTCOMES AND BENEFITS**

43. As discussed earlier in the text, the proposed changes will affect the original project development objective, which is seen as over-ambitious and not achievable within the project’s time frame. In this regard, the scope of the PDO has been revised to align with the short-to medium-term timeframe of the project. The project will continue to provide the following benefits to various stakeholder groups in the selected pilot areas and the entire population of Ghana in general:

- The legislative reviews will lead to consolidating a plethora of land laws and harmonize them with customary land practices.
- The ongoing institutional reforms will help streamline and restructure public land sector agencies, strengthen their capacity, and decentralize their operations for effective land administration service delivery.
- The demarcation of boundaries of allodial land owners/trustees and titling and registration of individual/communal land interests and rights, will facilitate the resolution of boundary conflicts and ownership disputes.
- Systematic titling and registration of individual/communal land interests and rights will facilitate the resolution of ownership disputes and secure tenancy, particularly for the vulnerable, including women and tenants. Thus, secure tenancies will affect positively productivity of crops and management of land, and enable land to serve as collateral for credit to improve and develop land.

- The improvement in efficiency in land administration by making registration cheaper and easier and securing titles/rights/interest, will result in generating incremental revenue to both national and local governments. Secure and transferable land titles will revitalize land and financial markets.

44. The restructured project focuses on policy and institutional reforms and piloting of innovations. The expected outcomes and benefits, indicated above will therefore be limited in size and scope especially in terms of beneficiaries and in productivity and efficiency gains within the project period. Greater benefits and their coverage will be realized when the results of the piloting are scaled up in the longer term program. Hence, an important benefit of the project is successful piloting which will make it possible for scaling up to take place.

## F. RISKS

45. At the time of approval and during implementation of the project a number of risks were identified and their current status is described below:

- The risk of GoG passing legislation mandating policy reform, including restructuring of public land sector agencies was originally rated substantial but is now considered a moderate risk, as the GoG has organized the reforms under wide public participation. The GoG has sought broader public opinion support in a number of ways, including special meetings with the Regional and National House of Chiefs, regional level dialogues, and the November 27-29, 2007 National Land Forum.
- The risk associated with the improvement of governance to effect administrative and fiscal decentralization and curb corruption under both statutory and customary administration systems was originally rated substantial, but is now considered a moderate risk. Government has decentralized deeds registration to all ten regions of the country and provided support to the establishment of customary land secretariats thereby improving transparency, reducing the turn-around time and cost of transacting business in the land market.
- The risk of poor collaboration between public land sector agencies (PLSAs) and traditional authorities was originally rated substantial, but is now considered a moderate risk. Many more traditional authorities are establishing within their various jurisdictions customary land secretariats as an outfit to deal with land matters including data compilation and storage, revenue collection and as the liaison between PLSAs and customary institutions.
- The risk of the Ministry of Lands, Forestry and Mines carrying out effective and efficient procurement because of capacity gaps was originally not rated. However, this was found to be substantial soon after the project became effective and the first batch of procurements was initiated. This risk is now considered moderate as the project has supported rigorous procurement training for staff at the Ministry and PLSAs.
- The risk that public land administration agencies would accept institutional reform and cooperate effectively to make it work was originally rated moderate,

but is now considered as negligible because the institutional study that was completed in 2005 was done in a participatory and consultative manner. The agencies have since then, worked together and agreed on the tenets of the Land Commission Bill, the legal basis for the institutional reforms, now before parliament for enactment into Law.

The overall project risk at restructuring is assessed as **moderate**.

## GHANA

## LAND ADMINISTRATION PROJECT

## REVISED OUTCOME AND OUTPUT KEY PERFORMANCE INDICATORS (KPIs)

ORIGINAL OUTCOME KPIs	RATIONALE FOR CHANGES (IF ANY)	PROPOSED REVISIONS
1. Turn around time and transaction cost of processing land administration services reduced.	Modified. Original KPI has been split into three parts to make it easily measurable.	1(a). Turn around time in registering deeds reduced to $\leq$ 1 month countrywide. 1(b). Turn around time in registering titles reduced to $\leq$ 6 months in declared and mapped title registration areas.
2. Land litigation cases decreased in courts of pilot areas.	Modified. KPI has been qualified by including spatial specificity to make KPI more realistic.	2. Land litigation cases decreased in courts of 3 pilot areas namely, Ejisu, Wasa Akropong and Gbawe.
3. Land transaction revenues to local and central government increased.	No change.	3. Land transaction revenues to local and central government increased by 130%.
4. Loan and mortgage financing secured by land titles in pilot areas increased.	Dropped. Phase I pilot must be completed to lay foundation for results indicated. The indicator may be appropriate for Phase II of the longer term program.	
5. Investment in the property sector increased.	Dropped. Attribution to project activities is weak and Phase I pilot must be completed to lay foundation for results indicated. Smarter indicator may be appropriate for Phase II of the program.	
6. Land titles registered by women increased.	Modified. KPI has been split into two to make it easily measurable.	4 (a). Land titles registered by women increased by 50% in declared and mapped registration areas. 4 (b). Deeds registered by women increased by 50% countrywide.
	<b>New Indicator.</b> To measure progress in the ongoing legislative reforms.	5. "Land Agency Act passed by Parliament and operational";
	<b>New Indicator.</b> To measure progress in the ongoing legislative reforms.	6. "Substantive Land Act passed by Parliament and operational"
	<b>New Indicator.</b> To measure efficiency of judicial	7. "Backlogged land litigation cases lodged at

ORIGINAL OUTCOME KPIS	RATIONALE FOR CHANGES (IF ANY)	PROPOSED REVISIONS
	system in supporting land administration system.	<b>High Courts and Circuit Courts in all ten (10) regional capitals decrease”.</b>
<b>COMPONENT 1</b>		
1.1. Reports on policy and legislative reviews completed and codified revised land legislation drafted and approved by Ministerial Cabinet.	Modified. The indicator has been split to increase specificity to enhance measurability.	1.1. Reports on policy and legislative reviews completed, and new land legislation drafted and approved by Ministerial Cabinet: (a) Legal and Judicial review (b) Institutional Review.
1.2. Backlog of land cases reduced from 35,000	Dropped. The backlog of 35,000 cases presented in the Project Appraisal Document could not be confirmed by the Judiciary Service. A more realistic and measurable outcome indicator has been introduced as outcome KPI 7.	
1.3. Policy on land compensation developed.	No change.	1.2. Policy on land compensation developed. (Inventory of state acquired/occupied lands undertaken in 50 pilot districts)
1.4. Lands forcibly acquired by the State for which compensation has not been paid identified and compensation levels determined.	Modified. The indicator is made simpler, smarter and more measurable.	1.3. Lands acquired by the state in 50 districts for which compensation has not been paid identified and compensation levels determined.
1.5. Legally conclusive confirmation of the continued validity of customary freehold and other customary titles.	No change.	1.4. Legally conclusive confirmation of the continued validity of customary freehold and other customary titles.
1.6. Studies completed and recommendations adopted on: (a) what rights will be registered on land titles; (b) divestiture of vested lands; (c) finance and fee structures in land administration; (d) gender analysis of land rights and administration; (e) assessment of current land administration services provided by customary land authorities	Modified. The indicator is made simpler, sharper and more measurable.	1.5. Studies completed and recommendations adopted on: (a) Divestiture of vested lands (b) Finance and fee structures in land administration (c) Gender strategy for land rights and land administration. (d) Assessment of land rights and vulnerability in 2 pilot customary land secretariat areas (Kete Krachi and Dormaa Ahenkro).
<b>COMPONENT 2</b>		
2.1. Report of study on comprehensive organization, management and operations of public land sector agencies completed and recommendations implemented.	No change.	2.1. Report of study on comprehensive organisation, management and operations (OMO) of public land sector agencies completed and recommendations implemented.

ORIGINAL OUTCOME KPIS	RATIONALE FOR CHANGES (IF ANY)	PROPOSED REVISIONS
2.2. One-Stop-Shop centers established in at least three regions and functioning.	Dropped. This activity has been deferred until Phase 2.	
2.3. 50 customary land secretariats established and strengthened through physical and technical assistance, with more effective and inclusive administrative procedures.	Modified. To make indicator more specific and measurable and to make target more realistic for time-frame.	2.2 (a). 30 customary land secretariats established by traditional authorities 2.2(b). 30 CLS with more effective administrative procedures.
2.4. At least ten NGOs actively involved in promoting improved local level land administration.	Modified. To be more specific and better linked to project activities.	2.3. At least 25 small grants that promote improved local level land administration are under implementation.
2.5. Private sector land institutions deliver land administration service more efficiently.	Dropped. Not specific or measurable.	
2.6. Land Administration training and research institutions supported through provision of classrooms laboratories and office buildings and equipment.	Dropped. This activity has been deferred until Phase 2.	
2.7. Quality of land sector education enhanced.	Dropped. Depends on activity in 2.6 which has been deferred to Phase 2.	
2.8. Increased research on land tenure and land administration with linkages to practice established.	No change.	2.4. Increased research on land tenure and land administration with linkages to practice established.
<b>COMPONENT 3</b>		
3.1. Cadastre and land information system designed and implemented.	No change.	3.1. Cadastre and land information system designed and implemented.
3.2. Deed and title registration procedures and data storage and retrieval systems improved.	Merged with output indicator 3.1.	
3.3. Digital and hard copy maps prepared for customary land boundary demarcations, systematic land titling and land use planning.	Merged with original output indicator 3.7.	
3.4. Simplified land information, registration and mapping procedures developed to improve accessibility in rural areas.	Merged with output indicator 3.1.	
3.5. Alternative land valuation and land fees collection designed and implemented.	Dropped. Phase 1 must be completed to lay foundation for results indicated. The indicator may be appropriate for Phase II of the program.	
3.6. 50 pilot allodial land boundaries demarcated and registered.	Modified. Original end-of-project target scaled down to be realistic for the project time frame.	3.2. Ten (10) pilot allodial land boundaries demarcated and registered.

ORIGINAL OUTCOME KPIs	RATIONALE FOR CHANGES (IF ANY)	PROPOSED REVISIONS
3.7. 300,000 land titles adjudicated and registered.	Modified. Original end-of-project target scaled down to be realistic for the project time frame.	3.3. 50,000 land titles adjudicated and registered in pilot systematic titling areas.
	<i>New Indicator.</i> To measure progress in property revaluation in selected pilot districts.	<i>3.4. Revaluation of all properties both private and public in 12 pilot districts completed.</i>
<b>COMPONENT 4</b>		
4.1. Project coordination and management carried out effectively.	Dropped. Not specific or measurable. Result will be measured through overall project performance.	
4.2. Skill gap analysis conducted and master human resources development plan prepared and implemented.	No change.	4.1(a). Skill gap analysis conducted within MLFM 4.1(b). Master human resources development plan prepared and implemented.
4.3. A communication strategy to sensitize, educate and invite the public to participate in discussion of land policy issues, in designing and implementing allodial land boundary demarcation and land titling and registration and in setting up alternative land dispute resolution mechanisms, developed and implemented.	Modified. To make indicator simpler and more measurable	4.2. Communication Strategy developed and implemented.
4.4. Monitoring and progress reports produced quarterly.	No change.	4.3. Monitoring and progress reports produced quarterly.
4.5. Number of beneficiary assessment and impact evaluation reports.	No change.	4.4. Number of beneficiary assessment and impact evaluation reports.
4.6. Phase II project designed and proposal prepared and approved by MLFM.	No change.	4.5. Phase II project designed and proposal prepared and approved by MLFM.



## GHANA

**LAND ADMINISTRATION PROJECT**  
**RESULTS FRAMEWORK - TARGET VALUES**

Outcome Indicators	ANNUAL TARGET VALUES							Frequency and Reports	Data Collection Instruments	Responsibility for Data Collection
	Baseline (2003)	Year 1 (2004)	Year 2 (2005)	Year 3 (2006)	Year 4 (2007)	Year 5 (2008)	Year 6 (2009)			
1(a). Turn around time in registering deeds reduced to $\leq$ 1 month countrywide	$\geq$ 36 months	$\leq$ 30 months	$\leq$ 25 months	$\leq$ 20 months	$\leq$ 15 months	$\leq$ 3 months	$\leq$ 2 months	$\leq$ 1 month	Review of data from deed registries	M&E Coordinator
1(b). Turn around time in registering titles reduced to $\leq$ 6 months in declared and mapped title registration areas	$\geq$ 36 months	$\leq$ 34 months	$\leq$ 30 months	$\leq$ 25 months	$\leq$ 17 months	$\leq$ 10 months	$\leq$ 8 months	$\leq$ 6 months	Review of data from land title registries	M&E Coordinator
2. Land litigation cases decreased in courts of 3 pilot areas namely, Ejisu, Wassa Akropong and Gbawe.	12 allodial disputes (Ejisu 1#, Wassa Akropong 8#, Gbawe 3#)	2	4	6	8	10	11	12	Survey and analysis of court's and ADR reports	- M & E Coordinator - Legal Specialist
3. Land transaction revenues to local and central government	Total revenue equals GH¢	20%	45%	65%	70%	100%	120%	130%	Review of data from the deeds registries	M & E Coordinator

		ANNUAL TARGET VALUES										Frequency and Reports	Data Collection Instruments	Responsibility for Data Collection
Outcome Indicators	Baseline (2003)	Year 1 (2004)	Year 2 (2005)	Year 3 (2006)	Year 4 (2007)	Year 5 (2008)	Year 6 (2009)	Year 7 (2010)						
increased by 130%.	11,373,861.15 (\$ 12,229,958.23)													
4(a). Land titles registered by women increased by 50% in declared and mapped registration areas	221 titles	14%	24%	40%	54%	70%	86%	100%				Monthly	A survey of titles/deeds registered by women in the deeds / title registration offices	M & E Coordinator
4(b). Deeds registered by women increased by 50% countrywide	288 deeds	14%	24%	40%	54%	70%	86%	100%				Monthly	A survey of titles/deeds registered by women in the deeds/title registration offices	M & E Coordinator
5. Land Agency Act passed by Parliament and operational	6 PLSAs perform overlapping & duplicating functions	Complete institutional review/functions of PLSAs	Establish Drafting Committee and do a draft of the new Land Agency Bill	PLSA-internal consultations completed at national and regional levels	Cabinet approval of Land Agency Bill	- Draft Land Agency Bill submitted to Parliament and passed	Land Agency Act is operational and draft regulations done	Land Agency Act and regulations implemented				Quarterly	Review of parliamentary reports.	- M & E Coordinator - Legal Specialist

ANNUAL TARGET VALUES										Responsibility for Data Collection	
Outcome Indicators	Baseline (2003)	Year 1 (2004)	Year 2 (2005)	Year 3 (2006)	Year 4 (2007)	Year 5 (2008)	Year 6 (2009)	Year 7 (2010)	Frequency and Reports	Data Collection Instruments	
6. Substantive Land Act passed by Parliament and operational	166 land laws and regulations exist	Legal and judicial review completed	Ascertainment Committee on Customary Law established	Drafting Committee established to prepare new Land Bill	Land fora at regional and national levels completed	Drafting Committee completes draft Land Bill	Draft Land Bill approved by Cabinet and Land Act passed by Parliament	Land Act is operational	Quarterly	Review of parliamentary reports.	- M & E Coordinator - Legal Specialist
7. Backlog land litigation cases lodged at High Courts and Circuits Courts in all ten (10) regional capitals decrease	7,122	Nil	Nil	37%	52%	76%	88%	100%	Quarterly	Survey and analysis of court's and ADR reports	- M & E Coordinator - Legal Specialist

**OUTPUT INDICATORS**

ANNUAL TARGET VALUES											
Output Indicators	Baseline (2003)	Year 1 (2004)	Year 2 (2005)	Year 3 (2006)	Year 4 (2007)	Year 5 (2008)	Year 6 (2009)	Year 7 (2010)	Frequency and Reports	Data Collection Instruments	Responsibility for Data Collection
Component 1									Quarterly	Review of Parliamentary reports	M&E Coordinator
1.1 Reports on policy and legislative reviews completed, and new land legislation drafted and approved by Ministerial Cabinet:											
(a) Legal and Judicial review	(a) 166 laws and regulations	(a) Judicial and legal review completed	(a) Ascertain Committee on Customary Law established	(a) Drafting Committee established and new Land Bill prepared	(a) Land fora at regional and national levels completed	(a) Draft Land Bill completed and validated at stakeholder workshops	(a) Land Bill approved by Cabinet and Land Act passed by Parliament	(a) Land Act is operational			
(b) Institutional Review	(b) Six fragmented PLSAs perform overlapping/duplicating functions.	(b) Completed review of functions of PLSAs	(b) Legal Drafting Committee established and Land Agency	(b) PLSA-internal consultations	(b) Cabinet approval of Land Agency	(b) Draft Land Agency Bill submitted to Parliament and passed	(b) Land Agency Act is operational and draft regulations	(b) Land Agency Act and regulations implemented			

ANNUAL TARGET VALUES

Output Indicators	Baseline (2003)	Year 1 (2004)	Year 2 (2005)	Year 3 (2006)	Year 4 (2007)	Year 5 (2008)	Year 6 (2009)	Year 7 (2010)	Frequency and Reports			Data Collection Instruments		Responsibility for Data Collection
									Frequency and Reports	Frequency and Reports	Frequency and Reports	Data Collection Instruments	Data Collection Instruments	Responsibility for Data Collection
1.2. Policy on land compensation developed. 1.2(a) Inventory of State acquired/occupied lands undertaken in 50 pilot districts.	Nil	One (1)	11	26	34	39	45	50	Quarterly	Quarterly	Quarterly	- Review of reports - Field visits - Interviews	- Review of reports - Field visits - Interviews	M & E Coordinator

ANNUAL TARGET VALUES											
Output Indicators	Baseline (2003)	Year 1 (2004)	Year 2 (2005)	Year 3 (2006)	Year 4 (2007)	Year 5 (2008)	Year 6 (2009)	Year 7 (2010)	Frequency and Reports	Data Collection Instruments	Responsibility for Data Collection
1.2(b) Policy on land compensation developed	Nil	Inventory exercise commenced in selected pilot areas to determine the status of state acquired / occupied lands	Inventory exercise reports provide basis for policy formulation	Stakeholder consultations on policy formulation started	Policy on Land Compensation developed	Cabinet guidelines on policy proposals on compulsory acquisition and compensation provided and published. Guidelines deployed in 10 selected sites in Greater Accra region	Compensation for state acquired lands determined. Continue piloting and finalization of policy guidelines	Policy on land compensation in place and operational	Quarterly	- Review of reports - Field visits - Interviews	M & E Coordinator
1.3. Lands acquired by the state in 50 districts for which compensation has not been paid identified and compensation levels determined.	Outstanding compensation levels not determined	1	11	26	34	39	45	50	Quarterly	- Review of reports - Field visits - Interviews	M & E Coordinator

ANNUAL TARGET VALUES

Output Indicators	Baseline (2003)	Year 1 (2004)	Year 2 (2005)	Year 3 (2006)	Year 4 (2007)	Year 5 (2008)	Year 6 (2009)	Year 7 (2010)	Frequency and Reports	Data Collection Instruments	Responsibility for Data Collection
1.4. Legally conclusive confirmation of the continued validity of customary freehold and other customary titles.	Customary freehold and other customary rights exist	Preparation of Legal position paper developed by the Ministry and sent to the Attorney General's Department	Attorney General's Department confirming the validity of the customary freehold	Land Right Committee established	Land Rights Committee completes a draft conveyance format for the registration of customary freehold	Completion of conveyance format for the registration of customary freehold	Full roll out of conveyance format for the registration of customary freehold	Full-fledged deployment of conveyance format for the registration of customary freehold	Quarterly	Plot allocation reports CLS reports	M&E Coordinator

ANNUAL TARGET VALUES											
Output Indicators	Baseline (2003)	Year 1 (2004)	Year 2 (2005)	Year 3 (2006)	Year 4 (2007)	Year 5 (2008)	Year 6 (2009)	Year 7 (2010)	Frequency and Reports	Data Collection Instruments	Responsibility for Data Collection
1.5. Studies completed and recommendations adopted on:									Quarterly	-Review of Literature - interviews	M & E Coordinator
(a) Divestiture of vested lands	(a) No studies conducted	(a) ToR prepared for consultant	(a) ToR approved and advertised	(a) Consultations on methodology and modalities for the consultancy	(a) Consultants engaged to undertake collaborative research on vested lands	(a) Stakeholder consultations on draft report	(a) Policy on divesting of vested lands formulated through participatory approaches	(a) Recommendations on studies adopted & mainstreamed into policy formulation and enactment of land legislation.	Quarterly	-Review of Literature - interviews	M & E Coordinator
(b) Finance and fee structures in land administration	(b) No studies conducted	(b) ToR prepared for consultant	(b) ToR approved and advertised	(b) Incorporated in OMO studies	(b) Consultants shorlisted to undertake OMO studies including finance and fee	(b) OMO studies completed with recommendations on finance and fee structure	(b) OMO recommendations adopted	Finance and fee structure rationali-	Quarterly	-Review of Literature - interviews	M & E Coordinator



ANNUAL TARGET VALUES											
Output Indicators	Baseline (2003)	Year 1 (2004)	Year 2 (2005)	Year 3 (2006)	Year 4 (2007)	Year 5 (2008)	Year 6 (2009)	Year 7 (2010)	Frequency and Reports	Data Collection Instruments	Responsibility for Data Collection
(c) Gender strategy for land rights and land admin.	(c) No studies conducted	(c) ToR prepared for consultant	(c) ToR approved and advertised	(c) Scoping study on Gender analysis undertaken	(c) Contract awarded to consultant to develop gender strategy	(c) Stakeholder consultations undertaken on the report	(c) Operationalization of gender strategy and mainstreamed into land administration	(c) Ops of improved security for the vulnerable in land tenure	Quarterly	-Review of Literature - interviews	M & E Coordinator
(d) Assessment of land rights and vulnerability in 2 pilot customary land secretariat areas (Kete Krachi and Dormaa Ahenkro).	(d) No studies conducted	(d) ToR prepared for consultant	(d) ToR approved and advertised	(d) Contract awarded to undertake rights and vulnerability studies	(d) Rights and vulnerability studies completed	(d) Stakeholder consultations undertaken on the report	(d) Comprehensive mechanisms for improving security of tenure for the vulnerable adopted	(d) Ops of improved security for the vulnerable in land tenure	Quarterly	-Review of Literature - interviews	M & E Coordinator
Component 2	No OMO studies undertaken	Institutional arrangements review commission-	Institutional arrangements	Policy proposals for institu-	Consultants appointed to	OMO studies commenced Stakeholder	OMO studies completed and	Ops of the OMO studies	Quarterly	-Review of documents -	- M & E Coordinator
2.1. Report of study on comprehensive Org.											

ANNUAL TARGET VALUES

Output Indicators	Baseline (2003)	Year 1 (2004)	Year 2 (2005)	Year 3 (2006)	Year 4 (2007)	Year 5 (2008)	Year 6 (2009)	Year 7 (2010)	Frequency and Reports	Data Collection Instruments	Responsibility for Data Collection
		Mgmt and Operations (OMO) of public land sector agencies completed and recommendations implemented.		ned	review completed	tional reform approved by Cabinet	undertake OMO studies	consultations carried out	recommendations adopted and implemented		
2.2a. Thirty (30) Customary Land Secretariats established by traditional authorities	Two (2) (Asantehene and Gbawe Secretariats)	2	5	10	20	30			Quarterly	-Review of records -Interview -Field visits	M & E Coordinator
2.2b. 30 CLS with more effective admin. procedure	Nil	Nil	Nil	Nil	Nil	10	20	30			

ANNUAL TARGET VALUES

Output Indicators	Baseline (2003)	Year 1 (2004)	Year 2 (2005)	Year 3 (2006)	Year 4 (2007)	Year 5 (2008)	Year 6 (2009)	Year 7 (2010)	Frequency and Reports	Data Collection Instruments	Responsibility for Data Collection
2.3. At least 25 small grants that promote improved local level land administration on are under implementation	Nil	Nil	Nil	Nil	SGP established	8 approved Small Grants disbursed	20 approved Small Grants disbursed	25 approved Small Grants disbursed	Quarterly	Review of records	M & E Coordinator
2.4. Increased research on land tenure and land administration with linkages to practice established.	Nil	Training/academic institutions identified to undertake research	- rights study - study on vulnerability	- vested lands study - fee structure study - gender study	-capacity gaps in CLS areas - land rights in CLS areas - sustainability studies in CLS areas	- Land markets study - land use studies - ascertainment of customary laws and practices	- studies on vulnerability - studies on HIV/AIDS and land access		Quarterly	- Interviews - Visits to institutions -Review of research publications	- M & E Coordinator  - M&E focal person
Component 3											
3.1. Cadastre and land information system designed and implement-	Manual of cadastre system	ToR prepared and consultants for Stage I hired	- PLSA level LIS (6#) completed - ToR done and consultants hired for	- PLSA level LIS operating - nat. level LIS installed	Digitization of archival material commissioned	Digitization of archival material 80% completed -Training of selected LSA staff in	Digitization of archival material completed	Computerized LIS in place and operational and	Quarterly	Review of reports: -Inception report - Progress report -Final report	M & E Coordinator

ANNUAL TARGET VALUES

Output Indicators	Baseline (2003)	Year 1 (2004)	Year 2 (2005)	Year 3 (2006)	Year 4 (2007)	Year 5 (2008)	Year 6 (2009)	Year 7 (2010)	Frequency and Reports	Data Collection Instruments	Responsibility for Data Collection
ted. - Stage I: PLSA level systems developed and implemented - Stage II: Installation of LIS at national level - Stage III: Digitization of archival material			Stage II			LIS		linked to national framework for geographic info. management (NAFGIM)			
3.2. Ten (10) pilot allodial land boundaries demarcated and registered.	Nil	Nil	1	3	6	8	9	10	Quarterly	- Review of boundary demarcation reports - Site visits	- M & E Coordinator - M&E focal person
3.3. 50,000 land titles adjudicated and registered in pilot systematic titling areas.	1,440	5,000	13,000	26,000	36,000	42,000	48,000	50,000	Monthly	Review of LTR records	M & E Coordinator
3.4.	Nil	Nil	2	6	8	10	11	12	Quarterly	Review of	M & E

ANNUAL TARGET VALUES											
Output Indicators	Baseline (2003)	Year 1 (2004)	Year 2 (2005)	Year 3 (2006)	Year 4 (2007)	Year 5 (2008)	Year 6 (2009)	Year 7 (2010)	Frequency and Reports	Data Collection Instruments	Responsibility for Data Collection
Revaluation of all properties both private and public in 12 pilot districts completed										reports	Coordinator
Component 4											
4.1.(a) Skill gap analysis conducted within MLFM	Nil	ToR prepared and approved Training Officer recruited	Needs assessment conducted	15 No. of training programs carried out	37 No. of training programs carried out	72 No. of training programs carried out	112 No. of training programs carried out	162 No. of training programs carried out	Quarterly	Review of Human resource dev plan	M & E Coordinator
4.1. (b) Master human resources development plan prepared and implemented.	Nil	ToR prepared and approved	Consultants appointed to undertake OMO studies Human Resource Development plan developed and ops	102 personnel undertake in country and external courses	319 personnel undertake in country and external courses	719 personnel undertake in country and external courses	1,219 personnel undertake in country and external courses	1,819 personnel undertake in country and external courses			
4.2. Communication Strategy	No communication strategy	Recruitment of Communicat	Communication strategy	4 quarterly news-	-15 media encounters	-20 media encounters done	-15 media encounters done	-15 media encounters	Quarterly	-Review of communi-	-M & E Coordinator

ANNUAL TARGET VALUES

Output Indicators	Baseline (2003)	Year 1 (2004)	Year 2 (2005)	Year 3 (2006)	Year 4 (2007)	Year 5 (2008)	Year 6 (2009)	Year 7 (2010)	Frequency and Reports	Data Collection Instruments	Responsibility for Data Collection
developed and implemented.	in place	ion Specialist	developed Action plan for communication strategy developed and implemented	letters published	ters carried out - 4 quarterly LAP newsletters published - 1 national and 10 regional land for a organized	- 4 quarterly LAP newsletters published - 1 national and 10 regional land for a organized	- 4 quarterly LAP newsletters published	ters done - 4 quarterly LAP newsletters published		cation strategy - Interviews	- Communication Specialist
4.3. Monitoring and progress reports produced quarterly.	Nil	Nil	Nil	6	12	18	24	30	Quarterly	Review of Result-Based M&E framework	-M & E Coordinator
4.4. Number of beneficiary assessment and impact evaluation reports.	Nil	Nil	Beneficiary assessment carried out on CLSs	Beneficiary assessment carried out specifically on land (deeds) registries	Beneficiary assessment carried out on systematic titling	Beneficiary assessment carried out for overall project	Beneficiary assessment carried out for overall project	Beneficiary assessment report for overall project	Quarterly	Review of beneficiary assessment reports	-M & E Coordinator - CLS facilitator
4.5. Phase II project designed and proposal	End of Phase I in 2010	Nil	Nil	Nil	Completion of lessons learnt	Implementation Completion Report	Draft Project Appraisal Document (PAD)	PAD finalized and approved			

ANNUAL TARGET VALUES

		Year 1 (2004)	Year 2 (2005)	Year 3 (2006)	Year 4 (2007)	Year 5 (2008)	Year 6 (2009)	Year 7 (2010)	Frequency and Reports	Data Collection Instru- ments	Responsi- bility for Data Collection
Output Indicators	prepared and approved by MLFM.				from Phase I to guide the design and prepara- tion for Phase II project	(ICR) prepared Project Concept Note (PCN) prepared	completed				





**GHANA**

**LAND ADMINISTRATION PROJECT**

**PROPOSED SMALL GRANTS PROGRAM (SGP)**

**1.0 Background**

The Government of Ghana (GoG) approved its National Land Policy in January 1999. The policy is a clear demonstration of the GoG's will to address the fundamental problems associated with land administration and management in the country. The long term goal of the GoG's land policy is to stimulate economic development, reduce poverty and promote social stability by improving the security of land tenure, simplifying the process for accessing land and making land administration fair, transparent and efficient. In other words, the policy is aimed at developing an efficient land market and fostering prudent land management.

1.1 On October 3-14 2005, the Development Partners and the GoG held a joint Implementation Support Mission (ISM) on the Ghana Land Administration Project (LAP). One of the principal objectives of the mission was to focus on issues and challenges that may affect implementation and suggest ways to overcome identifiable problems. The ISM proposed that the LAP should examine the possibility of establishing a small grants program (SGP) to support activities of civil society and non-governmental organizations (CSOs/NGOs) and other eligible grant recipients, as defined in Section 5.0, below, in institutional building, advocacy, accountability and participatory efforts in national land matters. The Land Administration Program Unit (LAPU) has examined the recommendation and is of the view that the SGP has the potential of facilitating and enhancing the delivery of the project.

**2.0 Roles envisaged for the Civil Society and Non-Governmental Organizations**

For the LAP to achieve its objectives and remain sustainable, civil society and stakeholder participation in planning, implementation, monitoring and evaluation is required. This assertion is buttressed by the fact that over the last few decades a number of CSOs/NGOs have assumed a more central role in the delivery and championing of development services and activities to various socio-economic groups. To some extent this has enhanced the wellbeing of the beneficiary communities, groups and individuals. Under the LAP, CSOs/NGOs have a key role to play in engaging civil society in the implementation of the project, given that CSOs/NGOs are generally in a better position, thanks to their expertise, to reach the intended project beneficiaries. It is anticipated that the SGP will enhance and strengthen collaboration between all stakeholders as well as build upon existing partnerships.

2.1 The LAP envisages a number of roles for the CSO/NGO community. They would be expected to:

- Create opportunities and develop the ability of stakeholders to effectively participate in discussions, develop strategies to resolve problems, make decisions and take action on project related issues;
- Play a key role in implementing the project's communication strategy through capacity building of communities, sensitization and dissemination of information, and ensuring that participatory techniques are used in project implementation;
- Assist in mobilizing communities to engage in dialogue and debates and to become pro-active in demarcation and surveying, registering, titling of land and adjudication using alternative dispute resolution mechanisms;
- Conduct relevant studies that will enhance the implementation of the project and undertake capacity building programs;
- Undertake advocacy work;
- Actively participate in monitoring, evaluation and impact assessment of various aspects of the project; and
- Serve as an independent platform for stakeholders to encourage accountability and transparency.

### **3.0 Objectives of the small grants program**

As part of the initiatives to speed up the process of service delivery to target groups and the need to give voice to civil society, LAPU is introducing a small grants program (SGP) for the CSOs/NGOs. The SGP is a:

- Facility for outsourcing some of the Project's key activities; and
- Mechanism for responding to civil society's demands to have its voice represented in the land debate.

It is anticipated that the SGP will enhance project delivery, enhance quality, timeliness of project implementation, strengthen the voice of stakeholders as well as serve as a platform for engaging civil society and empowering Project beneficiaries.

The SGP has considerable contributions to make to the Project's decentralization and good governance efforts; it has the potential of promoting the transfer of power in decision making, planning and implementation. It is also expected to ensure accountability in land related activities.

3.1 Under the SGP, the LAP intends to provide grant recipients with funds to enable the organizations undertake Project related activities on behalf of the LAP. The specific objectives of the SGP are as follows:

- It is one of the mechanisms for implementing specific interventions under the project;

- It is a facility for responding to civil society demands and promoting partnerships between LAPU, the private and public sectors, CSOs/NGOs, traditional authorities and the beneficiaries of the Project;
- The SGP is a tool for targeting Project activities at certain specific socio-economic groups, particularly women, and the vulnerable;<sup>1</sup>
- It is a response facility that grant recipients are expected to use to enhance the outreach of the LAP;
- It is a mechanism for grant recipients to organize, create networks, exchange and share information among themselves to enhance their role and influence land policy issues and activities;
- It is a platform for grant recipients to leverage additional funding (the NGOs have other sources of funding from private organizations, donors and governments); and, finally
- To support the LAP and to build their own capacity within the framework of the Project.

#### **4.0 Specific use of the small grants program**

Funds provided by the SGP will be used for specific activities, under subcomponent 6, of Part C of the Project. The activities include:

- Enhancing the capacity of project beneficiaries (through mediation, capacity building, advocacy, advisory services, sensitization on project activities, project implementation and through a monitoring and evaluation process);
- Support activities programmed in LAP activity work plans that will enhance inclusion, social cohesion, promote stakeholder participation and build consensus on issues;<sup>2</sup>
- Information dissemination, awareness creation and sensitization of stakeholders;
- Promoting transparency and accountability in land related matters; and
- Promoting empowerment among civil society groups to exercise their voice and engage in national land matters.

#### **5.0 Proposed criteria for eligibility**

CSOs/NGOs that satisfy the following criteria will be eligible to access funds from the SGP (and will not be required to make any prior contributions):

- The organization must be legally registered as a non-profit making organization with the Registrar General's Office, Ghana;
- The organization should submit a capability statement to LAPU;
- The organization should be working at the District, Regional or National level in Ghana;
- Only international organizations working through Ghanaian CSOs/NGOs will benefit from the grant facility. In other words, international NGOs can support

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<sup>1</sup> Vulnerable groups in the context of the LAP constitutes some categories of share croppers and tenant farmers, the landless, homeless, squatters, etc.

<sup>2</sup> This includes dispute resolution and other technical areas such as boundary demarcation, and monitoring and evaluation.

local organizations in the preparation of the proposals and the Action and Implementation Plans but the fund disbursement, the actual fieldwork and the bookkeeping responsibilities will be assigned to the local CSOs/NGOs.

- Prior experience in utilizing grants will be an advantage; and, finally
- Government agencies (Ministries, Departments and Agencies) cannot benefit from the funds under the SGP. However, parastatals, subvented organizations, and public research and academic institutions are eligible.<sup>3</sup>

## **6.0 The Small Grants Program**

Essentially, the SGP is expected to support demand driven activities that will be undertaken by civil society organizations and other eligible organizations listed in Section 5.0 above. The SGP is expected to promote and facilitate the empowerment of citizens to engage meaningfully in land issues.

It is anticipated that the SGP will be operational throughout the implementation phase of the project. Key to the implementation plan of the SGP is the review process. The SGP will be reviewed at the end of the first year of implementation and on a bi-annual basis thereafter. The review process will be undertaken by LAPU in collaboration with DfID, IDA and the Grant Administrator.

### **6.1 Procedures for accessing funds for “demand driven” activities under the LAP**

Providing funds for demand driven activities targeted at enhancing project delivery is an essential component of the LAP. The SGP is expected to facilitate the empowerment of project beneficiaries and to ensure sustainable engagement among civil society actors, including members of local communities and traditional councils in land matters and policy dialogue. A related assumption is that the grant recipients whose primary objective is civic engagement are organizations with the most appropriate “technology” and are the most effective “vehicles” for reaching out to the public.

6.2 In this respect, potential grant recipients will be encouraged to respond to calls for *Expressions of Interest (EOI)* from LAPU on certain identified or thematic issues. The thematic issues will be arrived at through:

- Consultative processes and problem identification exercises with the project beneficiaries;
- Observation and preliminary research into issues within the pilot areas; and
- Fact finding exercises:

6.2.1 The grant recipients will be given a specific time frame within which they should respond with proposals to the calls for EOIs. The submissions will be evaluated and the successful proposals will be provided with the funds. Under this grant arrangement, the LAP intends to provide financial resources to the grant recipients in order to undertake activities

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<sup>3</sup> Examples of parastatal organizations include the Ghana Institute of Management and Public Administration, the Ghana Academy of Arts and Sciences, and the GRATIS Foundation; subvented organizations, such as the Management Development and Productivity Institute; and public research and academic institutions such as the Council for Scientific and Industrial Research, and the Universities).

that will facilitate ownership of the Project. It is anticipated that a number of the proposals will be funded concurrently by LAPU; to coordinate and effectively manage such a process requires substantial experience and expertise. Currently, the Ministry of Lands, Forestry and Mines (MLFM) does not have the capacity and expertise to administer a fund of this nature. As a result, it is recommended that the service should be outsourced to a Grant Administrator, preferably an organization that has the experience in managing similar grant programs. The Grant Administrator will be financed from DFID and IDA funds. A percentage of the total commitment by DFID and IDA will be paid to the Administrator as consultancy fees under category 2 (c) of the disbursement table. LAPU, in collaboration with the Grant Administrator (to be identified), will place calls for EOI on a periodic basis (preferably annually).

**Figure 1: Stages for accessing funds under the Small Grants Program**

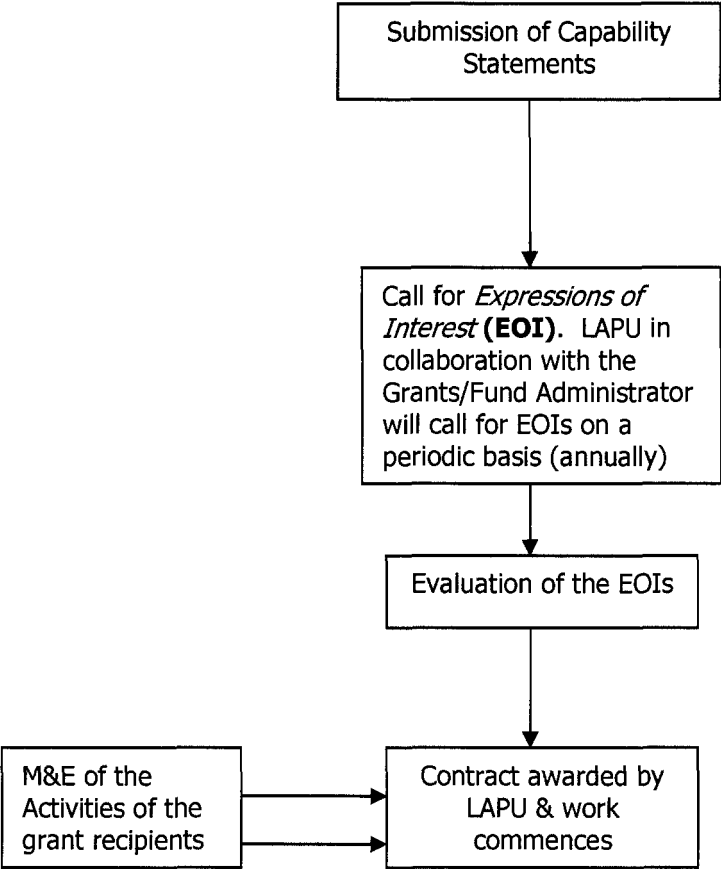


Figure 1 above outlines the stages organizations have to go through to be able to access funds under the SGP.

**6.3 Administering the demand driven small grants program**

The operation of the demand driven SGP requires expertise in managing a grants program. As a result, the LAP intends to adopt an implementation arrangement that will ensure the efficient delivery of services. LAPU intends to approach the SGP on a “learning by doing” basis. This approach places a great deal of emphasis on identifying best practices and lessons

learned as a basis for scaling up activities. As noted above, a Grant Administrator will be identified to manage the SGP for the demand driven component through a competitive recruitment process, and the organization with the best submission will be selected to manage the LAP's SGP.

## 7.0 Source of Funding

One of the principal challenges confronting the LAP's SGP is the funds required for the operationalization of the Program. Under this sub-activity, the LAP proposes that the Development Partners interested in supporting the SGP should allocate funds from some of the components they are funding to the SGP. Under the IDA Credit Agreement with the Government of Ghana an amount of US\$860,000 has been allocated for Communication, Consultation and Participation (i.e., Component 4.4). Since most of the activities to be undertaken under the SGP are effectively related to communication, consultation and participation, LAPU proposes that a portion of the funds for the program could be taken from this sub-component. Under the DFID sub-component (2.3), funds for the SGP could also be sourced from budget line D (i.e., Training).

7.1 LAPU proposes that an initial amount of US\$1 million be provided by IDA and DFID in equal amounts of US\$500,000 each, the basic amount needed to operate the Program. In the context of the SGP, the total upper limit of a **small grant** will be US\$30,000<sup>4</sup> for both IDA and DFID financing. The amount to be quoted in the SGP document (US\$30,000) is the upper limit for financing of a single project activity. It is anticipated that approximately 25 project related activities would be undertaken under the SGP every year, thus the total amount to be spent would be US\$750,000. The remaining amount will be for consultancy fees for the Grant Administrator.

## 8.0 Procurement

The SGP will only finance services. Under the SGP, procurement of services will be the responsibility of the LAP and the Grant Administrator. It is anticipated that the process of procurement under the SGP will be prompt and responsive to the needs of the project. This assertion is premised on the following:

- Procurement of services will be the joint responsibility of LAPU and the Grant Administrator, and will be carried out in accordance with the World Bank's Procurement and Consultant Guidelines;
- The budget for each year will be lodged with the Grants Administrator, thus minimizing the bottleneck one would encounter in accessing the funds; and
- The amounts to be disbursed under the SGP are relatively small thus the processes required for obtaining the funds will be less cumbersome.

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<sup>4</sup> For the activities envisaged initially each activity should not exceed US\$30,000. The upper limit has been determined based on LAPU's implementation experience of the Project over the last three years.

## **9.0 Monitoring and Evaluation**

A systematic and regular assessment of the SGP and the activities being undertaken by the grant recipients is critical to the successful implementation of the Program. Monitoring and evaluation of the SGP will take two forms, that of activity monitoring and of financial monitoring. The monitoring and evaluation of the activities will be led by the M&E Unit of LAPU in collaboration with the Grant Administrator and the Development Partners. The grant recipients undertaking the project activity will also be required to have an M&E Plan for their activities. Again, financial monitoring and auditing will be the responsibility of the Project's Accounts Unit (a department within LAPU), the Grant Administrator and the Development Partners. For the two identified monitoring mechanisms, the Grant Administrator would be required to provide comprehensive quarterly reports on the activities under the project.

## **10.0 Description of Flow of Funds Arrangement**

The Small Grants Program (SGP) will be managed by a Fund Administrator (GA) working in collaboration with LAPU.

### **Stage One**

- At the start of the period (yearly, or, half yearly), the GA will place a call in the media (widely circulated newspapers) calling for Expressions of Interest (EOI)/Proposals from qualified CSO/NGOs. The specific activities or areas of focus would have been agreed by the Project Managers at LAPU after obtaining no objection from the Bank.
- The call for EOIs will indicate the criteria for qualification and the information to be provided by interested NGO/CSOs. Based on the responses, these EOIs/Proposals will be evaluated by LAPU and the GA according to the criteria established prior to the call for EOI/Proposals.
- The results of the evaluation and the cost of activities as indicated in the qualifying Proposals will become the budget for the activity/activities to be undertaken by the respondents. The GA will forward the results to LAPU along with a request to make the necessary funding available for the execution of the Grants Program.

### **Stage Two**

- The Fund Administrator entity will establish a Small Grants Account denominated in the local currency, to receive deposits of funds disbursed from the project's Designated Account. Following the completion of the evaluation, the GA will submit an evaluation report to LAPU together with a request for funding. The evaluation report will highlight, among other, the selected NGO/CSO, the cost of their budgeted activities, and the expected outcome/s.
- Upon receipt of the evaluation report and the request for funding, LAPU will review and approve the request for funds and transfer as an advance, at least 50 percent of the

total funds requested for the period, into the Small Grants Account, and advise the GA accordingly. The disbursement will be guided by the provisions of the DCA.

- The Grants Administrator will subsequently transfer as an advance to each of the approved grant recipient amounts not exceeding 30 percent of a respondent's agreed budget. This advance should be based on the expected program of activities for each year and not the entire budget of the program, assuming the activities will extend beyond a year.

### **Stage Three**

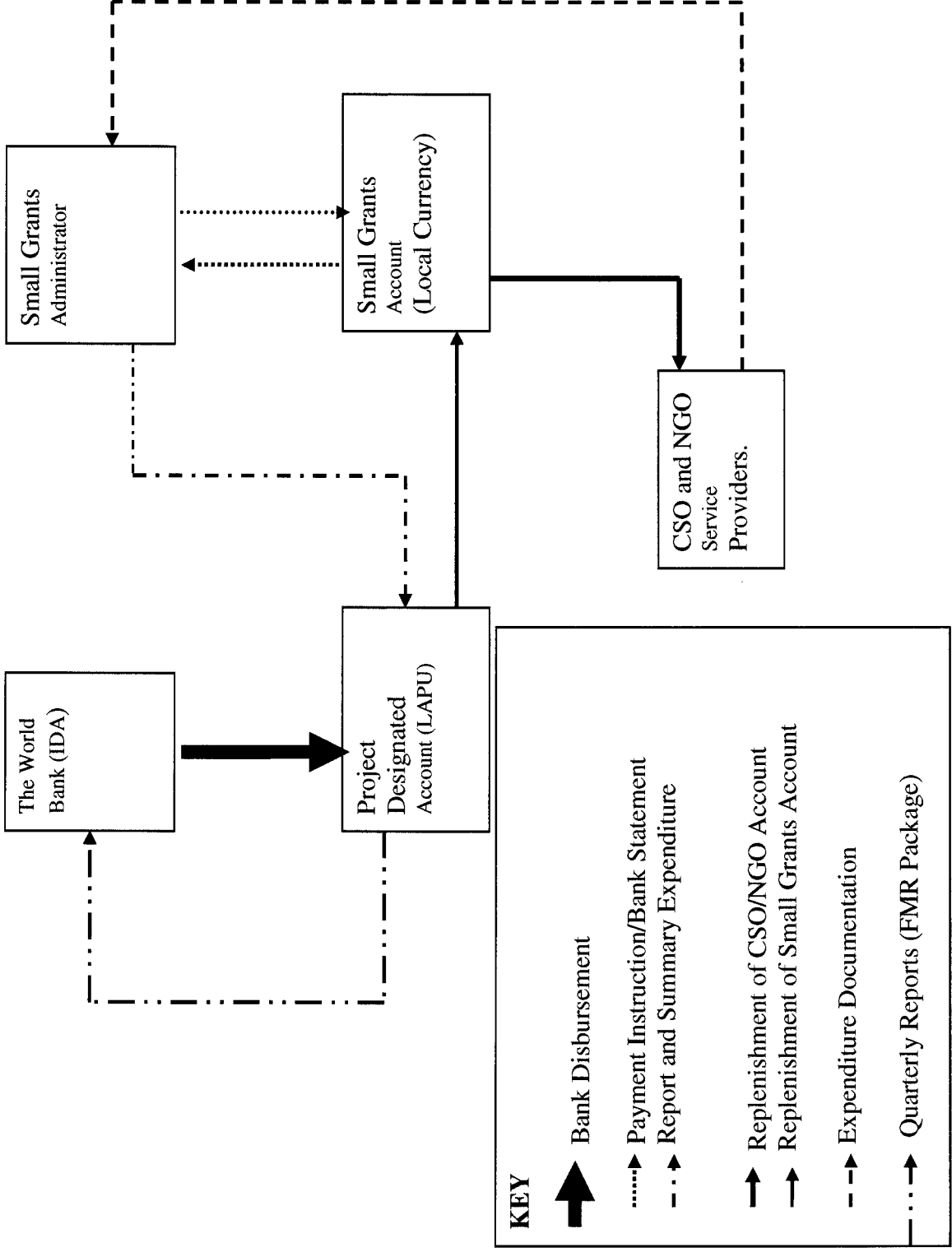
- After the initial transfer of 30 percent to the approved grant recipient, additional funding will be made available on submission of satisfactory returns documenting expenditure incurred for the period. Upon satisfactory review and acceptance of the returns the Grant Administrator will replenish the accounts of the grant recipient. The mode of replenishment will operate in a similar manner to an imprest account with the implementing grant recipient.

These arrangements will be outlined in a grant agreement between LAPU and the grant recipient, acceptable to the Bank, covering the activity or activities of an implementing grant recipient. In order to ensure smooth flow of funds, implementing grant recipients will be encouraged to provide agreed reports and documentation as soon as they have spent 70 percent of the initial advance. The Project Implementation Manual will provide details on these agreements, including a template agreement.

The reports submitted by implementing grant recipients will be summarized/consolidated into an agreed report and expenditure summary in support of requests for the replenishment of the Small Grants Account held by the GA. The documentation submitted by implementing grant recipient will be retained at the GA's office, and would be made available for review by donor missions and auditors of the project. The mechanics of this arrangement is depicted in a Flow Diagram below.



Figure 2: Flow Diagram – Funds Flow Arrangements





**APPENDIX D**

**REALLOCATION OF IDA FUNDS BY CATEGORIES (SDR)**

CAT	CATEGORY OF EXPENDITURE	1	2	3	4	5	6	7	8	9
		ORIGINAL ALLOCATION	AMT. DISB.	UNDISB. BALANCE	BUDGETED ESTIMATE 2008 TO 2010	AVAIL. BALANCE	PROPOSED REALLOC. OF FUNDS	MOVEMENT OF FUNDS AMONG CATEGORIES	AMT.	FINAL REALLOC. OF FUNDS
						5 = 3 - 4	6 = 2 + 4	FROM - TO		9 = 1 - 5
1	Goods and vehicles	4,200,000	3,194,633	1,005,367	1,122,077	(116,711)	4,316,711	2A to 1	116,711	4,316,711
2(a)	Consultants services under Part C (6) of the Project	650,000		650,000	157,660	492,340	157,660	2A to 1	(116,711)	157,660
2(b)	Consultants Services under Part C (7) of the Project	700,000		700,000	416,230	283,770	416,230	2B to 7	(283,770)	416,230
2(c)	All other consultants services, including audit fees	3,550,000	932,308	2,617,692	3,164,212	(546,521)	4,096,521	6 to 2C	546,521	4,096,521

3	Training, workshops and study tours	1,450,000	1,260,973	189,027	458,854	(269,827)	1,719,827	5 to 3 6 to 3	141,956 127,871	1,719,827
4	Incremental Operating Costs	2,500,000	2,207,566	292,434	976,162	(683,728)	3,183,728	2A to 4 5 to 4	375,629 308,099	3,183,728
5	Refund of Project Preparation Advance	650,000	179,715	470,285		470,285	179,715	5 to 4 5 to 3 5 to 7	(308099) (141,956) (20,230)	179,715
6	Unallocated	1,400,000		1,400,000		1,400,000	725,608	6 to 2C 5 to 7	(546,521) (127,871)	725,608
7	Grants	0			304,000	(304,000)	304,000	2B to 7 5 to 7	283,770 20,230	304,000
		15,100,000	7,844,119	7,255,881	6,599,196	725,608	15,100,000		0.00	15,100,000

**Note:**  
Exchange rate: 1 XDR as at 17/07/2008 =  
US\$1.64597

REALLOCATION OF IDA FUNDS BY COMPONENTS (SDR)										APPENDIX E
CAT	COMPONENT	1	2	3	4	5	6	7	8	9
		ORIGINAL ALLO-CATION	AMOUNT DISB.	UNDISB. BALANCE	BUDGETED ESTIMATES 2008 TO 2010	AVAIL-ABLE BALANCE	PROP. REALLOC. OF FUNDS	MOVEMENT OF FUNDS AMONG CATEGORIES		FINAL REALLOC OF FUNDS
								FROM - TO	AMOUNT	
						5 = 3-4	6 = 2+4			9 = 1-5
1	COMPONENT A	138,142	1,239,367	(1,101,226)	1,358,366	(2,459,592)	2,597,733	2 to 1	2,459,591	2,597,733
2	COMPONENT B	6,787,257	281,268	6,505,989	727,696	5,778,293	1,008,965	2 to 1	(2,459,591)	1,008,965
3	COMPONENT C	5,093,514	663,479	4,430,035	3,169,104	1,260,931	3,832,583	3 to 4	(855,136)	3,832,583
4	COMPONENT D	2,431,087	5,260,894	(2,829,807)	1,344,030	(4,173,837)	6,604,924	2 to 4	3,318,701	6,604,924
								3 to 4	855,136	
5	PPF	650,000	399,110	250,890		250,890	399,110	5 to 6	(250,890)	399,110
6	UNALLOCATED FUNDS						656,685	3 to 6	405,795	656,685
								5 to 6	250,890	
	Note:	15,100,000	7,844,119	7,255,881	6,599,196	656,685	15,100,000		(0)	15,100,000
	Exchange rate:	1XDR as at 17/07/2008 = US\$1.64597								